Registration No: 8206654

CP Co 7 Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30 June 2020

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CP CO 7 LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 30 JUNE 2020

Company number	8206654
Directors	Hugh Sayer Nita Savjani
Company secretary	TMF Corporate Administration Services Limited
Registered office	8th Floor, 20 Farringdon Street London EC4A 3AE United Kingdom
Banker	Santander UK plc 2 Triton Square, Regent's Place, London, NW1 3AN, United Kingdom ING Luxembourg Societe Anonyme 52, rout d'Esch L-2965 Luxembourg

CP Co 7 Limited ("the Company") is a private company limited by shares registered in England and Wales. The Company is domiciled in England and is a wholly-owned subsidiary of CP Co Borrower Limited, a company incorporated in England.

As at 30 June 2020, the Company is part of the Chariot Lux Bidco S.à.r.l. group ("the Group") ("Bidco"), which was established to manage a portfolio of car parks purchased on 8 November 2012.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company is that of property ownership and management with the aim of deriving a profit through the continued use or through an orderly sale of the investment properties.

The Company was incorporated on 7 September 2012 and commenced business on 8 November 2012.

REVIEW OF PERFORMANCE

CP Co 7 Limited had a net loss for the year of £2,401,772 (2019: £147,772) after tax of -£854,098 (2019: £740,537) and has a net asset value as at the reporting date of £11,813,169 (2019: £14,215,740). The property valuation movement for the period amounted to -£4,041,552 (2019: £35,251).

STRATEGY, OBJECTIVES AND FUTURE DEVELOPMENTS

The strategies and objectives are considered at a Group level.

The primary objective of the Group is to ensure the maximisation of cash inflows through the operation, management or potential disposal of investment properties and to generate any additional profits through rent collections, control of overhead costs and asset management initiatives. It is expected that the objectives of the Group will continue in this manner.

The Group's main key performance indicators (KPIs) are therefore the amount of cash it generates from operations and disposals, the increase in the value of its investment properties and the amount of debt that has been repaid.

COVID-19

In December 2019, an outbreak of the coronavirus (COVID-19) in Wuhan, China was first reported, causing respiratory illnesses which in some cases can lead to loss of human life. The coronavirus, being easily transferred, rapidly spread across the world and by March 2020 the WHO declared this a global pandemic.

As at the date of this report, the UK government along with other countries have enforced ongoing restrictions on public travel and gatherings and global vaccination programs have been initiated, to limit the human contact and reduce the spread of COVID-19. This has forced some businesses to close where they cannot operate remotely, and has resulted in a period of uncertainty in the local and global markets.

The Company's performance has been impacted by this ongoing situation and further details of this are presented in the events after the reporting period. Despite these recent developments, it has been determined that these financial statements are prepared on a going concern basis, given the Company's group structure and access to cash reserves to fulfill its ongoing operational obligations.

EVENTS AFTER THE REPORTING PERIOD

In response to the continuation of the spread of coronavirus, there has been a default in rent payment from the major tenant for quarter end December 2020. Due to this Chariot Lux Holdco S.a.r.l entered into a waiver letter with the facility agent - HSBC Bank plc, waiving any impeding financial covenants which may not be met, and thus avoiding any breaches under the facility agreement. The Company received £7.8m in their disposal bank account to use for urgent payments; £4.9m was used to pay the loan on any sold properties, £1.3m was used to cover interest payment shortfalls and the remaining £1.6m was used for head rent, insurance, ad-hoc invoices etc

To make sure future liabilities are met there has been a cash injection received by the Chariot shareholders directly in the Santander bank account on 23/02/2021 of amount £1,811,541. This was requested in line with the Profit Participating Loan Agreement dated 16 December 2016 between the lender – 'Beaumont Summit Finance Dac' and Chariot Lux Holdco S.a.r.l as borrower. It is the intention of the shareholders to inject additional funding in stages up to the April IPD, if needed. Despite the non-payment of NCP management is not currently aware of any specific instances of impacted operations of the Company.

It has been decided to close the ING bank accounts in 2021, the closure of all bank accounts is currently being processed. The new bank is with HSBC, the accounts were opened in early 2021 and have been fully operational.

The property Alexandra Gardens has been sold after year-end on 5th March 2021 for £4.6 million. There are no other sales that have taken place after year-end.

The Company has evaluated events leading up to the filing date of these financial statements and determined that no other subsequent event required disclosure.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The principal financial risks and uncertainties that the Group faces are interest rate risk, liquidity risk and credit risk. These risks, and how the Group manages these risks are discussed below.

