

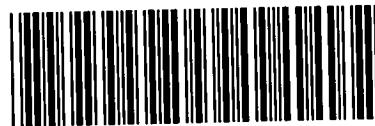
Sime Darby London Limited

**Directors' report and consolidated
financial statements**

for the six month period ended 31 December 2018

Registered Number: 01063138

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Sime Darby London Limited

Directors' report and consolidated financial statements for the six month period ended 31 December 2018

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Sime Darby London Limited

Directors and advisers

Directors

Kamarul Ariffin Bin Abdul Samad
Zahari Bin Salleh
Wan Norjihan Binti Wan Ismail (appointed 10 September 2018)
Dr. Tan Kok Heng (resigned 10 September 2018)

Company secretary

Irwin Mitchell Secretaries Limited
Riverside East
2 Millsands
Sheffield
Yorkshire
S3 8DT

Registered office

Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Savannah House
3 Ocean Way
Southampton
SO14 3TJ

Sime Darby London Limited

Strategic report for the six month period ended 31 December 2018

The directors have changed the Company's year-end date from 30 June to 31 December so as to be consistent with the year-end of the Company's parent companies. The directors present their strategic report for the six month period from 1 July 2018 to 31 December 2018.

Business Review

The Group and Company's financial statements have been prepared under FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

During the six month period ended 31 December 2018 the Group made a profit of £61,000 (12 months to 30 June 2018: £29,977,000).

The main activities of the Group are property investment. The assets of the Group are investment properties in London.

The cash balances of the Group as at 31 December 2018 were £6,696,000 (30 June 2018: £3,800,000). During the six month period ended 31 December 2018 the Company agreed to capitalise £296,000 (£570,000 capitalised for 12 months to 30 June 2018) of unpaid interest on a loan to a fellow group undertaking which has been added to the balance outstanding at 30 June 2018 of £11,731,000. Interest will continue to be charged at a fixed rate of interest of 5% p.a. The loan has no fixed repayment date.

During the six month period ended 31 December 2018 the Company sold two (12 months to 30 June 2018: one) of its investment properties in London for the net sum of £3,037,000 (12 months to 30 June 2018: £661,000) resulting in a profit on disposal of £32,000 (12 months to 30 June 2018: £123,000 profit).

Prospects

It is the intention that the Sime Darby London Limited Group will continue to seek property investment opportunities in the future.

Principal risks and uncertainties

The Company has property assets amounting to £3,171,000 as at 31 December 2018 (At 30 June 2018: £6,365,000) whose values are subject to fluctuations caused by changes in the UK property market. The directors regularly review these investments to consider whether there has been any impairment in their carrying values. The general economic climate and strength of the UK property rental market could have an impact on future rental income to be generated from the investment properties held. Management however keep the markets under regular review and does not anticipate any significant changes for the foreseeable future. The directors have also considered the impact of BREXIT on the Group and the Company and consider that the principal uncertainties relate to fluctuations in the UK property market and exchange differences that could arise with any inter group transactions.

Key Performance Indicators ("KPI's")

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

By order of the Board and signed on their behalf


Kamarul Ariffin Bin Abdul Samad
Director

23 May 2019

Sime Darby London Limited

Directors' report for the six month period ended 31 December 2018

The directors present their report and the audited consolidated financial statements for the six month period ended 31 December 2018.

Principal activities

The principal activities of the Group during the six month period ended 31 December 2018 and the turnover and profit before taxation attributable to each class of business were as follows:

	<u>Turnover</u>		<u>Profit before taxation</u>	
	6 months to 31 Dec 2018 £'000	12 months to 30 June 2018 £'000	6 months to 31 Dec 2018 £'000	12 months to 30 June 2018 £'000
Property investment and rental income	57	125	37	30,200

Property investment and rental income relate mainly to third party rental income from London properties.

Profit before taxation includes the release and discharge of intra group loans (see Note 2) amounting to £ Nil (12 months to 30 June 2018: £28,657,000).

Subsidiaries

The principal activity of Robt. Bradford & Company Limited is that of a holding company, whilst the principal activity of its subsidiary, Robt Bradford Hobbs Savill Limited is the completion of the run-off of its former insurance broking operations. Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited were dormant during the six months ended 31 December 2018.

Future developments

The directors' comments on the future developments of the Company and Group are mentioned in the Strategic Report on page 3.

Going concern

The Group has net assets of £22,185,000 at 31 December 2018 (At 30 June 2018 net assets: £22,124,000). As explained further at Note 2, arrangements are in place with other group companies to ensure the Group is able to continue to meet its liabilities as they fall due, for 12 months from the date of signing.

Dividends

The directors are unable to propose the payment of a dividend (12 months to 30 June 2018: £Nil).

Sime Darby London Limited

Directors' report for the six month period ended 31 December 2018 (continued)

Directors' liability insurance

During the six month period ended 31 December 2018 and up to the date of signing these financial statements, directors' liability insurance was provided by Sime Darby Property Berhad, a company incorporated in Malaysia, for the directors who are natural persons.

Disabled persons

It is the policy of the Company and the Group to employ disabled persons, whenever possible, in jobs suited to their individual circumstances and to give them full and fair consideration at all times in recruitment, career development, and for training and promotion.

