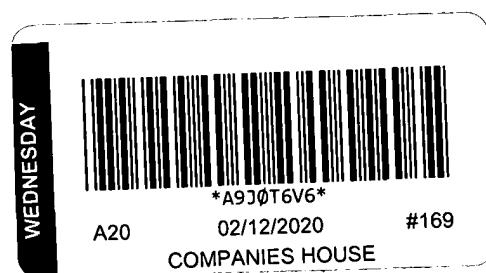


**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

Directors' report and consolidated  
financial statements

for the year ended 31 December 2019

Registered Number: 01063138



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Directors' report and consolidated financial statements  
for the year ended 31 December 2019**

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**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Directors and advisers**

**Directors**

Kamarul Ariffin Bin Abdul Samad  
Zahari Bin Salleh  
Wan Norjihan Binti Wan Ismail

**Company secretary**

Inwin 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 Property (London) Limited** (formerly Sime Darby London Limited)

### **Strategic report for the year ended 31 December 2019**

The directors present their strategic report for the year ended 31 December 2019.

#### **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 year ended 31 December 2019 the Group made a profit of £362,000 (6 months to 31 December 2018: £61,000).

The main activities of the Group are property investment. The asset of the Group is an investment property in London.

On 16 December 2019, the Company changed its name from Sime Darby London Limited to Sime Darby Property (London) Limited.

On 28 March 2019, the directors agreed via special resolution 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 account of the Company be cancelled and the amount of the share premium account so cancelled be credited to a distributable reserve.

The cash balances of the Group as at 31 December 2019 were £267,000 (31 December 2018: £6,696,000). During the year ended 31 December 2019 the Company agreed to capitalise £352,000 (£296,000 capitalised for 6 months to 31 December 2018) of unpaid interest on a loan to a fellow group undertaking which was added to the balance outstanding at 31 December 2018 of £12,027,000.

On 30 April 2019, the loan was novated from Sime Darby Property (Hong Kong) Limited to Sime Darby Property Berhad.

On 1 May 2019, a letter of amendment to the loan agreement was issued which meant that 0% interest would be charged on the loan with effect from this date.

On 23 May 2019, the Company made a distribution on the ordinary shares of the Company to the sole shareholder of the Company, Sime Darby Property Berhad, in the aggregate amount of £18,479,131 comprising a cash dividend of £6,100,000 and the waiver of the intercompany loan owing from the sole shareholder of the Company in an amount, including accrued interest, of £12,379,131.

#### **Future Developments**

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

#### **Principal risks and uncertainties**

The Company has a property asset amounting to £3,540,000 as at 31 December 2019 (At 31 December 2018: £3,171,000) whose value is subject to fluctuations caused by changes in the UK property market. The directors regularly review this investment to consider whether there has been any impairment in its carrying value. 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 property 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.

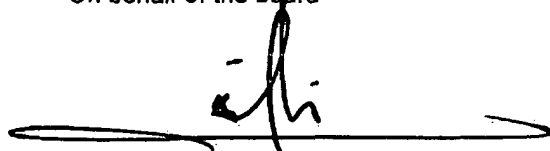
**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Strategic report**  
**for the year ended 31 December 2019 continued**

**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.

On behalf of the board

A handwritten signature in black ink, appearing to read 'K.A. Samad', is written over a horizontal line.

Kamarul Ariffin Bin Abdul Samad  
Director  
26 November 2020

A small, stylized handwritten signature in black ink, possibly reading 'Jub'.

## **Sime Darby Property (London) Limited** (formerly Sime Darby London Limited)

### **Directors' report for the year ended 31 December 2019**

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

#### **Change of Company Name**

On 16 December 2019, the Company changed its name from Sime Darby London Limited to Sime Darby Property (London) Limited.

#### **Principal activities**

The principal activities of the Group during the year ended 31 December 2019 and the turnover and profit before taxation attributable to each class of business were as follows:

	<u>Turnover</u>		<u>Profit before taxation</u>	
	12 months to 31 Dec 2019 £'000	6 months to 31 Dec 2018 £'000	12 months to 31 Dec 2019 £'000	6 months to 31 Dec 2018 £'000
Property investment and rental income	98	57	441	37

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

#### **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 year ended 31 December 2019.

#### **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 £4,068,000 at 31 December 2019 (At 31 December 2018 net assets: £22,185,000). 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**

On 23 May 2019, the Company paid an interim dividend of £18,479,131. The directors do not recommend a final dividend for the year ended 31 December 2019 (6 months to 31 December 2018: £Nil).