The use of financial derivatives is limited to those derivatives undertaken in the original financing. These derivatives are interest rate swaps and inflation swaps used to hedge against interest rate fluctuations and inflation. The Group does not use derivative financial instruments for speculative purposes.

Interest rate risk

The Group's activities expose it primarily to the financial risks of changes in interest rates. The Group uses interest rate swap contracts to hedge these exposures.

Interest bearing liabilities are effectively held at fixed rates, through the use of interest rate swaps, to ensure certainty of cash flows.

Credit risk

The Group is exposed to credit risk arising from its financial assets, which are comprised of debtors and cash and cash equivalents.

The Group leases all of its properties to two tenants. The financial stability of the tenants are monitored through consistent review of their financial performance and position, ensuring the stability of future cash flows.

The Group's credit risk, attributable to its trade receivables, is managed through requiring prepayment or rental demands in advance from trade receivables. This risk is therefore minimised by the Group's credit policy.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained.

Cash and bank balances as at 30 June 2020 amounted to GBP 10,805,438 (2019: 36,084,533). Funds were placed with financial institutions whose ratings are as follows:

Rating Agency	Financial Institution	Rating	2020 GBP	2019 GBP
Moody	ING Bank	Aa3	9,505,702	31,382,603
Moody	Santander Bank	A2	1,299,401	4,701,930
Moody	HSBC France Luxembourg	Aa3	335	
			10,805,438	36,084,533

At 30 June 2020, the largest combined credit exposure to single counterparty was GBP 9,505,702 (2019: GBP 31,382,603) which represents the total of cash accounts held with ING Bank. This represents 2.2% of total assets and 59.0% of the current assets. The Group does not have any other significant credit risk exposure to single counterparty.

Liquidity risk

At year end, the Group's responsibility of liquidity risk management rested with the directors of Bidco, who formulated liquidity management tools to service this requirement. The principal policy objective in relation to liquidity is to ensure that the Group is able to access sufficient liquidity to meet its obligations as they become due, primarily servicing the repayment terms of the long term loans held at Group level.

Management of liquidity risk is achieved by monitoring actual and forecasted cash flows. Recent forecasts have indicated that the liquidity in the current structure is sufficient to meet its obligations as they become due.

Approved by the Board and signed on its behalf by:

Nita Savjani

Director

The directors have pleasure in presenting their report and the financial statements for CP Co 7 Limited for the year ended 30 June 2020.

DIRECTORS

The directors who served the Company during the year and to the date of approval of these financial statements were as follows:

- Hugh Sayer
- Nita Savjani

RESULTS AND DIVIDENDS

The results for the year are set out in the statement of comprehensive income on page 9. The Company declared a dividend distribution for the year of £Nil (2019: 20,468,797).

Going Concern

CP Co 7 Limited has a net asset value as at the year end of £11,813,169 (2019: £14,215,740). Due to the nature of the financing structure, the net asset value and liquidity position is considered when assessing the going concern of each entity.

The Group has sufficient unrestricted cash resources to cover its liquidity requirements. The ability of the Group to repay its borrowings is dependent on the cash inflows it receives from its investment properties. These cash inflows include rental and disposal receipts. The Group's borrowings are long-term and are repayable to the extent that disposals are made and excess rental income after expenses are collected. Furthermore, the Group holds sufficient unrestricted cash reserves to cover short-term creditors.

At year end, the Group has a net asset value of £71,248,472, (2019: £119,499,170). An analysis of future expected cash flows confirms that the Group is expected to generate positive net cash flows and will be able to meet its commitments as and when they fall due.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Company continues to adopt the going concern basis in preparing the financial statements.

Audit Exemption

For the year ended 30 June 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

DIRECTORS' INDEMNITY PROVISION

Qualifying third party indemnity insurance for the benefit of each director was in place as at the reporting date and as at the date of signing of the financial statements.

INFORMATION DISCLOSED IN THE STRATEGIC REPORT

The following information is not shown in the Directors' Report because it is shown in the Strategic Report as required by S414C(11) of the Companies Act 2006:

- Principal activities and review of the business
- Strategy, objectives and future developments
- Review of performance
- Financial risk management objectives and policies

Approved by the Board and signed by:

Nita Savjani
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice - including the Financial Reporting Standard 102 (United Kingdom Accounting Standards and applicable law).

