

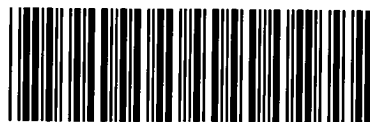
Registration number: 8465780

# 20 The Piazza Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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## **20 The Piazza Limited**

### **Directors' Report for the year ended 31 December 2016**

The Directors submit their annual report and the audited financial statements of the Company for the year ended 31 December 2016.

#### **Incorporation**

20 The Piazza Limited ("the Company") was incorporated (company number 8465780) and registered in England and Wales on 28 March 2013.

#### **Principal activities**

The principal activities of the company are the holding of investments and the ownership of the 999 year leasehold interest in 20 The Piazza, Covent Garden.

#### **Business review**

##### *Fair review of the business*

The Company's results for and financial position at the year ended 31 December 2016 are set out in full in the statement of comprehensive income, the balance sheet, statement of changes in equity and the notes relating thereto.

Both the level of business during the year and the year end financial position were as expected. The loss on ordinary activities before tax was £14,000 (2015: loss of £13,000). Total shareholder funds at 31 December 2016 were £2,227,000 (2015: £2,241,000).

##### *Principal risks and uncertainties*

The Directors believe that the principal risks and uncertainties facing the Company are not materially different to those disclosed in the Group Annual Report & Accounts of Capital & Counties Properties PLC for the year ended 31 December 2016 that are publicly available and in which the Company is consolidated.

Given the straightforward nature of the business, the Company Directors are of the opinion that analysis using KPIs is not necessary for an understanding of its development, performance or position.

#### **Dividends**

The Directors do not recommend a payment of dividend for the year (2015: £nil).

#### **Investment in subsidiary undertaking**

Details of the movements in investment in subsidiary undertaking are set out in note 7 to these financial statements.

#### **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 are given below:

T G Attree

S-J Curtis (resigned 31 August 2016)

S Das (resigned 31 December 2016)

C Denness

I D Hawksworth

## **20 The Piazza Limited**

### **Directors' Report for the year ended 31 December 2016**

S S Jobanputra (appointed 16 December 2016)

M V A McGrath (appointed 16 December 2016)

G J Yardley

#### **Statement of Directors' responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The Directors 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.

#### **Disclosure of information to auditors**

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Directors' indemnity**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company's ultimate parent company purchased and maintained Directors' and Officers' liability insurance throughout the financial year in respect of the Group, including the Company and its Directors.

## 20 The Piazza Limited

### Directors' Report for the year ended 31 December 2016

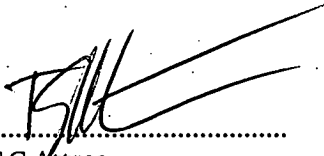
#### Independent auditors

The Auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. Under the provisions of the Companies Act 2006, the Company is not required to hold an annual general meeting and accordingly the Auditors, PricewaterhouseCoopers LLP, will therefore be deemed to be reappointed for each succeeding financial year.

#### Exemptions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Directors have taken advantage of the exemption from preparing a Strategic Report.

Approved by the Board on 30 August 2017 and signed on its behalf by:

  
.....  
T G Attree  
Director

## **20 The Piazza Limited**

### **Independent Auditors' Report to the members of 20 The Piazza Limited**

#### **Report on the financial statements**

##### **Our opinion**

In our opinion, 20 The Piazza Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

##### **Other matters on which we are required to report by exception**

###### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

## **20 The Piazza Limited**

### **Independent Auditors' Report to the members of 20 The Piazza Limited**

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the Directors**

As explained more fully in the Statement of Directors' responsibilities set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

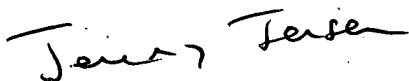
We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

## 20 The Piazza Limited

### Independent Auditors' Report to the members of 20 The Piazza Limited

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report include the disclosures required by applicable legal requirements.



