

Company Registration No. 00824827 (England and Wales)

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	S D Phipps A E Stevens A J Ward	(Appointed 13 April 2016) (Appointed 14 June 2017)
Secretary	A C Falconer	
Company number	00824827	
Registered office	8 King Street St James's London SW1Y 6QT	
Auditor	KPMG LLP 15 Canada Square London E14 5GL	

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

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FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Principal activities

The principal activity of the Company is the holding and management of a long leasehold investment property.

Business review

During the year the Company made a profit on ordinary activities before tax of £237,000 (2015: £583,000) and the profit after tax was £238,000 (2015: £531,000) as detailed on page 4.

The principal risk that the Company faces is that it needs to maintain a high occupancy rate to cover its costs, a high proportion of which are fixed. Steps taken to mitigate this risk included maintaining the competitively priced room rates and continued advertising through late booking agencies, as well as improving on customer services levels.

The Directors are satisfied with the net asset position of the Company at £4.6m (2015: £4.4m).

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

J G Bentley	(Resigned 12 April 2016)
S D Phipps	
A E Stevens	(Appointed 13 April 2016)
I R Collins	(Appointed 21 April 2016 and resigned 30 March 2017)
L J Bowden	(Appointed 30 March 2017 and resigned 14 June 2017)
A J Ward	(Appointed 14 June 2017)

Auditor

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


Statement of disclosure 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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Strategic report

The Company is defined as small as per the requirements of the Companies Act 2006 and therefore has applied the exemption to prepare a Strategic Report.

On behalf of the board


ADELE FALLONER
SECRETARY

Date: 8 AUGUST 2017

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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 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.

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

We have audited the financial statements of First Property And Investment Management Limited for the year ended 31 December 2016 set out on pages 4 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion 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 profit for the year then ended.
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements. Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Hugh Green (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date:



14 August 2017

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £'000	2015 £'000
Turnover	3	514	920
Cost of sales		(127)	(179)
Gross profit		<u>387</u>	<u>741</u>
Administrative expenses		(150)	(158)
Profit before taxation	4	<u>237</u>	<u>583</u>
Taxation	7	1	(52)
Profit for the financial year		<u><u>238</u></u>	<u><u>531</u></u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes to the accounts on pages 7 to 12 form part of these financial statements.

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

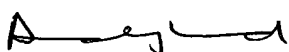
BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £'000	£'000	2015 £'000	£'000
Fixed assets					
Tangible assets	8		54		69
Investment properties	8		5,500		5,300
			<u>5,554</u>		<u>5,369</u>
Current assets					
Debtors	9	691		655	
Creditors: amounts falling due within one year	10	(1,648)		(1,665)	
Net current liabilities			<u>(957)</u>		<u>(1,010)</u>
Total assets less current liabilities			<u>4,597</u>		<u>4,359</u>
Capital and reserves					
Called up share capital (£2)	11		-		-
Profit and loss reserves			<u>4,597</u>		<u>4,359</u>
Total equity			<u>4,597</u>		<u>4,359</u>

The notes to the accounts on pages 7 to 12 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on **8 August** 2017 and are signed on its behalf by:


ANDREW WARD
 Director

Company Registration No. 00824827

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital (£2) £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2015		-	3,828	3,828
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	531	531
Balance at 31 December 2015		-	4,359	4,359
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	238	238
Balance at 31 December 2016		-	4,597	4,597

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies

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

Company information

First Property and Investment Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 King Street, St James's, London, SW1Y 6QT.

1.1 Accounting convention

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The Company's ultimate parent undertaking, Financière Pinault SCA includes the Company in its consolidated financial statements. The consolidated financial statements of Financière Pinault SCA are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Tribunal de Commerce de Paris, 1, Quai de Corse, 75004 Paris. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Company's shareholder has been notified in writing about, and has not objected to, the exceptions.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its subsidiaries. These arrangements ensure adequate management of cash flows around the group.

The Group has considerable financial resources and as a consequence, the Directors believe that the Group is well placed to manage its business risks. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the company will be able to continue in existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company has received confirmation that Christie's International plc, its immediate parent company, that it will enable the Company to meet its liabilities for at least twelve months.

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.3 Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The Company assesses at each reporting date whether tangible assets are impaired.