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CP CO 7 LIMITED
STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	**Year ended 30 June 2020 GBP**	Year ended 30 June 2019 GBP
Revenue	2	**4,775,477**	6,153,737
Property expenses	3	**(820,443)**	(875,609)
GROSS PROFIT		**3,955,034**	5,278,128
OPERATING EXPENSES			
Administrative expenses	4	**(710,031)**	(921,547)
OPERATING PROFIT		**3,245,003**	4,356,581
Fair value movements in investment property	5	**(4,041,552)**	35,251
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES		**(796,549)**	4,391,832
Net finance charges	6	**(2,459,321)**	(3,799,067)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**(3,255,870)**	592,765
Tax on (loss) / profit on ordinary activities	7	**854,098**	(740,537)
LOSS FOR THE FINANCIAL YEAR		**(2,401,772)**	(147,772)
LOSS FOR THE FINANCIAL YEAR		**(2,401,772)**	(147,772)
Other comprehensive income		**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR		**(2,401,772)**	(147,772)

The notes on pages 12 - 23 are an integral part of these financial statements.

CP CO 7 LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	30 June 2020 GBP	30 June 2019 GBP
FIXED ASSETS			
Investment property	9	**48,128,688**	86,529,067
Deferred tax	8	**1,843,931**	40,864
CURRENT ASSETS			
Debtors	10	**325,333**	862,655
Other receivables		**57,081,206**	32,457,063
TOTAL CURRENT ASSETS		**57,406,539**	33,319,718
TOTAL ASSETS		**107,379,158**	119,848,785
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	11	**64,121,464**	42,697,303
Taxation		**381,341**	175,405
Short term portion of amounts payable under finance leases	12	**-**	206,514
TOTAL CURRENT LIABILITIES		**64,502,805**	43,079,222
NET CURRENT LIABILITIES		**(7,096,266)**	(9,759,504)
TOTAL ASSETS LESS CURRENT LIABILITIES		**42,876,353**	76,810,427
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
Amounts payable under finance leases	12	**40,991**	13,629,631
Long term debt	13	**29,777,327**	48,359,060
Deferred tax	8	**1,244,866**	605,996
NET ASSETS		**11,813,169**	14,215,740
CAPITAL AND RESERVES			
Called-up share capital	14	**801**	801
Profit and loss account		**11,812,368**	(6,253,858)
Dividend		**-**	20,468,797
SHAREHOLDER'S FUNDS		**11,813,169**	14,215,740

For the year ended 30 June 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

We certify that these financial statements fairly represent the financial condition of the Company as at 30 June 2020.

Nita Savjani
Director

The notes on pages 12 - 23 are an integral part of these financial statements.

CP CO 7 LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Called-up share capital GBP	Profit and loss account GBP	Total GBP
At 1 July 2018	1	34,832,307	34,832,308
(Loss) for the financial period	800	(147,772)	(146,972)
Capital reduction	-	(799)	(799)
Dividend Distribution		**(20,468,797)**	(20,468,797)
At 30 June 2019	**801**	**14,214,939**	**14,215,740**
Total comprehensive loss for the financial period	-	**(2,401,772)**	**(2,401,772)**
Capital reduction		(799)	(799)
At 30 June 2020	**801**	**11,812,368**	**11,813,169**

The notes on pages 12 - 23 are an integral part of these financial statements.

1 GENERAL INFORMATION AND ACCOUNTING POLICIES

Introduction

CP Co 7 Limited is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales and having its registered address at 20 Farringdon Street, London, United Kingdom, EC4A 4AB. The Company is domiciled in England and is a wholly-owned subsidiary of CP Co Borrower Limited, a company incorporated in England.

Accounting policies
The principal accounting policies are summarised below. These policies have been applied consistently to the current and prior year.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment property and financial instruments, and in accordance with applicable United Kingdom Generally Accepted Accounting Practice - including the Financial Reporting Standard 102 as issued by the Financial Reporting Council. The functional currency of the Company is Pound Sterling (GBP). As the Company is a wholly owned subsidiary it meets the definition of a qualifying entity and has taken the exemption under the terms of FRS102 from preparing a statement of cash flows. Under the Group, the ultimate holding company Bidco prepare the consolidated financial statements under International Financial Reporting Standards, which publishes a statement of cash flows. A copy of the Group accounts can be obtained at the address on page 3.

Financial Reporting standard 102 - reduced disclosure exemption

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

- the requirements of Section 7 of Statement of Cash Flows.

Going concern

CP Co 7 Limited has a net asset value as at the year end of £11,813,169 (2019: £14,215,740). Due to the nature of the financing structure, the net asset value and liquidity position is considered when assessing the going concern of each entity.

The Group has sufficient unrestricted cash resources to cover its liquidity requirements. The ability of the Group to repay its borrowings is dependent on the cash inflows it receives from its investment properties. These cash inflows include rental and disposal receipts. The Group's borrowings are long-term and are repayable to the extent that disposals are made and excess rental income after expenses are collected. Furthermore, the Group holds sufficient unrestricted cash reserves to cover short-term creditors.

