

**CITAGREP LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2019**

**Registered number 02745971**

WEDNESDAY



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## **CITAGREP LIMITED**

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# CITAGREP LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Principal activities

The principal activity of the company is operating an apartment hotel in Central London.

### Business review

For the year ended 31 December 2019 the profit before tax was £1,632,000 representing an increase of 1% when compared to last year (2018: £1,501,000).

### Financial risk management policies and objectives

The company is financed by an intercompany loan from Orville SAS (holding company) and it is required to meet all terms and conditions set out in the loan.

### Credit risk

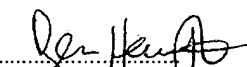
The company is exposed to credit risk from corporate clients who are granted credit terms when using the apartment hotel for accommodation. The company mitigates this risk by undertaking credit checks on potential trading partners and by avoiding any significant concentration of exposure to individual parties.

### Future developments

As with the majority of businesses, particularly those in the hospitality sector, the company has been severely impacted by the Coronavirus pandemic and the government imposed lockdown that commenced in March 2020. At the date of approval of these financial statements, the apartment hotel owned by the company remained open, but was operating with significantly reduced occupancy and revenue. The directors have implemented a significant cost reduction plan and the company is benefiting from various government measures to assist businesses during the pandemic. As a result, the directors are confident that the company is well placed to ride out the current challenging period and recover well in the second half of 2020 and beyond, as government restrictions are relaxed.

The directors also continue to monitor developments around the United Kingdom's decision to leave the European Union to ensure that the company is able to mitigate any adverse consequences of this change whilst remaining poised to exploit any opportunities that may arise.

By order of the board

  
Benjamin Haworth  
Director

Approved by board of directors on: 16/09/2020

# **CITAGREP LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their annual report and financial statements for the year ended 31 December 2019.

#### **Directors**

The directors who held office during the year and up to the date of signing were as follows:

Marie-Isabelle Aw (resigned: 30 August 2019)  
Kian Tiong Alfred Ong (resigned: 31 January 2019)  
Ngok Wai Lee (appointed: 31 January 2019)  
Benjamin Haworth (appointed: 30 August 2019)

The directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

#### **Results and dividends**

For the financial year ended 31 December 2019, the activities of the Company resulted in a profit of £1,286,000 (2018: £1,160,000) as set out on page 6 of the financial statements.

On 1 October 2019, after due and careful consideration, it was resolved to pay an interim dividend of £1,500,000 to Orville SAS, the single Member of the Company.

#### **Company secretary's details**

Reed Smith Corporate Services Limited  
The Broadgate Tower  
Third Floor  
20 Primrose Street  
London EC2A 2RS

#### **Registered Office**

7 - 21 Goswell Road  
London EC1M 7AH

#### **Directors' remuneration**

Directors' remuneration and retirement benefits are borne by other group companies.

#### **Disclosure of Information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor is deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



Benjamin Haworth  
Director, 16 September 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

## CITAGREP LIMITED

### DIRECTORS' RESPONSIBILITY STATEMENT

#### FOR THE YEAR ENDED 31 DECEMBER 2019

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Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRS as adopted by the European Union has been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF**  
**CITAGREP LIMITED**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Opinion**

We have audited the financial statements of Citagrep Limited ("the company") for the year ended 31 December 2019 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
CITAGREP LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Henry Todd (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

16 September 2020

**CITAGREP LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2019**

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	Notes	2019 £'000	2018 £'000
Turnover	2	4,919	4,590
Operating expenses	3	<u>(3,138)</u>	<u>(2,953)</u>
Operating profit		1,781	1,637
Interest expense		<u>(149)</u>	<u>(136)</u>
Profit on ordinary activities before taxation		1,632	1,501
Tax on profit on ordinary activities	5	<u>(346)</u>	<u>(341)</u>
Profit for the year		<u>1,286</u>	<u>1,160</u>

The profit and loss has been prepared on the basis that all operations are continuing operations.

The company has no other comprehensive income than the profit above, therefore no statement of other comprehensive income has been presented.

The notes of page 9 – 16 form part of the financial statements.