Charitable and political contributions

No charitable contributions (12 months to 30 June 2018: £5,500) were made by the Group during the year. No political donations were made by the Group (12 months to 30 June 2018: £Nil).

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk and cash flow risk.

The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of credit risk and other finance costs.

The Group does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Price risk

The Group is exposed to market rental price risk as a result of its operations. The Group undertakes periodic reviews of market rates for rental of properties, which are similar to those properties owned by the Group.

Credit risk

The Group has implemented policies that require appropriate credit checks on potential customers before sales are made and on potential tenants before leases are entered into. The amount of exposure to any individual counterparty is regularly reviewed by management.

Liquidity risk

The Group ensures that it has sufficient available funds for operations and planned expansions by regular review of its cash requirements. Additional funding is obtained from the ultimate parent company or other group companies as required.

Sime Darby London Limited

Directors' report for the six month period ended 31 December 2018 (continued)

Financial risk management (continued)

Cash flow risk

During the six month period ended 31 December 2018, the Company agreed to capitalise £296,000 of unpaid interest on the loan to a fellow group undertaking which has been added to the principal of £11,731,000. Interest will continue to be charged at a fixed rate of interest of 5% p.a. The loan has no fixed repayment date.

All other trade debtors and creditors are interest-free and have settlement dates within one year. Amounts owed by / (to) fellow group undertakings have no fixed repayment dates.

The Group's income and operating cash flows are therefore substantially independent of changes in market interest rates.

Directors

The directors of the Company who were in office during the period and up to the date of signing these financial statements are as shown on page 2.

Directors' interests: contracts

There have been no contracts during the period with the Company or any of its subsidiaries in which any of the directors have had an interest.

Subsequent events

On 29 March 2019, the Shareholder of the Company (Sime Darby Property Berhad) passed the following special resolutions:

- THAT the issued share capital of the Company be reduced from £38,493,886 to £1 by cancelling and extinguishing 38,493,885 of the issued ordinary shares of £1.00 each in the Company, each of which is fully paid up and the amount by which the share capital is so reduced be credited to a distributable reserve; and
- THAT the share premium of the Company be cancelled and the amount of the share premium so cancelled be credited to a distributable reserve.

This has meant that the share premium account balance of £24,910,163 as at 31 December 2018 has now been cancelled and there has been a credit of the same amount to distributable reserves.

The Company is now in a position where it has distributable profits.

The Capital Reduction process was undertaken via a solvency statement made by the directors of the Company dated 29 March 2019.

On 30 April 2019, the Company entered into an agreement with Sime Darby Property (Hong Kong) Limited, a fellow group undertaking, and Sime Darby Property Berhad, immediate parent undertaking, to novate the loan facility of up to £12,951,364.30 owed to the Company by Sime Darby Property (Hong Kong) Limited ("Outgoing Borrower") to Sime Darby Property Berhad ("Incoming Borrower"). The terms of the loan agreement dated 4 June 2012 remain unchanged.

Sime Darby London Limited

Directors' report for the six month period ended 31 December 2018 (continued)

Directors' responsibilities statement

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 period. Under that law the directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Group and Company and of the profit or loss of the Group and 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 102, 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 Group and Company will continue in business.

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

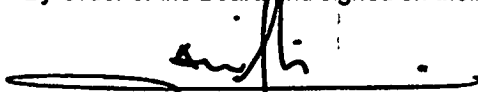
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group and 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 Group and Company's auditors are aware of that information.

Independent auditors

The Company has dispensed with the need to hold an Annual General Meeting and hence the need to reappoint the Company's auditors annually. Accordingly PricewaterhouseCoopers LLP will continue in office as the Company's auditors.

By Order of the Board and signed on their behalf by



Kamarul Ariffin Bin Abdul Samad
Director

23 May 2019

Sime Darby London Limited

Independent auditors' report to the members of Sime Darby London Limited

Report on the audit of the financial statements

Opinion

In our opinion, Sime Darby London Limited's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2018 and of the Group's profit for the six month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and consolidated financial statements (the "Annual Report"), which comprise: the Group and Company balance sheets as at 31 December 2018; the Group statement of comprehensive income, and the Group and Company statements of changes in equity for the six month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's and Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Group's trade, customers, suppliers and the wider economy.

Sime Darby London Limited

Independent auditors' report to the members of Sime Darby London Limited (continued)

Report on the audit of the financial statements (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the period ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Sime Darby London Limited

Independent auditors' report to the members of Sime Darby London Limited (continued)

Report on the audit of the financial statements (continued)

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

We have no exceptions to report arising from this responsibility.



Alison Dunwoody (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton

23 May 2019

Sime Darby London Limited

Group statement of comprehensive income for the six month period ended 31 December 2018

	Note	6 months to 31 Dec 2018 £'000	12 months to 30 June 2018 £'000
Turnover	3	57	125
Cost of sales	4	(10)	(22)
Gross profit		47	103
Administrative expenses before exceptional items	4	(160)	(381)
Exceptional items - intra group loans released and discharged	4	-	28,657
Administrative expenses after exceptional items	4	(160)	28,276
Other operating income	5	-	35
(Loss)/gain on revaluation of investment properties	13	(189)	1,084
Operating (loss) / profit	6	(302)	29,498
Profit on disposal of fixed assets	7	32	123
Interest receivable and similar income	8	307	579
Profit before taxation		37	30,200
Tax on profit	11	24	(223)
Profit for the financial period		61	29,977


The notes on pages 16 to 33 form part of these financial statements.