Depreciation and residual values

Depreciation is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Category of Asset	Annual Rate
Leasehold property	Period of lease
Leasehold improvements	Shorter of period of lease or useful economic life of 10 years
Furniture and equipment	10 years

No depreciation is provided on investment properties.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.4 Investment properties

Investment properties are properties held either to earn rental income, for capital appreciation or for both. Investment properties are initially recognised at cost.

Subsequent to initial recognition:

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

Investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued.

1.5 Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrealised tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover

All turnover relates to United Kingdom property activities and comprises rental income and property revaluations. Turnover is recognised in the period it relates to (net of any sales tax). Property revaluations of £200,000 (2015: £680,000) were recognised during the year and are set out in note 8.

4 Profit before taxation

	2016 £'000	2015 £'000
Profit before taxation for the year is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	15	18
<i>Auditor's remuneration:</i>		
Fees paid to the Company's auditor for the audit of the Company's annual accounts	4	4

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Employees

The average number of persons employed on permanent or temporary contracts by the Company (including Directors) during the year was four (2015: two).

The aggregate payroll costs of these persons was £nil (2015: £nil):

6 Directors' remuneration

The Directors did not receive any emoluments in respect of their services for this Company during the year (2015: nil).

7 Taxation

	2016 £'000	2015 £'000
Current tax		
UK corporation tax on profits for the current period	9	(17)
Adjustments in respect of prior periods	9	-
	<u>18</u>	<u>(17)</u>
Total current tax	<u>18</u>	<u>(17)</u>
Deferred tax		
Origination and reversal of timing differences	24	69
Adjustment in respect of prior periods	(43)	-
	<u>(19)</u>	<u>69</u>
Total deferred tax	<u>(19)</u>	<u>69</u>
Total tax (credit)/charge	<u>(1)</u>	<u>52</u>

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £'000	2015 £'000
Profit before taxation	<u>237</u>	<u>583</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	47	118
Tax effect of expenses that are not deductible in determining taxable profit	3	3
Effect of change in corporation tax rate	(6)	-
Deferred tax adjustments in respect of prior years	(43)	(52)
Deferred tax rate change	(2)	(17)
	<u>(1)</u>	<u>52</u>
Taxation for the year	<u>(1)</u>	<u>52</u>

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Tangible fixed assets

	Long leasehold land and buildings	Leasehold improvements	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2016	5,300	202	63	5,565
Revaluation	200	-	-	200
At 31 December 2016	5,500	202	63	5,765
Depreciation				
At 1 January 2016	-	134	62	196
Depreciation charged in the year	-	14	1	15
At 31 December 2016	-	148	63	211
Carrying amount				
At 31 December 2016	5,500	54	-	5,554
At 31 December 2015	5,300	68	1	5,369

The historical cost of the long leasehold property is £1,384,000.

Freehold land and buildings, long leasehold and short leasehold are all held as investment properties and as such are revalued at the balance sheet date. Land and investment properties are not depreciated.

The last full valuation of investment properties was performed at 31 December 2016 by Angermann, Goddard and Loyd, an external firm of commercial surveyors and property consultants, who valued the properties in accordance with the RICS Statements of Asset Valuation Practice and Guidance Notes.

A desktop revaluation of investment properties was performed at 31 December 2015 and 31 December 2014 by Angermann, Goddard and Loyd. The revaluations were arrived at using Investment Property Databank (IPD) all property indices, and applying those to the December 2013 valuations.

9 Debtors

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Trade debtors	131	6
Amounts due from fellow group undertakings	549	644
Prepayments	11	5
	691	655

FIRST PROPERTY AND INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Creditors: amounts falling due within one year

	Notes	2016 £'000	2015 £'000
Deferred Tax		355	374
Amounts due to group undertakings		1,267	1,287
Corporation tax		9	-
Other taxation and social security		9	-
Accruals		8	4
		<u>1,648</u>	<u>1,665</u>

11 Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

12 Ultimate parent undertaking

The smallest and largest group in which the results of the Company are included is Financière Pinault SCA, a company incorporated in France and also the ultimate parent company of First Property and Investment Management Limited. The immediate parent undertaking is Christie's International plc which is incorporated in England and Wales and the registered office is 8 King Street, St James's, London, SW1Y 6QT.

The consolidated accounts of Financière Pinault SCA will be filed with the Tribunal de Commerce de Paris, 1, Quai de Corse, 75004 Paris.