## **Sime Darby Property (London) Limited** **(formerly Sime Darby London Limited)**

### **Directors' report** **for the year ended 31 December 2019 (continued)**

#### **Directors' liability insurance**

During the year ended 31 December 2019 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, through a third-party insurance provider for the directors who are natural persons.

#### **Charitable and political contributions**

No charitable contributions (6 months to 31 December 2018: £Nil) were made by the Group during the year. No political donations were made by the Group (6 months to 31 December 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 wider 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 immediate parent company or other group companies as required.

**Sime Darby Property (London) Limited**  
**(formerly Sime Darby London Limited)**

**Directors' report**  
**for the year ended 31 December 2019 (continued)**

**Financial risk management (continued)**

**Cash flow risk**

During the year ended 31 December 2019, the Company agreed to capitalise £352,000 of unpaid interest on the loan to a fellow group undertaking which was added to the principal of £12,027,000. On 23 May 2019, the loan to a fellow group undertaking was waived as part of the payment of an interim dividend was made to the sole shareholder, Sime Darby Property Berhad.

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 year 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 year with the Company or any of its subsidiaries in which any of the directors have had an interest.

**Covid-19 pandemic**

In March 2020, the United Kingdom was impacted by the Covid-19 pandemic and the country has since been subject to varying degrees of lockdown arrangements by the government. Whilst not an adjusting event, the full impact of this event on the Company is not yet known and the future fair market value of the investment property held may be lower than the carrying value at 31 December 2019. Additionally, construction activities in respect of Phase 2 of the Battersea Power Station Development Scheme have been impacted by the lockdown arrangements however the exchange deposits paid to date in respect of two residential properties in the development continue to be considered recoverable as construction is expected to be completed in 2021.



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Directors' report**  
**for the year ended 31 December 2019 (continued)**

**Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the 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**

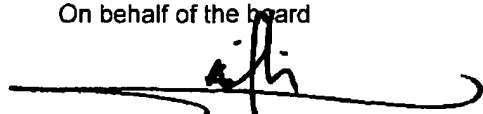
In the case of each director in office at the date the Directors' Report is approved:

- 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.

On behalf of the board



Kamarul Ariffin Bin Abdul Samad  
Director  
26 November 2020



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Independent auditors' report to the members of Sime Darby Property (London) Limited (formerly Sime Darby London Limited)**

**Report on the audit of the financial statements**

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**Opinion**

In our opinion, Sime Darby Property (London) Limited's (formerly Sime Darby London Limited) 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 2019 and of the Group's profit for the year 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 2019; the Group statement of comprehensive income, and the Group and Company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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**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.

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**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- 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.

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.

**Sime Darby Property (London) Limited**  
**(formerly Sime Darby London Limited)**

**Independent auditors' report to the members of Sime Darby Property (London) Limited (formerly Sime Darby London Limited)**

**Report on the audit of the financial statements (continued)**

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**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 year ended 31 December 2019 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.

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

*Responsibilities of the Directors for the financial statements*

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, 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 Property (London) Limited**  
(formerly Sime Darby London Limited)

**Independent auditors' report to the members of Sime Darby Property (London) Limited (formerly Sime Darby London Limited)**

**Report on the audit of the financial statements (continued)**

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*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](http://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.

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**Other required reporting**

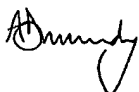
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**Companies Act 2006 exception reporting**

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

26 November 2020

**Sime Darby Property (London) Limited**  
**(formerly Sime Darby London Limited)**

**Group statement of comprehensive income**  
**for the year ended 31 December 2019**

	Note	12 months to 31 Dec 2019 £'000	6 months to 31 Dec 2018 £'000
Turnover	3	98	57
Cost of sales	4	(16)	(10)
<b>Gross profit</b>		<b>82</b>	<b>47</b>
Administrative expenses	4	(219)	(160)
Gain/(loss) on revaluation of investment properties	12	369	(189)
<b>Operating profit / (loss)</b>	5	<b>232</b>	<b>(302)</b>
Profit on disposal of fixed assets	6	-	32
Interest receivable and similar income	7	209	307
<b>Profit before taxation</b>		<b>441</b>	<b>37</b>
Tax on profit	10	(79)	24
<b>Profit for the financial year/period</b>		<b>362</b>	<b>61</b>

There is no other comprehensive income.