At year end, the Group has a net asset value of £71,248,472, (2019: £119,499,170). An analysis of future expected cash flows confirms that the Group is expected to generate positive net cash flows and will be able to meet its commitments as and when they fall due.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Company continues to adopt the going concern basis in preparing the financial statements.

1 GENERAL INFORMATION AND ACCOUNTING POLICIES (continued)

Tangible fixed assets

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the statement of comprehensive income.

Revenue

Revenue is mainly comprised of rental income from tenants and is stated net of VAT. Base rent represents principal rental income from contracts and is recorded at the contractual value after taking into account the effects of rental smoothing over the lease term. Base rent is received on a quarterly basis.

Where payments are received from customers in advance of the period to which they relate, the amounts are recorded as deferred income and included as part of creditors due within one year.

Rental smoothing adjustments are recognised on a straight line basis over the period of the lease contract.

Turnover rent represents carpark revenue earned by the tenant on behalf of CP CO on a pre-agreed basis. The turnover rent is recognised in the period it is earned and is received annually in arrears.

Head rent is the rental income for the leasehold properties which is recovered from the tenants. The head rent is recognised in the period it is earned and is received on a quarterly basis.

Turnover rent and head rent are paid on leasehold properties and a corresponding expense is raised simultaneously. Payments of head rent occur on a quarterly basis to the landlord. Turnover rent is paid on an annual basis to the landlord.

Taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax is recognised in respect of all timing differences that have originated but now reversed at the year end where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the year end. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Deferred tax relating to investment property is measured using the tax rates and allowances that apply to sale of the asset.

1 GENERAL INFORMATION AND ACCOUNTING POLICIES (continued)

Financial Assets, Financial Liabilities and Equity

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to offset the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company has applied the principles of sections 11 and 12 of FRS102 in the measurement and presentation of financial assets and liabilities. Financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

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 entity after deducting all of its liabilities.

A financial liability is measured initially at the transaction price, which equals the fair value of the goods or services acquired in exchange for incurring the liability and include initial costs incurred in originating the finance liabilities.

Financial liabilities that meet the conditions in paragraph 11.8(b) are measured at amortised cost using the effective interest method.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. At the time of settlement of any or all of the financial liabilities of the Company, any remaining unwound difference between the carrying value and the gross capital (discount), related to the gross settled capital portion of the financial liabilities, will be unwound as the liability is deemed to have matured (deemed to have become repayable) at that date. The amount of discount unwound is calculated as the proportion of the capital portion of the financial liabilities, settled to the total initial capital of the loan, multiplied by the unwound discount remaining in the entity at the time of settlement.

This treatment ensures that the entity matches the benefits derived from the sale of an asset, with the cost of unwinding the discount component of debt. Any remaining discount will continue to be unwound over the original discounting period, determined by the nature of the underlying financial liability.

Non-basic financial liabilities (derivative instruments) are subsequently measured at fair value and movements recognised within interest, in accordance with the provisions of section 12 of FRS102. The policy is to recognise movements in fair value in net finance charges, in profit or loss.

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount, unless the substance of the financial instrument dictates otherwise.

Interest on basic financial liabilities held at amortised cost is recognised at the initial effective rate calculated at inception of the financial instrument based on the expectation of interest charged on the instrument and re-payment patterns to maturity. The effective rate is a compound rate which is comprised of the actual interest charged by the lender and the amortisation of any discount element of the financial liability. Any differences in the carrying value resulting from changes in LIBOR or re-payment patterns are reflected in finance costs as a "true-up" adjustment at the end of each reporting period; these adjustments are included in finance costs.

The unwinding of the discount on intercompany loan instruments, including any immediate unwinding occurring when the underlying loan is settled, is classified as a finance charge and is recognised in profit and loss in the period in which it has accrued to the entity. The systematic unwinding of the discount is included as part of the initial effective interest rate described above.

1 GENERAL INFORMATION AND ACCOUNTING POLICIES (continued)

Derivative financial instruments

The Group used derivative financial instruments to reduce exposure to interest rates. The Company does not hold or issue derivative financial instruments for speculative purposes.

On 13 December 2016, the Group entered into a pay fixed and receive floating interest rate swap arrangement with the Commonwealth Bank of Australia in order to mitigate the risk of the variable rate borrowing of Bidco. The Group discharged its obligation by prepaying the fixed leg of the swap transaction on the date of transaction amounting to GBP 5,820,000 with reserving a right to receive the floating rate.

The termination date of the swap is 14 December 2021.