Sime Darby London Limited

Group balance sheet as at 31 December 2018

	Note	31 Dec 2018 £'000	30 June 2018 £'000
Fixed assets			
Tangible assets	12	4	7
Investment property	13	3,171	6,365
		3,175	6,372
Current assets			
Debtors – amounts falling due after more than one year	15	12,027	11,731
Debtors - amounts falling due within one year	16	2,261	2,254
Cash at bank and in hand		6,696	3,800
		20,984	17,785
Creditors - Amounts falling due within one year	17	(1,795)	(1,653)
Net current assets		19,189	16,132
Total assets less current liabilities		22,364	22,504
Provisions for liabilities	19	(179)	(380)
Net assets		22,185	22,124
Capital and reserves			
Share capital	20	38,494	38,494
Share premium account		24,910	24,910
Accumulated losses			
At 1 July		(41,280)	(71,257)
Profit for the year attributable to the owners		61	29,977
		(41,219)	(41,280)
Total shareholders' funds		22,185	22,124

The financial statements on pages 11 to 33 were approved by the Board of Directors on 23 May 2019 and signed on its behalf by:


 Kamarul Ariffin Bin Abdul Samad
 Director
 Sime Darby London Limited
 Registered number: 1063138

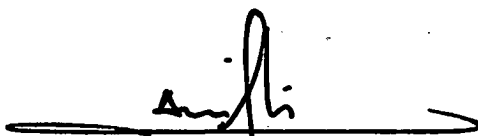
Sime Darby London Limited

Company balance sheet as at 31 December 2018

	Note	31 Dec 2018 £'000	30 June 2018 £'000
Fixed assets			
Tangible assets	12	4	7
Investment property	13	3,171	6,365
Investments	14	-	-
		3,175	6,372
Current assets			
Debtors - amounts falling due after more than one year	15	12,027	11,731
Debtors - amounts falling due within one year	16	2,267	2,260
Cash at bank and in hand		6,696	3,800
		20,990	17,791
Creditors - amounts falling due within one year	17	(457)	(315)
Net current assets		20,533	17,476
Total assets less current liabilities		23,708	23,848
Provisions for liabilities	19	(1,530)	(1,731)
Net assets		22,178	22,117
Capital and reserves			
Share capital	20	38,494	38,494
Share premium account		24,910	24,910
Accumulated losses			
At 1 July		(41,287)	(55,270)
Profit for the year attributable to the owners		61	13,983
		(41,226)	(41,287)
Total shareholders' funds		22,178	22,117

Sime Darby London Limited has not presented its own income statement as permitted by Section 408 of the Companies Act 2006. The amount of the profit for the financial period dealt with in the financial statements of the Parent Company was £61,000 (12 months to 30 June 2018: £13,983,000).

The financial statements on pages 11 to 33 were approved by the Board of Directors on 23 May 2019 and signed on its behalf by:



Kamarul Ariffin Bin Abdul Samad
Director
Sime Darby London Limited
Registered number: 1063138

Sime Darby London Limited

Group statement of changes in equity for the six month period ended 31 December 2018

	Share Capital £'000	Share Premium Account £'000	Accumulated Losses £'000	Total Shareholders' (Deficit)/Funds £'000
Balance as at 1 July 2017	38,494	24,910	(71,257)	(7,853)
Profit for the financial year	-	-	29,977	29,977
Total comprehensive income for the year	-	-	29,977	29,977
Balance as at 30 June 2018	38,494	24,910	(41,280)	22,124
Profit for the financial period	-	-	61	61
Total comprehensive income for the period	-	-	61	61
Balance as at 31 December 2018	38,494	24,910	(41,219)	22,185

Sime Darby London Limited

Company statement of changes in equity for the six month period ended 31 December 2018

	Share Capital £'000	Share Premium Account £'000	Accumulated Losses £'000	Total Shareholders' Funds £'000
Balance as at 1 July 2017	38,494	24,910	(55,270)	8,134
Profit for the financial year	-	-	13,983	13,983
Total comprehensive income for the year	-	-	13,983	13,983
Balance as at 30 June 2018	38,494	24,910	(41,287)	22,117
Profit for the financial period	-	-	61	61
Total comprehensive income for the period	-	-	61	61
Balance as at 31 December 2018	38,494	24,910	(41,226)	22,178

Notes to the financial statements for the six month period ended 31 December 2018**General information**

Sime Darby London Limited is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Thomas Eggar House, Friary Lane, Chichester, West Sussex, England, PO19 1UF. The company's registration no. is 01063138.

The principal activity of the Sime Darby London Limited is to act as a holding company and property investment company. The Group generates property investment and rental income related mainly to third party rental income from London properties.

The principal activity of Robt. Bradford & Company Limited is that of a holding company, whilst the principal activity of its subsidiary, Robt Bradford Hobbs Savill Limited is the completion of the run-off of its former insurance broking operations.

Statement of compliance

The Group and individual financial statements of Sime Darby London Limited 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.