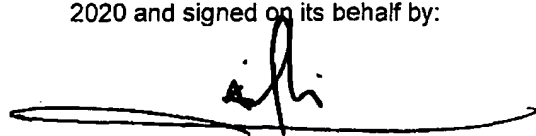
The notes on pages 17 to 34 form part of these financial statements.

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Group balance sheet**  
**as at 31 December 2019**

	Note	31 Dec 2019 £'000	31 Dec 2018 £'000
<b>Fixed assets</b>			
Tangible assets	11	2	4
Investment property	12	3,540	3,171
		<b>3,542</b>	<b>3,175</b>
<b>Current assets</b>			
Debtors – amounts falling due after more than one year	14	-	12,027
Debtors - amounts falling due within one year	15	2,105	2,261
Cash at bank and in hand		267	6,696
		<b>2,372</b>	<b>20,984</b>
Creditors - Amounts falling due within one year	16	(1,597)	(1,795)
<b>Net current assets</b>		<b>775</b>	<b>19,189</b>
<b>Total assets less current liabilities</b>		<b>4,317</b>	<b>22,364</b>
Provisions for liabilities	18	(249)	(179)
<b>Net assets</b>		<b>4,068</b>	<b>22,185</b>
<b>Capital and reserves</b>			
Called up share capital	19	-	38,494
Share premium account	19	-	24,910
Retained earnings/ (Accumulated losses)			
At 1 Jan 2019 / 1 Jul 2018		(41,219)	(41,280)
Capital reduction	19	38,494	-
Share premium cancelled	19	24,910	-
Dividend paid	19	(18,479)	-
Profit for the year attributable to the owners		362	61
		<b>4,068</b>	<b>(41,219)</b>
<b>Total shareholder's funds</b>		<b>4,068</b>	<b>22,185</b>

The financial statements on pages 12 to 34 were approved by the Board of Directors on 26 November 2020 and signed on its behalf by:



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

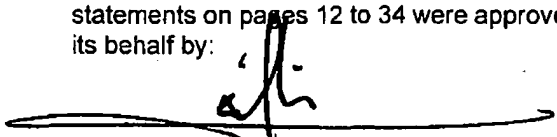


**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Company balance sheet**  
**as at 31 December 2019**

	Note	31 Dec 2019 £'000	31 Dec 2018 £'000
<b>Fixed assets</b>			
Tangible assets	11	2	4
Investment property	12	3,540	3,171
Investments	13	-	-
		<b>3,542</b>	<b>3,175</b>
<b>Current assets</b>			
Debtors - amounts falling due after more than one year	14	-	12,027
Debtors - amounts falling due within one year	15	2,111	2,267
Cash at bank and in hand		267	6,696
		<b>2,378</b>	<b>20,990</b>
Creditors - amounts falling due within one year	16	(259)	(457)
<b>Net current assets</b>		<b>2,119</b>	<b>20,533</b>
<b>Total assets less current liabilities</b>		<b>5,661</b>	<b>23,708</b>
Provisions for liabilities	18	(1,600)	(1,530)
<b>Net assets</b>		<b>4,061</b>	<b>22,178</b>
<b>Capital and reserves</b>			
Called up share capital	19	-	38,494
Share premium account	19	-	24,910
Retained earnings/ (Accumulated losses)			
At 1 Jan 2019 / 1 Jul 2018		(41,226)	(41,287)
Capital reduction	19	38,494	-
Share premium cancelled	19	24,910	-
Dividend paid	19	(18,479)	-
Profit for the year attributable to the owners		362	61
		<b>4,061</b>	<b>(41,226)</b>
<b>Total shareholder's funds</b>		<b>4,061</b>	<b>22,178</b>