.....  
Jeremy Jensen (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

Date: 30/8/17

## 20 The Piazza Limited

### Statement of Comprehensive Income for the year Ended 31 December 2016

	Note	2016 £ 000	Restated 2015 £ 000
Turnover	2	-	-
Cost of sales		-	(4)
Gross loss		-	(4)
Operating income	3	64	80
Operating expenses		(80)	(89)
Administrative expenses		-	(2)
Operating loss		(16)	(15)
Other interest receivable and similar income	4	2	2
Loss on ordinary activities before tax	5	(14)	(13)
Total comprehensive expense for the year		(14)	(13)

The Company had no movements in shareholder funds other than those included in the statement of comprehensive income and therefore a separate statement of changes in shareholder funds has not been presented.

The notes on pages 9 to 16 form part of these financial statements.



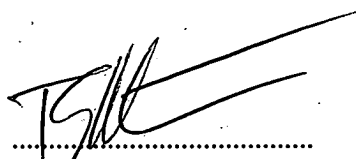
## 20 The Piazza Limited

### Balance Sheet as at 31 December 2016

	Note	2016 £ 000	Restated 2015 £ 000
<b>Non-current assets</b>			
Trade and other debtors	8	30	30
<b>Current assets</b>			
Trade and other debtors	8	2,218	2,232
<b>Creditors: Amounts falling due within one year</b>			
Deferred income		(21)	(21)
<b>Net current assets</b>		<u>2,197</u>	<u>2,211</u>
<b>Net assets</b>		<u>2,227</u>	<u>2,241</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>2,227</u>	<u>2,241</u>
<b>Total shareholders' funds</b>		<u>2,227</u>	<u>2,241</u>

The notes on pages 9 to 16 form part of these financial statements.

The financial statements on pages 7 to 16 have been approved by the Board on ~~30 August 2017~~ <sup>30 August 2017</sup> and signed on its behalf by:



T G Attree  
Director

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 1 Accounting policies

##### Basis of preparation

These financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 2006 and United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

The Directors have assessed the financial information contained in the 2016 Annual Report & Accounts of Capital & Counties Properties PLC that have been prepared on a going concern basis. The Directors have concluded from their assessment that there is a reasonable expectation that the Company will have adequate support from Capital & Counties Properties PLC to meet ongoing and future commitments for a period of at least 12 months from the date of approval of the financial statements and have therefore resolved that the financial statements be prepared on a going concern basis.

FRS 101 sets out a reduced disclosure framework that addresses the financial reporting requirements of and disclosure exemptions available in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS"). Amendments are made to the requirements of IFRS where necessary so as to comply with the Companies Act 2006.

The Company, as a qualifying entity, is a member of a group where the parent of that group, being Capital & Counties Properties PLC, prepares publicly available consolidated financial statements that are intended to give a true and fair view and the Company is included in the consolidation. Details of where the 2016 Annual Report & Accounts of Capital & Counties Properties PLC can be obtained are disclosed in note 11.

The Directors of the Company have taken advantage of the following disclosure exemptions available under FRS 101:

- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements'.
- The requirements of IAS 7 'Statement of Cash Flows'.
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.
- The requirements of paragraphs 91 to 99 of IFRS 13 'Fair value Measurement' in relation to investment and development property.

The Directors have notified the shareholder of the Company in writing about the use of disclosure exemptions in these financial statements and the shareholder does not object.

##### New standards and interpretations

No new accounting standards and interpretations that are effective for the year ended 31 December 2016 have had a material impact on the financial statements.

## **20 The Piazza Limited**

### **Notes to the Financial Statements for the year ended 31 December 2016**

#### **1 Accounting policies (continued)**

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

The preparation of financial statements in accordance with FRS 101 requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, equity, income and expenses from sources not readily apparent. Although these estimates and assumptions are based on management's best knowledge of the amount, historical experiences and other factors, actual results ultimately may differ from those 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.

Areas of significant judgement and sources of estimation and uncertainty are described in the accounting policies below.