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and company's financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

The Group and individual financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Companies Act 2006, except for the non-depreciation of investment properties. The financial statements have been prepared under FRS 102.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the later section of accounting policies.

b. Going concern

The Group has net assets of £22,185,000 at 31 December 2018 (30 June 2018 net assets: £22,124,000). As explained further at Note 2, arrangements are in place with other group companies to ensure the Group is able to continue to meet its liabilities as they fall due.

c. Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The stand-alone entity Sime Darby London Limited and its subsidiaries are a qualifying entity as its results are consolidated into the financial statements of Sime Darby Property Berhad which are publicly available.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1 Summary of significant accounting policies (continued)

c. Exemptions for qualifying entities under FRS 102 (continued)

As a qualifying entity, the Company has taken advantage of the following exemptions in its individual financial statements:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

d. Basis of consolidation

The Group statement of comprehensive income and Group balance sheet include the financial statements of the Company and all its subsidiary undertakings for the six month period ended 31 December 2018. No income statement and statement of comprehensive income is presented for Sime Darby London Limited, as permitted by s408 of the Companies Act 2006.

The Company and its subsidiary undertakings have uniform accounting policies and their intercompany profits and losses have been eliminated.

e. Foreign currency

i) Functional and presentation currency

The Group financial statements are presented in Pound Sterling and rounded to thousands.

The Company's functional and presentation currency is the Pound Sterling.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year-end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

f. Turnover

Turnover represents the amounts receivable in the ordinary course of business, excluding value added tax, in respect of rental income.

Rental income is recognised on an accruals basis over the period of the rental agreement.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1 Summary of significant accounting policies (continued)

g. Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the year in which the service is received.

h. Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Group statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of corporation tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

ii) Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences 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.

Deferred tax is recognised on all timing differences at the reporting date, unless it is not considered probable that deferred tax assets will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

i. Fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Tangible fixed assets are depreciated over their expected useful lives on a straight line basis. Freehold land and buildings are not depreciated. In general, annual depreciation rates based on cost are:

Fixtures and fittings	10 to 20%
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The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively. Repairs, maintenance and minor inspection costs are expensed as incurred.

Fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss and included in 'Profit/ (loss) on disposal of fixed assets.'

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1 Summary of significant accounting policies (continued)

j. Investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in the profit or loss. The surplus or deficit on revaluation is recognised in the profit or loss and accumulated in the retained earnings. All leasehold property owned by the Group and the Company is valued annually at an open market valuation undertaken by appropriately independent external valuers holding a recognised qualification in accordance with Section 16 of FRS 102 'Accounting for Investment Properties'.

No depreciation is provided in respect of the Group's investment properties. In accordance with Section 16 of FRS 102 'Accounting for Investment Properties', the directors consider that systematic annual depreciation would be inappropriate and that this accounting policy is necessary to provide a true and fair view. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss and included in 'Profit/ (loss) on disposal of fixed assets.'

Other Debtors

Other debtors include progress payments made on account in respect of future acquisitions of investment properties.

k. Land held for property development

All land held for property development is valued at the lower of cost or realisable value.

l. Leased assets

At inception the Group assesses agreements that transfer right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating lease assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the period of the lease.

m. Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1. Summary of significant accounting policies (continued)

m. Impairment of non-financial assets (continued)

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss, unless the asset has been revalued when the amount is recognised in the profit or loss to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Group Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Group Statement of Comprehensive Income.

n. Insurance broking assets and liabilities

A subsidiary undertaking previously acted as an agent in broking the insurable risks of its clients and, generally, was not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the Company's legal relationship with clients and underwriters and since in practice premium and claim monies are usually accounted for by insurance intermediaries, the Group has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the Group itself.

o. Fixed asset investments

Fixed asset investments are stated at cost less provisions for impairment in value. The company reviews the carrying value of investments when there has been an indication of potential impairment. If it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the statement of comprehensive income. The recoverable amount is the higher of the asset's net realisable value and its value in use.

The calculations for determining the carrying value of investments involves the use of estimates including projected future cash flows and other future events as well as review of net assets.

p. Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

q. Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provision for deferred liabilities

A subsidiary undertaking has agreed to pay certain claims (less premiums), which may arise under various insurance contracts serviced by the subsidiary undertaking. Provision has been made in the financial statements for these liabilities, assessed by methods generally adopted within the insurance industry (Note 19).

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1. Summary of significant accounting policies (continued)

q. Provisions and contingencies (continued)

Contingencies

Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

r. Financial instruments

The Group has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The group does not hold or issue derivative financial instruments.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

1. Summary of significant accounting policies (continued)

r. Financial instruments (continued)

iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

s. Related party transactions

The Group has taken advantage of the exemption as provided by paragraph 33.1A of FRS 102 and does not disclose transactions with related parties which are wholly owned within the same group.

t. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, turnover and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Note 2 makes reference to a Sime Darby Berhad de-merger exercise undertaken and completed in the previous financial year where loans due from Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited amounting to £13,540,324 and £15,116,584 respectively were released and discharged by Sime Darby Far East (1991) Limited. The Company considers that the release of these loans is non-taxable and accordingly no tax provision has been made in the accounts of the Robt. Bradford Group. As a consequence of the release and discharge of the loans in the Robt. Bradford Group, the Company has released a provision for diminution in its subsidiary amounting to £12,661,654, which the Company also considers to be non-taxable and accordingly no tax provision has been made in the financial statements of Sime Darby London Limited.