Sime Darby Property (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 year/period dealt with in the financial statements of the Company was £362,000 (6 months to 31 December 2018: £61,000). The financial statements on pages 12 to 34 were approved by the Board of Directors on 26 November 2020 and signed on its behalf by:

  
Kamarul Ariffin Bin Abdul Samad  
Director, Sime Darby Property (London) Limited  
Registered number: 1063138



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Group statement of changes in equity  
for the year ended 31 December 2019**

	Share Capital £'000	Share Premium Account £'000	Retained Earnings / (Accumulated Losses) £'000	Total Shareholder's Funds £'000
Balance as at 1 July 2018	38,494	24,910	(41,280)	22,124
Profit for the financial period	-	-	61	61
Total comprehensive income for the year	-	-	61	61
Balance as at 31 December 2018	38,494	24,910	(41,219)	22,185
<b>Profit for the financial year</b>	-	-	<b>362</b>	<b>362</b>
<b>Total comprehensive income for the year</b>	-	-	<b>362</b>	<b>362</b>
Capital reduction	(38,494)	-	38,494	-
Share premium cancelled	-	(24,910)	24,910	-
Dividend paid	-	-	(18,479)	(18,479)
Total transactions with owner, recognised directly	(38,494)	(24,910)	44,925	(18,479)
<b>Balance as at 31 December 2019</b>	-	-	<b>4,068</b>	<b>4,068</b>



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Company statement of changes in equity**  
**For the year ended 31 December 2019**

	<b>Capital Share Capital £'000</b>	<b>Share Premium Account £'000</b>	<b>Retained Earnings / (Accumulated Losses) £'000</b>	<b>Total Shareholder's Funds £'000</b>
Balance as at 1 July 2018	38,494	24,910	(41,287)	22,117
Profit for the financial period	-	-	61	61
Total comprehensive income for the year	-	-	61	61
Balance as at 31 December 2018	38,494	24,910	(41,226)	22,178
<b>Profit for the financial year</b>	-	-	<b>362</b>	<b>362</b>
<b>Total comprehensive income for the year</b>	-	-	<b>362</b>	<b>362</b>
Capital reduction	(38,494)	-	38,494	-
Share premium cancelled	-	(24,910)	24,910	-
Dividend paid	-	-	(18,479)	(18,479)
Total transactions with owner, recognised directly	(38,494)	(24,910)	44,925	(18,479)
Balance as at 31 December 2019	-	-	4,061	4,061

**Notes to the financial statements for the year ended 31 December 2019**

**General information**

Sime Darby Property (London) Limited (formerly Sime Darby London Limited) is a private company limited by shares and is incorporated in the United Kingdom and registered in England. 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 Property (London) Limited (formerly 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 a London property.

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. Both subsidiaries were dormant in the year (31 December 2018: dormant).

**Statement of compliance**

The Group and Company financial statements of Sime Darby Property (London) Limited (formerly 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 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 Company 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 £4,068,000 at 31 December 2019 (31 December 2018 net assets: £22,185,000). 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 Property (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 Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

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

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

As a qualifying entity, the Group 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;
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102; and
- v) from the requirement to prepare a consolidated statement of cash flows, as set out in paragraph 9.3(c) of FRS102.

##### **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 year ended 31 December 2019. No income statement and statement of comprehensive income is presented for Sime Darby Property (London) Limited (formerly 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 Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (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 year 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 Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (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. 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.

##### **l. 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.

##### **m. 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.

## **Sime Darby Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

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

##### **n. 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.

##### **o. 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 18).

##### *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.

##### **p. 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.

## **Sime Darby Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

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

##### **p. Financial Instruments (continued)**

###### *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.

###### *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.

##### **q. Share capital**

Ordinary shares are classified as equity.

##### **r. Share premium**

Share premium represents the premium paid for the issue of ordinary shares less reductions for any share issue costs or any reductions arising from capital reorganisations.

##### **s. Distributions to equity holders**

Dividends and other distributions to the group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

##### **t. 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.

##### **u. 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.

## **Sime Darby Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

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

#### **v. Critical accounting judgements and key sources of estimation uncertainty (continued)**

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 financial statements 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 Property (London) Limited.

