

Registration number: 4970964

Brixton Northfields 4 Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019

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Brixton Northfields 4 Limited

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Brixton Northfields 4 Limited

Company Information

Directors

A. J. Pilsworth
G. J. Osborn (resigned 31 December 2019)
A. O. Peters
A. M. Holland
S. C. Pursey (resigned 16 March 2020)
J. W. Craddock (appointed 16 March 2020)

Company secretary E. A. Blease

Registered office 1 New Burlington Place
London
W1S 2HR

Brixton Northfields 4 Limited

Strategic Report for the Year Ended 31 December 2019

The Directors present their Strategic Report for the year ended 31 December 2019.

Principal activities

The principal activity of the Company is historically property investment and development, specialising in the provision of modern buildings, mostly industrial, designed to meet the requirements of individual tenants. The company is dormant and has not traded during the year or subsequent to the year end.

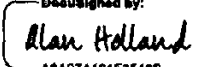
This is a private company limited by shares incorporated in England and Wales. Details of the Company's registered office is set out in the Company information on page 1.

Fair review of the business

The Company has performed in line with expectations and the Directors are satisfied with the year-end position.

The results for the Company show a pre-tax profit of £Nil (2018: profit £Nil).

Approved by the Board on 2 July 2020 and signed on its behalf by:

DeSigned by:

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A. M. Holland
Director

Brixton Northfields 4 Limited

Directors' Report for the Year Ended 31 December 2019

The Directors present their report and the unaudited financial statements of the Company for the year ended 31 December 2019.

Directors of the Company

The directors of the Company who were in office during the year and up to the date of signing the financial statements, were as follows:

A. J. Pilsworth

G. J. Osborn (resigned 31 December 2019)

A. O. Peters

A. M. Holland

S. C. Pursey (resigned 16 March 2020)

J. W. Craddock (appointed 16 March 2020)

Directors' indemnity provision

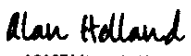
A qualifying third party indemnity provision (as defined in S234 of the Companies Act 2006) was in force for the benefit of the Directors of the Company during the financial year and at the date of the approval of the financial statements.

The contracts of employment of the Directors of the Company do not provide for compensation for the loss of office that occurs because of takeover.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 2 July 2020 and signed on its behalf by:

DocuSigned by:

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.....
A. M. Holland
Director

Brixton Northfields 4 Limited

Income Statement for the Year Ended 31 December 2019

| | Note | 2019 £ 000 | 2018 £ 000 |
|--|------|---------------|---------------|
| Revenue | | - | - |
| Administrative expenses | | - | - |
| Realised and unrealised property gain/(loss) | | - | - |
| Operating profit/(loss) | | - | - |
| Profit/(loss) before tax | | - | - |
| Income tax (expense)/credit | 4 | - | - |
| Profit/(loss) for the financial year | | - | - |

The above results were derived from continuing operations.

Brixton Northfields 4 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

| | 2019 £ 000 | 2018 £ 000 |
|---|-----------------|-----------------|
| Profit/(loss) for the financial year | - | - |
| Other comprehensive income/(expense) for the year, net of tax | <u>-</u> | <u>-</u> |
| Total comprehensive income/(expense) for the year | <u><u>-</u></u> | <u><u>-</u></u> |

The notes on pages 8 to 13 form an integral part of these financial statements.

Brixton Northfields 4 Limited
(Registration number: 4970964)
Statement of Financial Position as at 31 December 2019

| | Note | 2019 £ 000 | 2018 £ 000 |
|--|------|----------------|----------------|
| Total assets | | <u>-</u> | <u>-</u> |
| Creditors: Amounts falling due within one year | | | |
| Trade and other payables | 5 | <u>(2)</u> | <u>(2)</u> |
| Net current liabilities | | <u>(2)</u> | <u>(2)</u> |
| Total assets less current liabilities | | <u>(2)</u> | <u>(2)</u> |
| Creditors: Amounts falling due after more than one year | 6 | <u>(1,020)</u> | <u>(1,020)</u> |
| Net liabilities | | <u>(1,022)</u> | <u>(1,022)</u> |
| Equity | | | |
| Called up share capital | 7 | - | - |
| Revaluation reserve | | - | - |
| Retained earnings/(accumulated losses) | | <u>(1,022)</u> | <u>(1,022)</u> |
| Total shareholders' deficit | | <u>(1,022)</u> | <u>(1,022)</u> |