There are no other estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than those referred to in note 22.

2. Financing commitments

Sime Darby Berhad, the Company's former ultimate parent undertaking, and Sime Darby London Limited previously entered into a funding and indemnity agreement under which they agreed to put the Company's subsidiary undertaking, Robt. Bradford & Company Limited and its subsidiary undertaking (the "Robt. Bradford Group") into funds to meet all liabilities arising within that group.

As a result of a Sime Darby Berhad de-merger exercise undertaken and completed in the previous financial year a new Loan Restructuring Agreement between the Company and Sime Darby Berhad, Kumpulan Sime Darby Berhad, Sime Darby Far East (1991) Limited, Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited was executed on 25 August 2017 where under the terms of the agreement, Sime Darby Far East (1991) Limited agreed to release and discharge the loans due from Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited for £13,540,324 and £15,116,584 respectively in consideration for the Company terminating the unconditional guarantee between Sime Darby Far East (1991) Limited and the Company dated 20 October 1982 which fully releases and discharges each other from all liabilities arising under or in connection with the guarantee. In addition, under the terms of the Loan Restructuring Agreement dated 25 August 2017, the Company has indemnified Kumpulan Sime Darby Berhad and Sime Darby Berhad from all liabilities and losses incurred by either of them which they would be required to pay under the terms of the Funding & Indemnity Agreement after that date.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

2. Financing commitments (continued)

The Robt. Bradford Group had net liabilities of £1,442,000 at 31 December 2018 (At 30 June 2018: £1,442,000 net liabilities). The Company has made a provision of £1,442,000 (At 30 June 2018: £1,442,000) against the Robt. Bradford Group's net liabilities of £1,442,000 at 31 December 2018 (At 30 June 2018: £1,442,000 net liabilities).

The Group has net assets of £22,185,000 as at 31 December 2018 (At 30 June 2018 net assets: £22,124,000). Sime Darby Property Berhad has confirmed that it will provide Sime Darby London Limited with sufficient funds to enable the Company and Group to meet its liabilities as they fall due and to continue in business throughout the period of one year from the date of signing the Group's accounts.

3. Group segmental information

Turnover is derived from the Group's principal activity which is property investment and third party rental income. All turnover is derived from external customers. The geographical origin and distribution of the Group's turnover in both the six month period ended 31 December 2018 and year ended 30 June 2018 is the United Kingdom.

The head office and other activities relate mainly to the activities of Sime Darby London Limited, which acts as the holding company for the Group and which generates third party rental income from its properties.

	Net assets	
	31 December 2018 £'000	30 June 2018 £'000
Continuing operations		
Property investment and rental income	23,622	23,561
Discontinued operations		
Insurance broking	(1,437)	(1,437)
	22,185	22,124

4. Administrative expenses

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Cost of sales	10	22
Administrative expenses before exceptional items	160	381
Exceptional items - intragroup loans released and discharged	-	(28,657)
Administrative expenses after exceptional items	160	(28,276)

Cost of sales relates to management service charges incurred. The exceptional items relate to forgiveness of loans from a fellow group undertaking (see note 2).

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

5. Other operating income

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Other operating income	-	35

There was no operating income in the 6 month period ending 31 December 2018 (12 months to 30 June 2018: £35,000).

6. Operating (loss) / profit

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Operating (loss) / profit is stated after charging:		
Depreciation (Note 12)	3	2
Auditors' Remuneration:		
- Fees payable to the Company's auditors for the audit of the Parent Company and consolidated financial statements	49	47
Fees payable to the Company's auditors for other services:		
- Tax compliance services	9	6
Operating lease rentals	7	9

7. Profit on disposal of fixed assets

Profit on disposal of fixed assets amounting to £32,000 (12 months to 30 June 2018 Profit of £123,000) relates to the disposal of two London investment properties.

8. Interest receivable and similar income

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Bank deposits	6	3
Interest receivable from amounts owed by fellow group undertaking	301	576
Total interest receivable and similar income	307	579

Surplus funds are placed on fixed term interest deposit accounts with certain UK banks as appropriate based on available market rates.

9. Directors' remuneration

The directors' remuneration for their services to the Group and the Company in the six month period ended 31 December 2018 were £Nil (12 months to 30 June 2018: £72,030). Three of the directors who served in the period and prior year are remunerated by a fellow overseas group undertaking and not by this Company. It is not possible to determine a specific allocation for services rendered to this Company as their role as directors of this Company is merely incidental to their role within the wider Sime Darby Property Berhad Group. Aggregate remunerations of the highest paid director amounted to £Nil in the six month period ended 31 December 2018 (12 months to 30 June 2018: £72,030).