The Covid-19 pandemic arising in the UK in 2020 is considered to have an adverse effect on the UK economy. The Company considers, however, that its' impact is a non-adjusting event and that it is not necessary to adjust the balance sheet as presented and the Company will take the necessary steps to ensure that it can face the challenges caused by the pandemic and the economic downturn. 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 21.

#### **2. Financing commitments**

Sime Darby Berhad, the Company's former ultimate parent undertaking, and Sime Darby Property (London) Limited (formerly 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 2017 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.

The Robt. Bradford Group had net liabilities of £1,442,000 at 31 December 2019 (At 31 December 2018: £1,442,000 net liabilities). The Company has made a provision of £1,442,000 (At 31 December 2018: £1,442,000) against the Robt. Bradford Group's net liabilities of £1,442,000 at 31 December 2019 (At 31 December 2018: £1,442,000 net liabilities).

The Group has net assets of £4,068,000 as at 31 December 2019 (At 31 December 2018 net assets: £22,185,000). Sime Darby Property Berhad has confirmed that it will provide Sime Darby Property (London) Limited (formerly 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 financial statements.



**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**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 rental income from a single tenant. The geographical origin and distribution of the Group's turnover in both the year ended 31 December 2019 and six months ended 31 December 2018 is the United Kingdom.

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

	<b>Net assets</b>	
	<b>31 December 2019 £'000</b>	<b>31 December 2018 £'000</b>
<b>Continuing operations</b>		
Property investment and rental income	5,505	23,622
<b>Discontinued operations</b>		
Insurance broking	(1,437)	(1,437)
	<b>4,068</b>	<b>22,185</b>

**4. Expenses**

	<b>12 Months to 31 December 2019 £'000</b>	<b>6 Months to 31 December 2018 £'000</b>
Cost of sales	16	10
Administrative expenses	219	160

Cost of sales relates to management service charges incurred.

**5. Operating profit / (loss)**

	<b>12 Months to 31 December 2019 £'000</b>	<b>6 Months to 31 December 2018 £'000</b>
Operating profit / (loss) is stated after charging:		
Depreciation (Note 11)	2	2
Auditors' Remuneration:		
- Fees payable to the Company's auditors for the audit of the Parent Company and consolidated financial statements	23	49
Fees payable to the Company's auditors for other services:		
- Tax compliance services	5	9
Operating lease rentals	5	7

**6. Profit on disposal of fixed assets**

There were no disposals of fixed assets during the year (6 months to 31 December 2018: Profit of £32,000).

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**7. Interest receivable and similar income**

	<b>12 Months to 31 December 2019 £'000</b>	<b>6 Months to 31 December 2018 £'000</b>
Bank deposits	8	6
Interest receivable from amounts owed by fellow group undertaking	201	301
<b>Total interest receivable and similar income</b>	<b>209</b>	<b>307</b>

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

**8. Directors' remuneration**

The directors' remuneration for their services to the Group and the Company in the year ended 31 December 2019 were £Nil (6 months to 31 December 2018: £Nil). All of the directors who served in the year and prior period 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 year ended 31 December 2019 (6 months to 31 December 2018: £Nil).

**9. Particulars of employees**

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

	<b>12 Months to 31 December 2019 Number</b>	<b>6 Months to 31 December 2018 Number</b>
Head office	-	1

Staff costs during the year/period were as follows:

	<b>12 Months to 31 December 2019 £'000</b>	<b>6 Months to 31 December 2018 £'000</b>
Wages and salaries	40	12
Social security costs	-	-
<b>Total staff costs</b>	<b>40</b>	<b>12</b>

Wages and salaries include an amount of £24,000 (6 months to 31 December 2018: £nil) in respect of a termination payment in respect of a redundancy in August 2019.

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**10. Tax on profit**

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

	12 Months to 31 December 2019 £'000	6 Months to 31 December 2018 £'000
Current tax		
- Current period	11	177
- Adjustment in respect of previous periods	(2)	-
Total current tax	9	177
Deferred tax		
- Current period	70	(201)
Total deferred tax	70	(201)
Total taxation charge / (credit) for the year/period	79	(24)

No tax charge or credit arises in other comprehensive income.