##### **Turnover**

Income obtained by the sale of property is recognised when the significant risks and rewards have been transferred to the buyer. This will normally take place on exchange of contracts unless there are conditions that suggest insufficient probability of future economic benefits flowing to the Company. For conditional exchanges, sales are recognised when these conditions are satisfied.

##### **Tax**

Current tax is the amount payable on the taxable income for the year and any adjustment in respect of prior years. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

In accordance with IAS 12 'Income Taxes' ("IAS 12"), deferred tax is provided using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of those assets and liabilities. However temporary differences are not recognised to the extent that they arise from the initial recognition of assets and liabilities that at the time of the transaction affect neither accounting nor taxable profit and loss.

##### **Investments in subsidiary undertakings**

Investments are stated at cost less impairment losses, if any. Impairment losses are determined with reference to the investment's fair value less estimated selling costs. Fair value is derived from the net assets attributable to the investment at the balance sheet date. Reversal of prior impairment is calculated on a consistent basis as the original impairment charge and may not exceed the original cost prior to impairment. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of comprehensive income.

##### **Trade and other debtors**

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost. The Directors exercise judgement as to the collectability of the Company's debtors and determine whether it is appropriate to impair these assets. Debtors falling due after more than one year are presented under current assets in accordance with Companies Act requirements.

##### **Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business. Creditors are recognised at fair value and subsequently measured at amortised cost until settled.

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 1 Accounting policies (continued)

##### Leases

Leases are classified according to the substance of the transaction. A lease that transfers substantially all the risks and rewards of ownership to the lessee is classified as a finance lease. All other leases are normally classified as operating leases.

At the commencement date of the lease, on the sale of trading property, the fair value of the asset is de-recognised from trading property and recognised as a finance lease receivable. Lease income is recognised over the period of the lease, reflecting a constant rate of return. The difference between the gross receivable and the present value of the receivable is recognised as finance income within the statement of comprehensive income.

Rental income is spread evenly over the period from lease commencement to lease expiry. Rental expenses under operating leases are charged to the income statement on a straight-line basis over the lease term.

##### Amounts owed to and from group undertakings

Amounts owed to group undertakings are recognised at fair value and subsequently measured at amortised cost until settled.

##### Group financial statements

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements because the ultimate parent company, Capital & Counties Properties PLC, prepares consolidated financial statements that are publicly available and into which the Company's financial statements are consolidated.

##### Prior period adjustments

The prior year comparatives have been restated to correct property and amounts receivable. The Company's investment in leases relating to ground rents on property sold was previously recognised as investment property with rental amounts shown as operating income, but this has now been restated as a finance lease receivable with related finance income.

The impact of this change on the financial statements for the year ending 31 December 2015 was as follows:

	£ 000
Decrease in other operating income	(2)
Increase in finance income	2
Net impact on comprehensive income for the year	-
Decrease in investment property	(30)
Increase in finance lease receivable	31
Net increase in net assets	1

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 2 Turnover, cost of sales and gross profit

Turnover arose in the United Kingdom from continuing operations. In the opinion of the Directors, the Company carried on only one class of business.

	2016 £ 000	2015 £ 000
Cost of sales		
Costs of sale of completed trading property	-	(4)
Net rental expense	-	(4)

The Directors believe that the nature of the Company's business is such that the analysis of costs required by the Companies Act 2006 is not appropriate.

The Directors have therefore adopted the above format so that costs are disclosed in a manner appropriate to the Company's principal activity.

#### 3 Other operating income

Operating income earned in the year consists of amounts earned from the Company's leasehold interests and is as follows:

	2016 £ 000	Restated 2015 £ 000
Operating income	64	80

#### 4 Interest receivable and similar income

	2016 £ 000	Restated 2015 £ 000
Other finance income	2	2

#### 5 Loss on ordinary activities before tax

The loss on ordinary activities before tax of £14,000 (2015: loss of £13,000) is arrived at after charging:

	2016 £ 000	2015 £ 000
Auditors' remuneration - audit services	-	-

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 5 Loss on ordinary activities before tax (continued)

Auditors' remuneration of £2,060 (2015: £2,000) for the year has been met by Capco Covent Garden Limited, an intermediate parent company, and has not been recharged.