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 4 to 13 were approved by the Board on 2 July 2020 and signed on its behalf by:

DocuSigned by:

 A0A07A101F3546B...
 A. M. Holland
 Director

Brixton Northfields 4 Limited**Statement of Changes in Equity for the Year Ended 31 December 2019**

| | Share capital £ 000 | Revaluation reserve £ 000 | Retained earnings £ 000 | Total £ 000 |
|--------------------------------------|--------------------------------------|--|--|------------------------------|
| At 1 January 2019 | - | - | (1,022) | (1,022) |
| Profit/(loss) for the financial year | - | - | - | - |
| Total comprehensive income/(expense) | - | - | - | - |
| At 31 December 2019 | - | - | (1,022) | (1,022) |

| | Share capital £ 000 | Revaluation reserve £ 000 | Retained earnings £ 000 | Total £ 000 |
|--------------------------------------|--------------------------------------|--|--|------------------------------|
| At 1 January 2018 | - | - | (1,022) | (1,022) |
| Profit/(loss) for the financial year | - | - | - | - |
| Total comprehensive income/(expense) | - | - | - | - |
| At 31 December 2018 | - | - | (1,022) | (1,022) |

The notes on pages 8 to 13 form an integral part of these financial statements.

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

1 General information

General

Brixton Northfields 4 Limited ("the Company") is a private company limited by share capital incorporated and domiciled in England and Wales. Details of the Company's registered office is set out in the Company information on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

These financial statements are presented in thousands and in sterling since that is the currency in which the majority of the Company's transactions are denominated and is the functional currency of the Company.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the financial statements of SEGRO plc. The Group financial statements of SEGRO plc for the year ended 31 December 2019 are available to the public and can be obtained as set out in note 8.

2 Significant accounting policies

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard, for all periods presented, in relation to business combinations, financial instruments, capital management, presentation of comparative information in respect of certain assets, share based payments, presentation of a cash-flow statement, disclosures in respect of the compensation of key management personnel, related parties and disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities and standards not yet effective.

Where relevant, equivalent disclosures have been given in the Group financial statements of SEGRO plc for the year ended 31 December 2019. The Group financial statements of SEGRO plc are available to the public and can be obtained as set out in note 8.

As the Company is a subsidiary of the SEGRO plc group, it is managed on a unified basis as part of the SEGRO plc group.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

There are standard accounting policies followed by the Group and they are included within this note for standardised presentation across all financial statements as the Group has a significant number of subsidiaries.

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019 (continued)

2 Significant accounting policies (continued)

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments that are measured at fair value through profit or loss, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies applied in the preparation of these financial statements are set out below, and have, unless otherwise stated, been consistently applied to all periods presented in these financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Adoption of new and revised Standards

The following standards and amendments have been adopted by the Company for the first time for the financial year beginning on 1st January 2019:

- IFRS 16 'Leases'
- IFRIC 23, 'Uncertainty over income tax'
- Annual improvements to IFRSs 2015-2017 Cycle
- Amendments to IFRS 9, 'Financial instruments' relating to prepayment features
- Amendments to IAS 28, 'Investment in associates' relating to long-term interests
- Amendments to IAS 19, 'Employee benefits' relating to plan amendments, curtailment or settlement

The impact of the adoption of the IFRS 16 leasing standard on the Company as a lessee is disclosed further below. There is no significant impact on the Company as a lessor.

The other standards and amendments did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

IFRS 16 Leases - as a lessee

The Company did not hold 'operating leases' under the principle of IAS 17 at 1 January 2019. As a result there was no impact or retrospective adjustment required upon adoption of IFRS 16, 'Leases' on 1 January 2019, and no impact on the amounts recognised in the current period. The Company has changed its Leases and Investment properties accounting policies following the adoption.