# CITAGREP LIMITED

## BALANCE SHEET


AS AT 31 DECEMBER 2019

	Notes	2019 £'000	2019 £'000	2018 £'000	2018 £'000
<b>Fixed assets</b>					
Tangible fixed assets	6		6,145		6,565
<b>Current assets</b>					
Debtors	7	191		258	
Cash at bank and in hand		<u>2,372</u>		<u>2,093</u>	
		2,563		2,351	
<b>Creditors</b>					
Amounts falling due within one year	8	(6,714)		(6,684)	
<b>Net current liabilities</b>			(4,151)		(4,333)
<b>Total assets less current liabilities</b>			<u>1,994</u>		<u>2,232</u>
<b>Provisions for liabilities and charges</b>					
Deferred tax	9		(111)		(135)
<b>Net assets</b>			<u>1,883</u>		<u>2,097</u>
<b>Capital and reserves</b>					
Called up share capital	10		1,175		1,175
Profit and loss account			708		922
<b>Equity Shareholders' funds</b>			<u>1,883</u>		<u>2,097</u>

Company registered number: 02745971

The notes on pages 9 – 16 form part of the financial statements.

The financial statements were approved by the board of directors on: 16/09/2020

  
Benjamin Haworth  
Director

**CITAGREP LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2019**

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	Share capital	Profit and loss account	Total Shareholders' funds
	£'000	£'000	£'000
At 1 January 2018	1,175	762	1,937
Profit for the year	-	1,160	1,160
Dividends	-	(1,000)	(1,000)
At 31 December 2018	1,175	922	2,097
At 1 January 2019	1,175	922	2,097
Profit for the year	-	1,286	1,286
Dividends	-	(1,500)	(1,500)
Balance as at 31 December 2019	1,175	708	1,883

The notes on pages 9 – 16 form part of the financial statements.

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Summary of significant accounting policies

#### Basis of preparation

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The presentation currency of these financial statements is sterling. The financial statements have been prepared under the historical cost convention. The financial statements are presented in Sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £'000 unless specified otherwise.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006.

The financial statements of the company are consolidated into the IFRS financial statements of Capitaland Limited. Copies of the IFRS group accounts of Capitaland Limited can be obtained from 168 Robinson Road #30-01 Capital Tower Singapore 068912.

#### Reduced disclosures

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements and, where relevant, equivalent disclosures have been made in the Group accounts of the ultimate controlling party, in accordance with FRS 101:

- Presentation of a Statement of Cash Flows and related notes;
- Disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- Revenue disclosures, including:
  - Disaggregated and total revenue from contracts with customers;
  - Explanation of significant changes in contract assets and liabilities;
  - Description of when performance obligations are satisfied, significant payment terms, and the nature of goods and services to be transferred;
  - Aggregate transaction price allocated to unsatisfied performance obligations and when revenue is expected to be recognised;
  - Significant judgements in determining the amount and timing of revenue recognition and the amount of capitalised costs to obtain or fulfil a contract;
  - Methods used to recognise revenue over time, determine transaction price and amounts allocated to performance obligations and determine amortisation of capitalised cost to obtain or fulfil a contract;
- Financial instrument disclosures, including:
  - Carrying amounts and fair values of financial instruments by category and information about the nature and extent of risks arising on financial instruments;
  - Income, expenses, gains and losses on financial instruments;
  - Information about financial instruments that have been reclassified, derecognised, transferred or offset;
  - Details of credit losses, collateral, loan defaults or breaches;
  - Effects of initial application of IFRS 9;
- Comparative narrative information that continues to be relevant to the current period;
- Comparative period reconciliations for the carrying amounts of property, plant and equipment;
- Disclosure of key management personnel compensation, and amounts incurred for the provision of key management personnel services by a separate management entity;
- Related party disclosures for transactions with the parent or wholly owned members of the group; and
- Disclosure of the objectives, policies and processes for managing capital;

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Summary of significant accounting policies (continued)

##### Going concern

The company recorded a profit after tax of £1,286,000 for the year ended 31 December 2019 (2018: £1,160,000) and had net current liabilities of £4,151,000 as at 31 December 2019 (2018: £4,333,000) including loans provided to it by Orville SAS of £4,266,000 (2018: £4,226,000). Since the year end, the company has been badly affected by the global Coronavirus pandemic. Although the apartment hotel has continued to operate, it has experienced a significant reduction in revenue and occupancy.

Orville SAS has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as they are needed by the company and in particular will not seek repayment of the amounts currently made available.