Finance lease asset and liability

The entity accounts for finance lease liabilities in respect of the leasehold investment properties at amortised cost and unwinds these over the lifetime of the lease. The entity only accounts for long term leases, those with periods remaining that are greater than 50 years as at 8 November 2012, as finance leases as this period is sufficiently long enough to allow us to assume that the head rent paid for the rent on long leasehold properties, present valued, would arrive at the market value of the property. This is because any individual looking to assign a fair value to the freehold portion of the property would look at the terms of the current leases on the property and would therefore factor this head rental yield into their calculation of fair market value.

The liabilities and assets are initially recognised at the present value of the minimum lease payments. The payments are discounted using the weighted average cost of capital of the Group; because the Group financing structure flows to the property entities and finances their purchase, this is deemed an appropriate imputed rate.

Head rent payments are treated as payments in respect of the finance lease. Any difference between the payments and the unwinding of interest (amortisation of the liability) is treated as a revaluation of the asset in order to maintain an asset value equal to the liability value. This revaluation is recognised through profit and loss in the period in which it occurs.

Operating leases

Operating leases which are subject to, or partially subject to, fixed and determinable periodic increases are treated in accordance with paragraph 25 of section 20 of FRS102 whereby the rental income is recognised on a straight line basis over the period of the lease. This gives rise to a rental smoothing adjustment which is a component of revenue as detailed in note 2. The resulting balance forms a part of the fair value of the investement property in note 9.

1 GENERAL INFORMATION AND ACCOUNTING POLICIES (continued)

Impairment

Assets not excluded under the provisions of paragraph 1 of FRS102 section 27 are assessed annually for impairment. Assets are tested by considering the recoverable amount and comparing this to the carrying amount. Any impairments or impairment reversals arising during the year/period are recognised directly in the statement of comprehensive income in the period in which they occur.

Fair value measurement

For assets that are subject to fair valuation, the best evidence of fair value is a quoted price for an identical asset in an active marked; this is the case with quoted investments or derivative financial instruments where the fair value is quoted by the issuer. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Critical accounting judgements and key sources of estimation

The net initial yield used to discount the future cash flows of the property to a present fair value is considered by management to be the only key accounting judgement affecting the financial statements. Management obtains comfort over the accuracy of this judgement through the assistance provided by external professional valuers i.e. Cushman and Wakefield as at 30 June 2020. Due to their expertise and knowledge, we have gained assurance on their assessment of the current market conditions that may influence the discount factor.

Management does not make any other estimates relating to any balances or classes of transaction that are reflected in the financial statements. There are no provisions raised in the financial statements and all accruals raised are determinable by reference to contractual agreements or quotes and therefore require no estimation on the part of management.

2 REVENUE

	Year ended 30 June 2020	Year ended 30 June 2019
All revenue is from a UK source	**GBP**	GBP
Base rent	**3,383,414**	4,532,692
Rental smoothing adjustment	**165,339**	(298,026)
Turnover rent	**200,440**	219,465
Head rent	**903,121**	1,633,162
Insurance	**119,100**	66,428
Service charge	**200**	16
Other revenue	**3,863**	-
Total revenue	4,775,477	6,153,737

3 PROPERTY EXPENSES

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Turnover rent payable	200,440	219,465
Head rent payable	499,453	589,700
Insurance payable	119,100	66,428
Service charge payable	200	16
Other cost of sales	1,250	-
Total property expenses	820,443	875,609

4 ADMINISTRATIVE EXPENSES

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Professional fees	710,031	921,547
Total administrative expenses	710,031	921,547

The Company had no employees during the current and prior year.

5 FAIR VALUE MOVEMENTS IN INVESTMENT PROPERTY

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Fair valuation of investment property	(3,022,778)	(1,980,000)
Profit/ (loss) on sale of asset	(1,018,774)	2,015,251
Total other epense/income	(4,041,552)	35,251

6 NET FINANCE CHARGES

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Interest on intercompany loan	2,163,515	2,958,966
Finance costs on finance leases	295,806	840,101
Total finance charges	2,459,321	3,799,067

7 TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
UK corporation tax		
Current tax on (loss) / profits for the year	310,098	175,405
Total current tax	310,098	175,405

7 TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES (continued)

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
Deferred tax		
Origination and reversal of timing differences	(1,164,196)	565,132
Total deferred tax	(1,164,196)	565,132
Taxation on (loss) / profit on ordinary activities	(854,098)	740,537

Factors affecting tax charge for the year
The tax charge is made up as follows:

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
(Loss) / Profit before income tax	(3,255,870)	592,765
Current tax raised at the standard rate of corporation tax in the UK of 19% (2019:19%)	(618,615)	112,625
Non-taxable profits	(32,194)	(375,041)
Non-deductible expenses	1,271,006	797,717
Group relief being claimed for nil consideration	-	(81,981)
Utilisation of assessed losses brought forward	(310,098)	(277,915)
Deferred tax raised	(1,164,197)	565,132
Total tax charge for the year	(854,098)	740,537