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

The tax assessed for the year is lower than (6 months to 31 December 2018: lower than) the standard rate of corporation tax in the UK of 19.00% (6 months to 31 December 2018: 19.00%). The differences are explained below:

	12 Months to 31 December 2019 £'000	6 Months to 31 December 2018 £'000
Profit before taxation	441	37
Profit multiplied by standard rate of Corporation tax in the UK of 19.00% (6 months to 31 December 2018: 19.00%)	84	7
Effects of impact of:		
Movement in unrecognised deferred tax	(3)	(2)
Indexation allowance	-	(29)
Adjustment in respect of previous periods	(2)	-
Total tax charge / (credit)	79	(24)

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 £158,000 (At December 2018: £88,000).

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. At the Budget 2020, the government announced that the Corporation Tax main rate for the year commencing 1 April 2020 and 1 April 2021 would remain at 19%.

Closing deferred tax balances have been valued at 19% (6 months 31 December 2018: 19%). The directors are not aware of any other factors that may affect future tax charges.

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**11. Tangible assets**

**Group and Company**

	<b>Fixtures and fittings £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 1 January 2019	26	26
<b>At 31 December 2019</b>	<b>26</b>	<b>26</b>
<b>Accumulated depreciation</b>		
At 1 January 2019	22	22
Charge for the year	2	2
<b>At 31 December 2019</b>	<b>24</b>	<b>24</b>
<b>Net book amount At 31 December 2019</b>	<b>2</b>	<b>2</b>
At 31 December 2018	4	4

**12. Investment property**

	<b>Group 31 Dec 2019 £'000</b>	<b>Group 31 Dec 2018 £'000</b>	<b>Company 31 Dec 2019 £'000</b>	<b>Company 31 Dec 2018 £'000</b>
Opening balance	3,171	6,365	3,171	6,365
Disposals	-	(3,005)	-	(3,005)
Revaluation during the year/period	369	(189)	369	(189)
	<b>3,540</b>	<b>3,171</b>	<b>3,540</b>	<b>3,171</b>

Open market valuations of investment properties were undertaken on 31 December 2019 by Bishop Beamish Limited, using sales data for comparable properties in a similar location and an uplift made to the observable price per square foot to take into account market conditions at the valuation date. 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 £2,551,000 (At 31 December 2018: £2,605,000), comprising cost of £2,710,000 (At 31 December 2018: £2,710,000) and related accumulated depreciation of £159,000 (At 31 December 2018: £105,000).

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**13. Investments**

**(a) Investment values**

	Loans to subsidiary undertakings 31 Dec 2019 £'000	Loans to subsidiary undertakings 31 Dec 2018 £'000
<b>Company</b>		
Cost		
At opening	1,634	1,634
Cumulative provisions for diminution in value	(1,634)	(1,634)
<b>Net book value</b>	-	-

Sime Darby Far East (1991) Limited, a former shareholder of the Company, had unconditionally guaranteed all payments made by the Company, 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 2019 (At 31 December 2018: £Nil). The Company has made a provision of £1,442,000 (6 months to 31 December 2018: £1,442,000) against the Robt. Bradford Group's net liabilities of £1,442,000 at 31 December 2019 (At 31 December 2018: £1,442,000 net liabilities) – see Note 18.

**(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
<b>Insurance Broking</b>		
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.

Robt. Bradford & Company Limited and Robt Bradford Hobbs Savill Limited were dormant in the year ending 31 December 2019.

**Sime Darby Property (London) Limited**  
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**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**14. Debtors – amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2019 £'000</b>	<b>31 Dec 2018 £'000</b>	<b>31 Dec 2019 £'000</b>	<b>31 Dec 2018 £'000</b>
Amounts owed by group undertakings	-	12,027	-	12,027
	-	12,027	-	12,027

During the year ended 31 December 2019, the Company capitalised unpaid interest of £352,000 (6 months to 31 December 2018: £296,000).