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019 (continued)

2 Significant accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Income tax expense

Income tax on the profit for the year comprises current and deferred tax. Current tax is the tax payable on taxable income for the year and any adjustment in respect of previous years.

Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that suitable taxable profits will be available against which deductible temporary differences can be utilised.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revisions and future periods if the revision affects both current and future periods.

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Significant areas of estimation uncertainty

Property valuations

Valuation of property is a central component of the business. In estimating the fair value, the Group engage a third party qualified valuer to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of the property portfolio is disclosed in the Investment Properties note of the SEGRO plc Annual Report and Accounts for the year ended 31 December 2019.

Significant areas of judgement in applying the Company's accounting policies

Accounting for significant property transactions

Property transactions are complex in nature. Management considers each material transaction separately, with an assessment carried out to determine the most appropriate accounting treatment and judgements applied. The judgements include whether the transaction represents an asset acquisition or business combination and the cut off for property transactions on recognition of property assets and revenue recognition. In making its judgement over the cut-off for property transactions, management considers whether the control of ownership of the assets acquired or disposed of has transferred to or from the Company (this consideration includes the revenue recognition criteria set out in IFRS 15 Revenue for the sale of trading properties). In making its judgement on whether the acquisition of property through the purchase of a corporate vehicle represents an asset acquisition or business combination, management consider whether the integrated set of assets and activities acquired contain both input and processes along with the ability to create outputs.

REIT Status

SEGRO Plc has elected for UK REIT status. To continue to benefit from this tax regime, the Group and Company is required to comply with certain conditions as outlined in Note 10 of the SEGRO plc Annual Report and Accounts for the year ended 31 December 2019. Management intends that the Group and Company should continue as a UK REIT for the foreseeable future.

4 Income tax (expense)/credit

Tax charged/(credited) in the Income Statement:

| | 2019 £ 000 | 2018 £ 000 |
|--------------------------|---------------|---------------|
| Total current income tax | <u>-</u> | <u>-</u> |

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019 (continued)

4 Income tax (expense)/credit (continued)

| | 2019 £ 000 | 2018 £ 000 |
|---|---------------|---------------|
| Profit/(loss) before tax | - | - |
| Less: revaluation movement not taxable | - | - |
| Adjusted profit /(loss) on ordinary activities before tax | - | - |
| Corporation tax at standard rate | - | - |
| REIT tax exemption | - | - |
| Total tax charge/(credit) | - | - |

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. In November 2019, the Prime Minister announced that he intended to cancel the future reduction in corporate tax rate from 19% to 17%. This is unlikely to significantly impact the Company's tax charge.

SEGRO plc elected during 2007 to become a Real Estate Investment Trust (REIT) for UK tax purposes with effect from 1 January 2007. As a result, no UK corporation tax should be due on future income or capital gains in respect of investment properties within the REIT group, of which the Company is a member.

5 Trade and other payables

| | 31 December 2019 £ 000 | 31 December 2018 £ 000 |
|--------------------------------------|------------------------------|------------------------------|
| Accrued expenses and rent in advance | 2 | 2 |

6 Creditors: Amounts falling due after more than one year

| | 31 December 2019 £ 000 | 31 December 2018 £ 000 |
|------------------------------------|------------------------------|------------------------------|
| Amounts owed to group undertakings | 1,020 | 1,020 |

Where the Company is trading, its amounts owed to Group undertakings are charged at the Group's average cost of sterling borrowings plus 0.5%. Where the Company is not trading the non-current account is not interest bearing. For the current year the rate charged was 2.15% (2018: 2.70%). The amounts due have no fixed repayment terms.

Brixton Northfields 4 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019 (continued)

7 Called up share capital

The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at the general meetings of the Company.

Allotted, called up and fully paid shares

| | 31 December 2019 | | 31 December 2018 | |
|---------------------|---------------------|----------|---------------------|----------|
| | No. | £ | No. | £ |
| Ordinary of £1 each | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> |

8 Parent and ultimate parent undertaking

The immediate parent undertaking is Brixton Limited.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is SEGRO plc. Copies of the SEGRO plc consolidated financial statements can be obtained from 1 New Burlington Place, London, W1S 2HR, England.

The ultimate controlling party is SEGRO plc.