In light of these exceptional circumstances, the directors have implemented a significant cost reduction plan and taken advantage of various government support measures made available to businesses. With these measures in place and with the benefit of the cash reserves held by the business along with the availability of support from the company's ultimate parent company, the directors consider the company has sufficient resources to meet its obligations as they fall due for a period of at least 12 months from the date of these financial statements. The directors have reviewed cashflow forecasts under various scenarios and expect that even in the event of severe but plausible downsides to the central forecast, this assumption remains valid.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for repayment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

##### Turnover

Turnover, all of which is derived from operations in the United Kingdom, represents the invoiced value of services supplied stated net of value added tax. Turnover is accrued on a daily rate basis for rooms occupied.

The rental income from commercial units within the Company's property is also included in turnover and is stated net of value added tax.

##### Tangible fixed assets

Tangible fixed assets are held at historical cost including the costs attributable to bringing the asset to its working condition and less accumulated depreciation on a straight line basis as follows:

Long leasehold buildings	40 years
Fixtures, fittings and equipment	5-10 years

Where any permanent diminution of the property value is incurred, a provision is made in the profit and loss account. The directors estimate of residual values is based on prices prevailing at the year end or subsequent independent valuation.

##### Leased assets and obligations

All leases are operating leases and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

# **CITAGREP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Summary of significant accounting policies (continued)**

##### **Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the quoted rates of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

##### **Financial instruments**

###### **Recognition of financial instruments**

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

###### **Initial and subsequent measurement of financial assets**

###### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the company with maturities of less than three months.

###### *Trade, intercompany and other debtors*

Trade debtors are initially measured at their transaction price. Intercompany and other debtors are initially measured at fair value plus transaction costs.

Debtors that are held to collect the contractual cash flows which are solely payments of principal and interest are subsequently measured at amortised cost using the effective interest rate method.

###### **Impairment of financial assets**

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

###### *Trade debtors*

For trade debtors, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the debtor. The risk of a default occurring always takes into consideration all possible default events over the expected life of those debtors ("the lifetime expected credit losses").

##### **Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Summary of significant accounting policies (continued)

##### **Initial and subsequent measurement of financial liabilities**

###### *Trade, intercompany and other creditors*

Trade, intercompany and other creditors are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

##### **Equity instruments**

Equity instruments issued by the company are recorded at fair value on initial recognition net of transaction costs.

##### **Derecognition of financial assets (including write-offs) and financial liabilities**

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party. When there is no reasonable expectation of recovering a financial asset, it is derecognised ('written off'). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss.

##### **Pension costs**

Contributions are made to the personal plans of certain employees. The expenditure is charged to the profit and loss account in the period to which it relates.

##### **Taxation**

The charge for taxation is based on the profit for the year and takes into account deferred taxation. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required under FRS 101.

##### **Finance income and expenses**

Finance income and expenses are recognised using the effective interest method. When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

##### **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the Financial Statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant.

However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

Key judgements affecting these financial statements relate to the carrying value of land and buildings. The directors obtain professional valuations of the assets at each balance sheet date to ensure that there is no impairment of the carrying amount of these assets.

## CITAGREP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 2 Turnover

An analysis of the Company's turnover is as follows:

	2019 £'000	2018 £'000
Room revenue	4,632	4,297
Retail and commercial rental revenue	229	227
Food and beverage revenue	5	6
Other revenue	53	60
	<u>4,919</u>	<u>4,590</u>

All revenue generated by the company is attributable to the United Kingdom.

#### 3 Analysis of expenses by nature

	2019 £'000	2018 £'000
Employee remuneration (note 4)	397	370
Depreciation – owned assets	499	491
Fees payable to auditor	20	13

There were no non-audit fees payable to the auditor (2018: £nil).

#### 4 Employees

The average number of persons employed by the company (excluding executive directors) during the year is analysed below:

	2019 Number	2018 Number
Sales and operations	15	13
Administrative	-	-
	<u>15</u>	<u>13</u>

The aggregate payroll costs of these persons were as follows:

	2019 £'000	2018 £'000
Wages and salaries	357	323
Social security contributions	30	38
Pension costs – defined contribution plans	10	9
	<u>397</u>	<u>370</u>

Directors remuneration is borne by other group companies.