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 owed to the Company by Sime Darby Property (Hong Kong) Limited ("Outgoing Borrower") to Sime Darby Property Berhad ("Incoming Borrower"). On 1 May 2019, the terms of the loan agreement dated 4 June 2012 were changed so that no interest would be charged on the loan with effect from this date. On 23 May 2019, the Company made a distribution on the ordinary shares of the Company to the sole shareholder of the Company, Sime Darby Property Berhad, in the aggregate amount of £18,479,131 comprising a cash dividend of £6,100,000 and the waiver of the intercompany loan owing from the sole shareholder of the Company in an amount, including accrued interest, of £12,379,131.

**15. Debtors – amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2019 £'000</b>	<b>31 Dec 2018 £'000</b>	<b>31 Dec 2019 £'000</b>	<b>31 Dec 2018 £'000</b>
Amounts owed by group undertakings	154	303	160	310
Other debtors	1,951	1,954	1,951	1,954
Prepayments and accrued income	-	4	-	3
	2,105	2,261	2,111	2,267

The amounts owed by group undertakings are unsecured, have no fixed repayment dates and are currently interest free. Other debtors include an amount of £1,947,000 (At 31 December 2018: £1,947,000) in respect of exchange deposits on the purchase of 2 residential apartments (At 31 December 2018: 2 residential apartments) as part of Phase 2 of the Battersea Power Station Development Scheme expected to be completed in 2021.

**Sime Darby Property (London) Limited**  
(formerly Sime Darby London Limited)

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**16. Creditors - amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	1	37	1	37
Third party loan	1,338	1,338	-	-
Amounts owed to group undertakings	198	176	198	176
Corporation tax	13	177	13	177
Other creditors	-	1	-	1
Accruals and deferred income	47	66	47	66
	<b>1,597</b>	<b>1,795</b>	<b>259</b>	<b>457</b>

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.

**17. Financial instruments**

The Group has the following financial instruments:

	<b>Note(s)</b>	<b>31 Dec</b>	<b>31 Dec</b>
		<b>2019</b>	<b>2018</b>
		<b>£'000</b>	<b>£'000</b>
<b>Financial assets</b>			
Cash at bank and in hand		267	6,696
<b>Financial assets that are debt instruments measured at amortised cost:</b>			
Amounts owed by group undertakings	14, 15	154	12,330
Other debtors	15	1,951	1,954
		<b>2,372</b>	<b>20,980</b>
<b>Financial liabilities</b>			
<b>Financial liabilities measured at amortised cost:</b>			
Trade creditors	16	1	37
Amounts owed to group undertakings	16	198	176
Other creditors	16	-	1
Accruals	16	47	66
Third party loan	16	1,338	1,338
		<b>1,584</b>	<b>1,618</b>

**Sime Darby Property (London) Limited**  
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**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**17. Financial instruments (continued)**

The Company has the following financial instruments:

	Note(s)	31 Dec 2019 £'000	31 Dec 2018 £'000
<b>Financial assets</b>			
Cash at bank and in hand		267	6,696
<b>Financial assets that are debt instruments measured at amortised cost:</b>			
Amounts owed by group undertakings	14,15	160	12,337
Other debtors	15	1,951	1,954
		<b>2,378</b>	<b>20,987</b>
<b>Financial liabilities</b>			
<b>Financial liabilities measured at amortised cost:</b>			
Trade creditors	16	1	37
Amounts owed to group undertakings	16	198	176
Other creditors	16	-	1
Accruals	16	47	66
		<b>246</b>	<b>280</b>

**18. Provisions for liabilities**

**Group**

	Provision for deferred liabilities (a) £'000	Provision for Deferred Taxation (c) £'000	Total £'000
At 1 January 2019	91	88	179
Provided during the year	-	70	70
<b>At 31 December 2019</b>	<b>91</b>	<b>158</b>	<b>249</b>

**Company**

	Provision for diminution in subsidiaries (b) £'000	Provision for Deferred Taxation (c) £'000	Total £'000
At 1 January 2019	1,442	88	1,530
Provided during the year	-	70	70
<b>At 31 December 2019</b>	<b>1,442</b>	<b>158</b>	<b>1,600</b>



## Sime Darby Property (London) Limited (formerly Sime Darby London Limited)

### Notes to the financial statements for the year ended 31 December 2019 (continued)

#### 18. Provisions for liabilities (continued)

The Company has an unrecognised deferred tax asset at the year-end totalling £28,000 (As at 31 December 2018: £30,000), which relates to accumulated capital allowances. There was no change to the corporation tax rates during the year. 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 year/period was £Nil (6 months to 31 December 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 Property (London) Limited (formerly 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 2019 (see Note 2).