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

10. Particulars of employees

The average monthly number of persons employed by the Group and the Company (excluding directors) during the year was:

	6 Months to 31 December 2018 Number	12 Months to 30 June 2018 Number
Head office	1	1

Staff costs during the period were as follows:

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Wages and salaries	12	24
Social security costs	-	-
Total staff costs	12	24

11. Tax on profit

(a) Analysis of (credit) / charge in period

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Current tax		
- Current period	177	77
- Adjustment in respect of previous periods	-	(60)
Total current tax	177	17
Deferred tax		
- Current period	(201)	206
Total deferred tax	(201)	206
Total taxation (credit) / charge for the period	(24)	223

There is no other comprehensive income. No tax charge or credit arises in other comprehensive income.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

11. Tax on profit (continued)

(b) Factors affecting the tax (credit) / charge for the period

The tax assessed for the period is lower than (12 months to 30 June 2018: lower than) the standard rate of corporation tax in the UK of 19.00% (12 months to 30 June 2018: 19.00%). The differences are explained below:

	6 Months to 31 December 2018 £'000	12 Months to 30 June 2018 £'000
Profit before taxation	37	30,200
Profit multiplied by standard rate of Corporation tax in the UK of 19.00% (12 months to 30 June 2018: 19.00%)	7	5,738
Effects of impact of:		
Movement in unrecognised deferred tax	(2)	(11)
Indexation allowance	(29)	-
Expenses not deductible for tax purposes	-	1
Income not taxable	-	(5,445)
Adjustment in respect of previous periods	-	(60)
Total tax (credit) / charge	(24)	223

Provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold without it being possible to claim rollover relief. The total amount provided for is £88,000 (At June 2018: £289,000).

Deferred tax liabilities are presented within provisions for liabilities. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profit. Finance (No.2) Act 2015 was substantively enacted on 26 October 2015 and included reductions to the UK main rate of corporation tax from 20% to 19% with effect from 1 April 2017 and to 18% from 1 April 2020. Finance Act 2016 was substantively enacted on 6 September 2016 and further reduced the rate to 17% with effect from 1 April 2020.

Closing deferred tax balances have been valued at 19% (12 months 30 June 2018: 19%). The directors are not aware of any other factors that may affect future tax charges.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

12. Tangible assets

Group and Company

	Fixtures and fittings £'000	Total £'000
Cost		
At 1 July 2018	26	26
At 31 December 2018	26	26
Accumulated depreciation		
At 1 July 2018	19	19
Charge for the period	3	3
At 31 December 2018	22	22
Net book amount	4	4
At 31 December 2018		
At 30 June 2018	7	7

13. Investment property

	Group 31 Dec 2018 £'000	Group 30 Jun 2018 £'000	Company 31 Dec 2018 £'000	Company 30 Jun 2018 £'000
At 1 July	6,365	5,817	6,365	5,817
Disposals	(3,005)	(536)	(3,005)	(536)
Revaluation during the period	(189)	1,084	(189)	1,084
	3,171	6,365	3,171	6,365

Open market valuations of investment properties were undertaken on 31 December 2018 by Bishop Beamish Limited. Open market valuations were carried out in accordance with The Royal Institution of Chartered Surveyors Valuation Standards.

On the historical cost basis the net book value of properties carried at valuation is £2,605,000 (At 30 June 2018: £4,635,048), comprising cost of £2,710,000 (At 30 June 2018: £4,845,422) and related accumulated depreciation of £105,000 (At 30 June 2018: £210,374).

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

14. Investments

(a) Investment values

	Loans to subsidiary undertakings 31 Dec 2018 £'000	Loans to subsidiary undertakings 30 June 2018 £'000
Company		
Cost		
At 1 July	1,634	30,291
Loans released by Sime Darby Far East (1991) Limited	-	(28,657)
Cumulative provisions for diminution in value	(1,634)	(1,634)
Net book value	-	-

Sime Darby Far East (1991) Limited, a former shareholder of Sime Darby London Limited, had unconditionally guaranteed all payments made by Sime Darby London Limited, under the funding and indemnity agreement dated 15 June 1982, to the Robt. Bradford Group. Under the terms of the Loan Restructuring Agreement dated 25 August 2017, Sime Darby Far East (1991) Limited were fully released and discharged from all liabilities arising under or in connection with the Guarantee.

The loans due from Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited amounting to £13,540,324 and £15,116,584 respectively were released and discharged by Sime Darby Far East (1991) Limited on 25 August 2017 as part of a Loan Restructuring Agreement (see Note 2). The Company has no amounts due from the Robt. Bradford Group at 31 December 2018 (At 30 June 2018: £Nil). The Company has made a provision of £1,442,000 (12 months to 30 June 2018: £1,442,000) against the Robt. Bradford Group's net liabilities of £1,442,000 at 31 December 2018 (At 30 June 2018: £1,442,000 net liabilities) – see Note 19.

(b) Details of Investments

Details of companies in which the Company holds more than 10% of any class of equity share capital or more than 10% of the total allotted share capital are given below:

Name of company	Country of Incorporation	Proportion of equity and voting rights held
Insurance Broking		
Robt. Bradford & Company Limited	England	100%
Robt Bradford Hobbs Savill Limited	England	98.92% dividend interest 88.04% issued share capital

*Held by a subsidiary undertaking

In the opinion of the directors, the value of the Group's investments in its subsidiaries is not less than the amount stated in the balance sheet.

All companies' country of incorporation represents the principal country of operation. All subsidiaries have been consolidated within the Group financial statements. The registered office address for Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited is Thomas Eggar House, Friary Lane, Chichester, West Sussex, PO19 1UF.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

15. Debtors – amounts falling due after more than one year

	Group		Company	
	31 Dec 2018 £'000	30 June 2018 £'000	31 Dec 2018 £'000	30 June 2018 £'000
Amounts owed by group undertakings	12,027	11,731	12,027	11,731
	12,027	11,731	12,027	11,731

During the six month period ended 31 December 2018, the Company capitalised unpaid interest of £296,000 (12 months to 30 June 2018: £570,000). The amounts owed by group undertakings are unsecured, have no fixed repayment dates and are interest bearing at a fixed rate of 5% per annum.