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 5 Taxation on profit on ordinary activities

##### (a) Analysis of charge for the year

	2019 £'000	2018 £'000
UK corporation tax on profits for the current period	369	360
Deferred taxation charge – current year	(23)	(19)
Tax on profit on ordinary activities	346	341

##### (b) Factors affecting the current tax charge for the year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2019 £'000	2018 £'000
Profit on ordinary activities before taxation	1,632	1,501
Expected tax charge based on the standard rate of corporation tax in the UK:	19%	19%
Profit multiplied by the standard rate of corporation tax	310	285
Tax effects of:		
Depreciation in excess of capital allowances	59	70
Deferred taxation charge – current year	(23)	(19)
Other adjustments	-	5
Income tax for the period	346	341

#### Factors that affect future tax charges

At Budget 2020, the government announced that the Corporation Tax main rate (for all profits except ring fence profits) for the years starting 1 April 2020 and 2021 would remain at 19%.

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 6 Tangible fixed assets

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
<b>Cost</b>			
At 1 January 2019	8,628	3,792	12,420
Additions	-	79	79
At 31 December 2019	<u>8,628</u>	<u>3,871</u>	<u>12,499</u>
<b>Accumulated depreciation</b>			
At 1 January 2019	2,871	2,984	5,855
Depreciation charge	121	378	499
At 31 December 2019	<u>2,992</u>	<u>3,362</u>	<u>6,354</u>
<b>Net book value</b>			
At 1 January 2019	<u>5,757</u>	<u>808</u>	<u>6,565</u>
At 31 December 2019	<u>5,636</u>	<u>509</u>	<u>6,145</u>

#### 7 Debtors

	2019 £'000	2018 £'000
<b>Amounts falling due within one year</b>		
Trade debtors	129	56
Other debtors	57	96
Corporation tax	-	-
Prepayments	3	104
Amounts due from fellow subsidiaries	2	2
<b>Total</b>	<u>191</u>	<u>258</u>

Amounts due from fellow subsidiaries are unsecured, interest free and repayable on demand.

#### 8 Creditors

	2019 £'000	2018 £'000
<b>Amounts falling due within one year</b>		
Loans from parent company	4,266	4,226
Trade creditors	28	81
Amounts owed to fellow group undertakings	94	123
Corporation tax	179	175
Taxes and social security charges	163	177
Other creditors	102	106
Dividends payable	1,500	1,500
Accruals	265	181
Contract liabilities	117	115
	<u>6,714</u>	<u>6,684</u>

# CITAGREP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 8 Creditors (continued)

The intercompany loan is due to parent, Orville SAS. The outstanding balance was £4,266,000 (2018: £4,226,000) and is repayable on demand. Interest is charged at 3.425% per annum.

Other amounts owed to fellow group undertakings are unsecured, interest free and repayable on demand.

#### 9 Provisions for liabilities and charges

The potential deferred tax asset not recognised is as follows:

	2019	2018
	£'000	£'000
Depreciation in excess of capital allowances	111	135
	<u>111</u>	<u>135</u>

#### 10 Called up share capital

	2019	2018
	£'000	£'000
Allotted, issued and fully paid:		
1,175,000 ordinary share of £1 each	1,175	1,175
	<u>1,175</u>	<u>1,175</u>

#### 11 Post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount of £10,000 (2018: £9,000) charged to the profit and loss account represents the contribution payable to the scheme in respect of the accounting period. The value of pension costs outstanding at the year-end was £1,000 (2018: £1,000).

#### 12 Ultimate parent company and parent undertaking

The company is a subsidiary of Orville SAS, a company incorporated in France.

The smallest group into which the financial result of the company are consolidated in is Ascott Residence Trust, a Singapore domiciled unit trust.

The group financial statements can be obtained from Ascott Residence Trust, N° 168 Robinson Road #30-01 - Capital Tower- Singapore 069812.

The largest group in which they were consolidated is that headed by CapitaLand Limited, N° 168 Robinson Road #30-01 - Capital Tower- Singapore 069812, a company incorporated in Singapore and listed on the Singapore Stock Exchange.

#### 13 Post balance sheet events

As noted elsewhere in these financial statements, the Company has been impacted by the Covid-19 pandemic in the period since the balance sheet date. This event is considered a non-adjusting event. Refer to the Strategic Report and Note 1 to these financial statements for further information on the impact of the pandemic on the Company.