(c) Deferred tax arises on the revaluation gain on investment properties. There is no expiry date for unprovided deferred tax.

#### 19. Called up share capital

##### Group and Company

	31 Dec 2019 £'000	31 Dec 2018 £'000
Authorised:		
50,000,000 (At 31 December 2018: 50,000,000) ordinary shares of £1 each	50,000	50,000
Allotted, issued and fully paid:		
1 (At 31 December 2018: 38,493,886) ordinary share of £1 each	-	38,494

There is a single class of ordinary shares. The rights attributable to these shares are as follows:

- Voting rights: one vote per share;
- Dividend rights: each share ranks equally for any dividend declared; and
- Distribution rights on winding up: each share ranks equally.

On 28 March 2019, the directors agreed via special resolution 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 account of the Company be cancelled and the amount of the share premium account so cancelled be credited to a distributable reserve.

##### Dividends paid

	2019 £'000	2018 £'000
Equity - Ordinary		
Interim 2019 (2018: none) paid at £18,479,000 per share	18,479	-
Total dividends paid	18,479	-

The directors do not recommend a final dividend for the year ending 31 December 2019.

## **Sime Darby Property (London) Limited** (formerly Sime Darby London Limited)

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

#### **20. 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:

	<b>31 Dec 2019 £'000</b>	<b>31 Dec 2018 £'000</b>
Payments due		
Not later than one year	-	6
Later than one year and not later than five years	-	-
	-	6

The rental of the Company's offices in Felpham, Bognor Regis was terminated on expiration of the lease on 31 August 2019.

#### **21. Contingent liabilities and financial commitments**

##### **Company**

As referred to in Note 2, Sime Darby Property (London) Limited (formerly 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 Property (London) Limited (formerly Sime Darby London Limited) under the Funding & Indemnity Agreement was released and discharged from the unconditional guarantee. The Company has made a provision of £1,442,000 (At 31 December 2018: £1,442,000) against the Robt. Bradford Group net liabilities of £1,442,000 at 31 December 2019 (At 31 December 2018: £1,442,000).

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 18).

The Company disposed of the Airfield land in Bognor Regis 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.

The Company has exchanged contracts for the purchase of 2 residential apartments (At 31 December 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 2019 (At 31 December 2018: £1,947,000) and further sums of £6,374,000 (At 31 December 2018: £6,797,000) are payable by the expected completion date for Phase 2 during the year ending 31 December 2021.

As part of the contractual terms for the purchase of 2 residential properties from Phase 2 of the Battersea Power Station Development Scheme, if the date for completion of the properties was later than 31 December 2019, the Company would be entitled to a full refund of any deposits paid in respect of the 2 properties and would be able to cancel the contracts without any further obligation. The Company has received an offer from the building contractor to discount the price of each property in exchange for a waiver of the right to cancel the contracts. The offer is still under consideration. In the event that the Company accepts the offer, further sums payable on completion would amount to £5,804,000.

## **Sime Darby Property (London) Limited** **(formerly Sime Darby London Limited)**

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

#### **22. 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.

#### **23. Ultimate parent undertaking**

The immediate holding company and ultimate 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 Property (London) Limited at Thomas Eggar Secretaries Limited, Thomas Eggar House, Friary Lane, Chichester, West Sussex, PO19 1UF.

#### **24. Post Balance Sheet Events**

In March 2020, the United Kingdom was impacted by the Covid-19 pandemic and the country has since been subject to varying degrees of lockdown arrangements by the government. Whilst not an adjusting event, the full impact of this event on the Company is not yet known and the future fair market value of the investment property held may be lower than the carrying value at 31 December 2019. Additionally, construction activities in respect of Phase 2 of the Battersea Power Station Development Scheme have been impacted by the lockdown arrangements however the exchange deposits paid to date in respect of two residential properties in the development continue to be considered recoverable as construction is expected to be completed in 2021.