On 30 April 2019, the Company entered into an agreement with Sime Darby Property (Hong Kong) Limited, a fellow group undertaking, and Sime Darby Property Berhad, immediate parent undertaking, to novate the loan facility of up to £12,951,364.30 owed to the Company by Sime Darby Property (Hong Kong) Limited ("Outgoing Borrower") to Sime Darby Property Berhad ("Incoming Borrower"). The terms of the loan agreement dated 4 June 2012 remain unchanged.

16. Debtors – amounts falling due within one year

	Group		Company	
	31 Dec 2018 £'000	30 June 2018 £'000	31 Dec 2018 £'000	30 June 2018 £'000
Amounts owed by group undertakings	303	294	310	300
Other debtors	1,954	1,954	1,954	1,954
Prepayments and accrued income	4	6	3	6
	2,261	2,254	2,267	2,260

The amounts owed by group undertakings are unsecured, have no fixed repayment dates and are currently interest free. Other debtors includes an amount of £1,947,000 (At 30 June 2018: £1,947,000) in respect of exchange deposits on the purchase of 2 residential apartments (At 30 June 2018: 2 residential apartments) as part of Phase 2 of the Battersea Power Station Development Scheme expected to be completed in 2020.

17. Creditors - amounts falling due within one year

	Group		Company	
	31 Dec 2018 £'000	30 June 2018 £'000	31 Dec 2018 £'000	30 June 2018 £'000
Trade creditors	37	3	37	3
Third party loan	1,338	1,338	-	-
Amounts owed to group undertakings	176	162	176	162
Corporation tax	177	77	177	77
Other creditors	1	1	1	1
Accruals and deferred income	66	72	66	72
	1,795	1,653	457	315

The amounts owed to group undertakings are unsecured, have no fixed repayment dates and are interest free.

The third party loan is due to a former shareholder of Robt Bradford Hobbs Savill Limited and is subordinated to the claims of all other creditors of that company, is unsecured, interest free and has no fixed repayment date.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

18. Financial instruments

The Group has the following financial instruments:

	Note	31 Dec 2018 £'000	30 June 2018 £'000
Financial assets			
Cash at bank and in hand		6,696	3,800
Financial assets that are debt instruments measured at amortised cost:			
Amounts owed by group undertakings	15,16	12,330	12,025
Other debtors	16	1,954	1,954
		20,980	17,779
Financial liabilities			
Financial liabilities measured at amortised cost:			
Trade creditors	17	37	3
Amounts owed to group undertakings	17	176	162
Other creditors	17	1	1
Accruals	17	66	72
Third party loan	17	1,338	1,338
		1,618	1,576

The Company has the following financial instruments:

	Note	31 Dec 2018 £'000	30 June 2018 £'000
Financial assets			
Cash at bank and in hand		6,696	3,800
Financial assets that are debt instruments measured at amortised cost:			
Amounts owed by group undertakings	15,16	12,330	12,025
Other debtors	16	1,954	1,954
		20,980	17,779
Financial liabilities			
Financial liabilities measured at amortised cost:			
Trade creditors	17	37	3
Amounts owed to group undertakings	17	176	162
Other creditors	17	1	1
Accruals	17	66	72
		280	238

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

19. Provisions for liabilities

Group	Provision for deferred liabilities (a) £'000	Provision for Deferred Taxation (c) £'000	Total £'000
At 1 July 2018	91	289	380
Released during the period	-	(201)	(201)
At 31 December 2018	91	88	179

Company	Provision for diminution in subsidiaries (b) £'000	Provision for Deferred Taxation (c) £'000	Total £'000
At 1 July 2018	1,442	289	1,731
Released during the period	-	(201)	(201)
At 31 December 2018	1,442	88	1,530

The Company has an unrecognised deferred tax asset at the period-end totalling £30,000 (As at 30 June 2018: £34,000), which relates to accumulated capital allowances. There was no change to the corporation tax rates during the period. The asset would be recovered in future years if sufficient taxable profits arose for these capital allowances to be utilised.

(a) Provisions have been made within Robt Bradford Hobbs Savill Limited in respect of certain areas of the business where losses may arise. These provisions have been made on the basis of information currently available but there is uncertainty inherent in the evaluation of these losses at this stage. It is consequently possible that further losses may arise or that the provisions may prove to be excessive. The net decrease in these provisions during the period was £Nil (12 months to 30 June 2018: £Nil). The directors are currently unsure over what period this provision will be utilised.

To the extent that these changes result in the payment of liabilities or in the receipt of funds, such funds will be provided by or paid to Sime Darby Property Berhad or Sime Darby London Limited under the terms of the agreement with those companies referred to in Note 2.

(b) The provision for diminution in subsidiaries relates to the net liabilities of the Robt. Bradford Group as at 31 December 2018 (see Note 2).