There were no employees during the year (2015: nil).

#### Directors' emoluments

No Director received any remuneration for services to the Company in either year. Some of the Directors are also directors of Capital & Counties Properties PLC, the Company's ultimate parent company, and the remuneration of these Directors is disclosed in the financial statements of Capital & Counties Properties PLC.

#### 6 Tax on loss on ordinary activities

Tax charged in the statement of comprehensive income

	2016 £ 000	2015 £ 000
Total tax charge	-	-

The differences between the tax assessed for the year and the current average standard rate of United Kingdom corporation tax of 20.00 per cent (2015: 20.25 per cent) are shown below:

	2016 £ 000	Restated 2015 £ 000
Loss before tax	(14)	(13)
Current average United Kingdom corporation tax at 20.0% (2015: 20.25%)	(3)	(3)
Group relief surrendered	3	3
Total tax charge/(credit)	-	-

The Finance Act 2015 sets the main rate of UK corporation tax at 20% with effect on 1 April 2015. The enactment of Finance (No. 2) Act 2015 and Finance Act 2016 reduces the main rate of corporation tax to 19 per cent from April 2017 and 17 per cent from April 2020.

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 7 Investment in subsidiary undertakings

	2016 £	2015 £
<b>Cost</b>		
As at 1 January and 31 December	<u>1</u>	<u>1</u>
<b>Impairment</b>		
As at 1 January and 31 December	<u>-</u>	<u>-</u>
Carrying value 31 December	<u>1</u>	<u>1</u>

Details of the subsidiary as at 31 December 2016 are as follows:

Name of subsidiary	Principal activity	Country of incorporation	Proportion of ownership interest	
			2016	2015
20 The Piazza Management Limited	Property management	England and Wales	100%	100%

The registered office of the Company's subsidiary undertaking is 15 Grosvenor Street, London W1K 4QZ.

#### 8 Trade and other debtors

	2016 £ 000	Restated 2015 £ 000
<b>Non-current</b>		
Finance lease receivable	30	30
<b>Current</b>		
Trade debtors	30	14
Provision for impairment of trade debtors	<u>(18)</u>	<u>(2)</u>
Net trade debtors	12	12
Amounts receivable from group undertakings	2,187	2,192
Other debtors	18	26
Finance lease receivable	<u>1</u>	<u>2</u>
<b>Trade and other debtors</b>	<u>2,248</u>	<u>2,262</u>

Amounts owed from group undertakings are unsecured, interest free and repayable on demand.

## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 9 Finance lease receivables

Minimum lease payments receivable under finance leases:

	2016 £ 000	Restated 2015 £ 000
Not later than one year	1	1
Later than one year and not later than five years	6	6
Later than five years	176	176
	183	183
Unearned finance income	(152)	(152)
Net investment in finance leases	31	31

Present values of future finance lease payments receivable:

	2016 £ 000	Restated 2015 £ 000
Not later than one year	1	1
Later than one year and not later than five years	5	5
Later than five years	25	25
	31	31

Finance lease receivables arise on the sale of residential property as the Company grants the purchaser a non-cancellable 999 year leasehold interest in return for annual ground rent payments. No contingent rent was received during the year.

The average effective interest rate for finance lease receivables in the year was 5% (2015 restated: 5%).



## 20 The Piazza Limited

### Notes to the Financial Statements for the year ended 31 December 2016

#### 10 Called up share capital

Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### 11 Ultimate parent company

The ultimate parent company and controlling party is Capital & Counties Properties PLC, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained from the Company Secretary, 15 Grosvenor Street, London, W1K 4QZ.

The Company's immediate parent is Capital & Counties CG Limited, a company incorporated in England and Wales, copies of whose financial statements may be also obtained as above.