8 DEFERRED TAX

The Company's deferred tax is detailed as below;

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
Deferred tax asset / (liability) is comprised as follows:		
Provision at start of year	(565,132)	-
Deferred tax charged to income statement for the year	1,164,196	(565,132)
	599,064	(565,132)

9 INVESTMENT PROPERTY

2020	**Long Leasehold land and buildings**	**Short Leasehold land and buildings**	**Total**
	GBP	**GBP**	**GBP**
Net book value			
At 30 June 2019	**50,252,922**	**22,440,049**	**72,692,971**
Disposals	**(2,905,107)**	**(18,415,268)**	**(21,320,375)**
Fair valuation and rental smoothing adjustment	**(2,413,391)**	**(609,387)**	**(3,022,778)**
Amortised Capital Finance Cost	**(146,805)**		**(146,805)**
At 30 June 2020	**44,787,619**	**3,415,394**	**48,203,013**
Finance lease asset	**(74,325)**		**(74,325)**
Total investment property at 30 June 2020	**44,713,294**	**3,415,394**	**48,128,688**

2019			
Net book value			
At 30 June 2018	49,069,850	31,602,294	80,672,144
Disposals	-	(6,862,653)	(6,862,653)
Fair valuation and rental smoothing adjustment	560,150	(2,299,592)	(1,739,442)
Amortised Capital Finance Cost	622,922		622,922
At 30 June 2019	50,252,922	22,440,049	72,692,971
Finance lease asset	13,836,096		13,836,096
Total investment property at 30 June 2019	64,089,018	22,440,049	86,529,067

The carrying value of properties at year end comprises the following:

2020	**Long Leasehold land and buildings**	**Short Leasehold land and buildings**	**Total**
	GBP	**GBP**	**GBP**
Cost	**24,110,203**	**361,858**	**24,472,061**
Fair valuations	**20,201,300**	**3,053,537**	**23,254,836**
Amortisation Finance Cost	**476,116**	**-**	**476,116**
	44,787,619	**3,415,394**	**48,203,013**

The carrying value of properties at year end comprises the following:

2019	Long Leasehold land and buildings	Short Leasehold land and buildings	Total
Cost	26,101,673	12,122,945	38,224,618
Fair valuations	23,528,328	10,317,104	33,845,431
Amortisation Finance Cost	622,922	-	622,922
	50,252,922	22,440,049	72,692,971

9 INVESTMENT PROPERTY (continued)

The Group's policy is to fair value the investment property portfolio at each reporting date. The independent valuers engaged to perform the valuation are qualified members of the Royal Institute of Chartered Surveyors. The valuation performed by the independent valuers was at 30 June 2020.

Investment properties are valued by adopting the 'investment method' of valuation. This approach involves applying market-derived yields to current and market-derived future income streams with appropriate adjustments for income voids arising from vacancies or rent-free periods. These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are considered to be the key inputs in the valuation. Other factors that are taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions. Management obtains comfort over the accuracy of this judgement through the assistance provided by external professional valuers and internally by members of the Company that have sufficient knowledge and expertise and are sufficiently involved in and aware of current market conditions that may influence the discount factor.

The Company entered into a new interest bearing loan agreement with CP CO Borrower Limited as part of the restructuring on 15 December 2016. The new bank debt relating to the company's respective properties from CP CO Borrower is pushed down to the company, in consideration of settling the new interest bearing loan payable to CP CO Borrower Limited. This has created a capitalised finance cost that is amortised over the duration of the 5 year loan.

At the year end the company expects to receive a minimum of £2,637,987 (2019: £4,014,367) in rental receipts in the next year, £14,010,239 (2019: £21,324,552) between one and five years and £38,096,379 (2019: £63,752,401) between five years and the end of the lease. The properties owned at the reporting date are subject to non-cancellable leases.

As at the date of signing of the financial statements, the entity had disposed of investment property with a carrying value of £21,320,375. The gross sales proceeds achieved were £20,750,000.

10 DEBTORS

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Prepayments	**322,333**	859,924
Amount owing from holding company	**3,000**	2,731
Total debtors	**325,333**	862,655

All intercompany transactions are conducted at an arms length basis.

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 30 June 2020	Year ended 30 June 2019
	GBP	GBP
Accruals and deferred income	**1,085,922**	1,706,034
Amount owing to holding company	**47,828,098**	26,727,135
New Loan Capital	**52,941,095**	52,941,095
Accrued Interest on loans	**2,664,334**	1,721,024
Loan Settled through sale	**(40,397,985)**	(40,397,985)
	64,121,464	42,697,303

The Company entered into a new 7.5% interest bearing loan agreement with CP CO Borrower Limited as part of the restructuring on the 15 December 2016.