(c) Deferred tax arises on the revaluation gain on investment properties. There is no expiry date for unprovided deferred tax. The company disposed of two properties located at 401 Scott House, Battersea, London and 83 St Johns Wood Court, London. There was a reduction of £201,000 on the deferred tax liability following disposal of the property.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

20. Share capital

Group and Company

	31 Dec 2018 £'000	30 June 2018 £'000
Authorised:		
50,000,000 (At 30 June 2018: 50,000,000) ordinary shares of £1 each	50,000	50,000
Allotted, issued and fully paid:		
38,493,886 (At 30 June 2018: 38,493,886) ordinary shares of £1 each	38,494	38,494

There is a single class of ordinary shares. There are no restrictions on the distribution of capital and the repayment of capital. On 29 March 2019 the share capital of the Company was reduced to £1 as explained in Note 25, Subsequent events.

21. Operating lease commitments

The Group and the Company had the following future minimum lease payments under non-cancellable operating leases, for each of the following periods:

	31 Dec 2018 £'000	30 June 2018 £'000
Payments due		
Not later than one year	6	9
Later than one year and not later than five years	-	1
	6	10

22. Contingent liabilities and financial commitments

Company

As referred to in Note 2, Sime Darby London Limited has entered into a Loan Restructuring Agreement dated 25 August 2017 with Sime Darby Berhad, Kumpulan Sime Darby Berhad, Sime Darby Far East (1991) Limited, Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited, whereby they will indemnify Sime Darby Berhad and Kumpulan Sime Darby Berhad from all liabilities and losses incurred by either of them which they would be required to pay under the terms of the Funding & Indemnity Agreement dated 15 June 1982. As part of the terms of the Loan Restructuring Agreement dated 25 August 2017 a fellow group undertaking which had previously unconditionally guaranteed all payments made by Sime Darby London Limited under the Funding & Indemnity Agreement was released and discharged from the unconditional guarantee. The Company has made a provision of £1,442,444 (At 30 June 2018: £1,442,444) against the Robt. Bradford Group net liabilities of £1,442,444 at 31 December 2018 (At 30 June 2018: £1,442,444).

The Company has confirmed that it will provide certain of its subsidiary undertakings with sufficient funds to enable them to meet their obligations and commitments as and when they fall due (Note 19).

The Company disposed of the Airfield land on an unconditional basis on 20 June 2016 and is a named insured party on an environmental insurance policy taken out by the purchaser of the Airfield land covering environmental liability (pollution) up to a maximum sum of £1,000,000 for a period of 10 years from date of disposal.

Sime Darby London Limited

Notes to the financial statements for the six month period ended 31 December 2018 (continued)

22. Contingent liabilities and financial commitments (continued)

Company (continued)

The Company has exchanged contracts for the purchase of 2 residential apartments (At 30 June 2018: 2 residential apartments) from Phase 2 of the Battersea Power Station Development Scheme which are currently in the course of construction by a third party. The Company has paid exchange deposits of £1,947,000 as at 31 December 2018 (At 30 June 2018: £1,947,000) and further sums of £6,797,000 (At 30 June 2018: £6,797,000) are payable by the expected completion date for Phase 2 during the year ending 31 December 2020.

23. Related party transactions

The results of the Company are consolidated in the results of Sime Darby Property Berhad, whose financial statements are publicly available. The Company is exempt under the terms of paragraph 33.1A of FRS 102 – 'Related Party Disclosures', from disclosing related party transactions with entities that are wholly owned by the Sime Darby Property Berhad Group of companies.

24. Ultimate parent undertaking

The immediate holding company and controlling party of the Company and the largest and smallest group of undertakings for which financial statements are drawn up and of which the company is a member, is Sime Darby Property Berhad, a company incorporated in Malaysia, listed on the Main Market of Bursa Malaysia Securities Berhad and produces financial statements available for public use. The Directors also regards Permodalan Nasional Berhad as its penultimate holding company and Yayasan Pelaburan Bumiputra as its ultimate holding company. Both companies are incorporated in Malaysia. Copy of the financial statements of Sime Darby Property Berhad can be obtained from the registered office of Sime Darby London Limited at Thomas Eggar Secretaries Limited, Thomas Eggar House, Friary Lane, Chichester, West Sussex, PO19 1UF.

25. Subsequent events

On 29 March 2019, the Shareholder of the Company (Sime Darby Property Berhad) passed the following special resolutions:

- THAT the issued share capital of the Company be reduced from £38,493,886 to £1 by cancelling and extinguishing 38,493,885 of the issued ordinary shares of £1.00 each in the Company, each of which is fully paid up and the amount by which the share capital is so reduced be credited to a distributable reserve; and
- THAT the share premium of the Company be cancelled and the amount of the share premium so cancelled be credited to a distributable reserve.

This has meant that the share premium account balance of £24,910,163 as at 31 December 2018 has now been cancelled and there has been a credit of the same amount to distributable reserves.

The Company is now in a position where it has distributable profits.

The Capital Reduction process was undertaken via a solvency statement made by the directors of the Company dated 29 March 2019.

On 30 April 2019, the Company entered into an agreement with Sime Darby Property (Hong Kong) Limited, a fellow group undertaking, and Sime Darby Property Berhad, immediate parent undertaking, to novate the loan facility of up to £12,951,364.30 owed to the Company by Sime Darby Property (Hong Kong) Limited ("Outgoing Borrower") to Sime Darby Property Berhad ("Incoming Borrower"). The terms of the loan agreement dated 4 June 2012 remain unchanged.