The new loan value owing to the parent company is £52,941,095 and £2,664,334 was interest payable for the year. During the year £40,397,985 was settled through the sale of underlying properties.The loan shall be repaid on the earlier of (i) written demand by lender at any time; and (ii) the falling 10 years after 15 December 2016.

12 FINANCE LEASES PAYABLE

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
Current finance lease payable	-	206,514
Non - current finance lease payable	40,991	13,629,631
	40,991	13,836,145

The Company holds a leasehold interest in several properties in its portfolio. Accordingly it accounts for the present value of the future payments associated with those leasehold interest here these are held over the long term. The Company defined long term as any leasehold interest that expires after 50 or more years and classifies such investment property as long leasehold investment property. There is no part of the leasing arrangement so unusual that it requires additional disclosure.
The Company has recognised a separate leasehold asset that forms part of the carrying value of investment property; please refer to note 9. The Group has used a pre-tax WACC of 3.58% (2019: 3.58%) to discount the future payments to the present value.

Amounts payable under finance leases

	Minimum lease payments		Present value of minimum lease payments	
	30 June 2020 GBP	30 June 2019 GBP	30 June 2020 GBP	30 June 2019 GBP
No later than one year	-	596,000	-	575,401
More than one year but no later than five years	-	2,384,000	-	2,109,485
More than five years	-	27,024,600	40,991	11,151,259
Less finance costs not yet incurred	40,991	(16,168,455)	n/a	n/a
Present value of minimum lease payments	40,991	13,836,145	40,991	13,836,145

13 INTERCOMPANY LOAN

Intercompany loan owing to parent company	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
HSBC Loan	29,656,336	48,083,625
HSBC Loan Interest	120,991	275,435
	29,777,327	48,359,060

14 CALLED-UP SHARE CAPITAL

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
Allotted, called-up and fully-paid		
1 Ordinary share of £1	-	-
801 Ordinary shares of £0.001	801	801
	801	801

As part of an exercise to re-classify the non-distributable reserves of the company and to be able to distribute a dividend, the directors issued bonus shares to capitalise the Company non-distributable profits. Following an issue of 34,781,723, the directors performed a share reduction reducing the value of each share to 0.0001. The number of shares was then rounded to the nearest £1 with any additional shares being deferred. The remaining shares were consolidated to 3,478 shares of £1. A further bonus share issue capitalising the non-distributable reserves of the Company was made. Following an issue of 8,009,787 share, the total shares in issue was 8,013,265, and a further share reduction was performed, reducing the value of each share from £1 to £0.001. The total value of the shares post this second reduction is 801.

All issued share capital is classified as equity. One ordinary share was issued at par value on incorporation of the Company.

15 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are considered at a Group level.

The principal financial risks and uncertainties that the Group faces are interest rate risk, liquidity risk and credit risk. These risks, and how the Group manages these risks are discussed below.

The use of financial derivatives is limited to those derivatives undertaken in the original financing. These derivatives are interest rate swaps and inflation swaps used to hedge against interest rate fluctuations and inflation. The Group does not use derivative financial instruments for speculative purposes.

Interest rate risk

The Group's activities expose it primarily to the financial risks of changes in interest rates. The Group uses interest rate swap contracts to hedge these exposures.

Interest bearing liabilities are effectively held at fixed rates, through the use of interest rate swaps, to ensure certainty of cash flows.

Credit risk

The Group is exposed to credit risk arising from its financial assets, which are comprised of debtors and cash and cash equivalents.

The Group leases all of its properties to two tenants. The financial stability of the tenants are monitored through consistent review of their financial performance and position, ensuring the stability of future cash flows.

The Group's credit risk, attributable to its trade receivables, is managed through requiring prepayment or rental demands in advance from trade receivables. This risk is therefore minimised by the Group's credit policy.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained.

Cash and bank balances as at 30 June 2020 amounted to GBP 10,805,438 (2019: 36,084,533). Funds were placed with financial institutions whose ratings are as follows:

Rating Agency	Financial Institution	Rating	2020 GBP	2019 GBP
Moody	ING Bank	Aa3	9,505,702	31,382,603
Moody	Santander Bank	A2	1,299,401	4,701,930
HSBC France - Luxembourg			335	
			10,805,438	**36,084,533**

At 30 June 2020, the largest combined credit exposure to single counterparty was GBP 9,505,702 (2019: GBP 31,382,603) which represents the total of cash accounts held with ING Bank. This represents 2.2% of total assets and 59.0% of the current assets. The Group does not have any other significant credit risk exposure to single counterparty.

Liquidity risk

At year end, the Group's responsibility of liquidity risk management rested with the directors of Bidco, who formulated liquidity management tools to service this requirement. The principal policy objective in relation to liquidity is to ensure that the Group is able to access sufficient liquidity to meet its obligations as they become due, primarily servicing the repayment terms of the long term loans held at Group level.

Management of liquidity risk is achieved by monitoring actual and forecasted cash flows. Recent forecasts have indicated that the liquidity in the current structure is sufficient to meet its obligations as they become due.

16 FINANCIAL ASSETS AND LIABILITIES

	Year ended 30 June 2020 GBP	Year ended 30 June 2019 GBP
Finance lease asset held at amortised value	**40,991**	13,836,096
Finance lease liability held at amortised value	**(40,991)**	(13,836,145)
Amount owing from holding company	**3,000**	2,731
Amount owing to holding company	**(47,828,098)**	(26,727,135)
Net financial liabilities	**(47,825,098)**	(26,724,453)
Profit and (loss) impact of the financial assets and liabilities		
Amortisation of finance lease asset held at amortised value	**96,371**	(140,932)
Amortisation of finance lease liability held at amortised value	**(245,371)**	(590,067)
Amortisation of finance costs	**(146,806)**	(109,102)
Interest on long term loans	**(2,163,515)**	(2,958,966)
	(2,459,321)	(3,799,067)

17 EVENTS AFTER THE REPORTING PERIOD

In response to the continuation of the spread of coronavirus, there has been a default in rent payment from the major tenant for quarter end December 2020. Due to this Chariot Lux Holdco S.a.r.l entered into a waiver letter with the facility agent - HSBC Bank plc, waiving any impeding financial covenants which may not be met, and thus avoiding any breaches under the facility agreement. The Company received £7.8m in their disposal bank account to use for urgent payments; £4.9m was used to pay the loan on any sold properties, £1.3m was used to cover interest payment shortfalls and the remaining £1.6m was used for head rent, insurance, ad-hoc invoices etc

To make sure future liabilities are met there has been a cash injection received by the Chariot shareholders directly in the Santander bank account on 23/02/2021 of amount £1,811,541. This was requested in line with the Profit Participating Loan Agreement dated 16 December 2016 between the lender – 'Beaumont Summit Finance Dac' and Chariot Lux Holdco S.a.r.l as borrower. It is the intention of the shareholders to inject additional funding in stages up to the April IPD, if needed. Despite the non-payment of NCP management is not currently aware of any specific instances of impacted operations of the Company.

It has been decided to close the ING bank accounts in 2021, the closure of all bank accounts is currently being processed. The new bank is with HSBC, the accounts were opened in early 2021 and have been fully operational.

The property Alexandra Gardens has been sold after year-end on 5th March 2021 for £4.6 million. There are no other sales that have taken place after year-end.

The Company has evaluated events leading up to the filing date of these financial statements and determined that no other subsequent event required disclosure.

The financial statements of CP Co 7 Limited were approved by the Board of Directors, and authorised for issue on .

18 PARENT COMPANY AND ULTIMATE CONTROLLING ENTITY

As at 30 June 2020, the Company's immediate parent company is CP Co Borrower Limited which is incorporated and registered in England and Wales. The Company's results are consolidated into Bidco which produces consolidated financials. This is the smallest group which produces consolidated financial statement. Copies of the consolidated Group financial statements can be obtained from 8th Floor, 20 Farringdon Street, London, EC4A 4AB, United Kingdom.

As at 30 June 2020, the ultimate holding company is Bidco which is incorporated and registered in Luxembourg and which is wholly owned by Chariot Lux Holdco S.a.r.l (registered in Luxembourg).

The directors are of the opinion that as at 15 December 2016, the ultimate controlling party is Beaumont Summit Finance DAC which owns 99% of Bidco which indirectly owns 100% of CP Co Borrower Limited. CP CO 7 Limited is a 100% held subsidiary of CP Co Borrower Limited.

19 RELATED PARTY TRANSACTIONS

The amount of directors fees incurred by CP Co Borrower during the year amounted to £27,259 (2019: £47,500) and the amount of directors fees owing by CP Co Borrower at 30 June 2020 amounted to Nil (2019: £Nil).

During the year, the Group paid directors fees to Hugh Sayer for £1,607 per entity for services rendered to each UK company in the Group. The amount of Director fees incurred by CP Co Borrower during the year for the Group amounted to £19,284.

These fees were paid on behalf of the Group by Bidco.