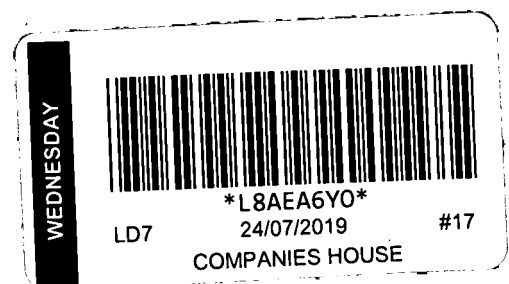


Company Registration No. 01606054 (England and Wales)

C. I. PROPERTY & INVESTMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



C. I. PROPERTY & INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	A E Stevens R Patient T J Norman	(Appointed 2 May 2018)
Secretary	A C Falconer	
Company number	01606054	
Registered office	8, King Street, St. James's London SW1Y 6QT	
Auditor	KPMG LLP 15 Canada Square London E14 5GL	

C. I. PROPERTY & INVESTMENTS LIMITED

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C. I. PROPERTY & INVESTMENTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors have pleasure in presenting their annual report and audited accounts for the year ended 31 December 2018.

Principal Activities

The principal activities of C. I. Property & Investments Limited ("the Company") are holding and renting properties within the Christie's Group and the rental of certain properties to third parties. All activities are in the United Kingdom.

Business Review

The results of the Company are set out on page 6. Turnover of £6.0m was 18% below the level of 2017 and the Company made a profit after taxation of £1.3m (2017: £0.3m profit after tax). The fall in turnover as compared to 2017, is the result of revaluation losses in 2018, which were £0.9m higher than in 2017. The losses of £1.9m arose from both the residential properties and group occupied offices owned by the Company, and are due to the weaker market conditions, and ongoing uncertainty over Brexit. Additionally the disposal of the property at South Kensington has seen a fall in third party rental income. The decrease in turnover as compared to 2017 has however been offset by the reduction in other operating expense, which in 2017 was due to the loss on disposal of property. The result for the year is therefore £1.0m higher than in 2017.

Principal risks and uncertainties

The principal risks that the Company faces are that the carrying value of its tangible fixed assets and its investments could be diminished. An annual review of investment properties and investments is carried out and appropriate provisions are made against them if necessary. The Company's investment properties were revalued at 31 December 2016, on the basis of open market value for existing use, by external surveyors. A desktop revaluation of investment properties was performed at 31 December 2017 and at 31 December 2018 by Angermann, Goddard and Loyd.

A dividend of £30.0m was declared and paid during 2018 (2017: £nil).

The Directors are satisfied with the net asset position of the Company of £115.6m (2017: £144.3m).

Due to the nature of the business, in the opinion of the Directors there are no key performance indicators whose disclosure is necessary for an understanding of the development, performance or position of the business.

On behalf of the board



ADELE FALCONER
COMPANY SECRETARY

Date: 24 JUNE 2019

C. I. PROPERTY & INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Directors

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

A E Stevens

A J Ward

(Resigned 9 May 2018)

R Patient

T J Norman

(Appointed 2 May 2018)

Results and dividends

The profit for the financial year of £1.3m (2017: £0.3m profit) was transferred to reserves. A dividend of £30.0m was declared and paid during 2018 (2017: £nil).


Auditor

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

Statement of disclosure to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board


ADELE FALCONER
COMPANY SECRETARY

Date: 24 JUNE 2019

C. I. PROPERTY & INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

C. I. PROPERTY & INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF C. I. PROPERTY & INVESTMENTS LIMITED

Opinion

We have audited the financial statements of C. I. Property & Investments Limited ("the Company") for the year ended 31 December 2018 which comprise the Statement of comprehensive income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with UK ethical requirements, including FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

C. I. PROPERTY & INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF C. I. PROPERTY & INVESTMENTS LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

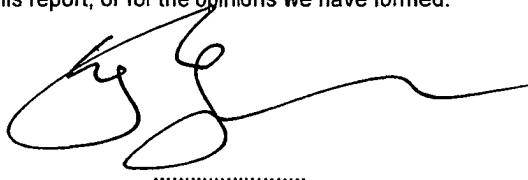
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hugh Green (Senior Statutory Auditor)
for and on behalf of KPMG LLP



Chartered Accountants
15 Canada Square
London
E14 5GL
Date:

28 June 2019

C. I. PROPERTY & INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £'000	2017 £'000
Turnover	3	6,015	7,412
Cost of sales		(3,859)	(3,966)
Gross profit		<u>2,156</u>	<u>3,446</u>
Administrative expenses		(158)	(170)
Other operating income/(expenses)		35	(4,605)
Profit/(loss) before taxation		<u>2,033</u>	<u>(1,329)</u>
Taxation	6	(727)	1,634
Profit for the financial year		<u><u>1,306</u></u>	<u><u>305</u></u>

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

The notes to the accounts on pages 9 to 18 form part of these financial statements.

C. I. PROPERTY & INVESTMENTS LIMITED

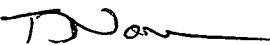
BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £'000	2017 £'000
Fixed assets			
Tangible assets	8	3,095	405
Investment properties	8	143,014	139,264
Investments	9	3,334	3,334
		<u>149,443</u>	<u>143,003</u>
Current assets			
Debtors	10	2,786	34,609
Cash at bank and in hand		14,045	10,936
		<u>16,831</u>	<u>45,545</u>
Creditors: amounts falling due within one year	11	<u>(39,117)</u>	<u>(32,800)</u>
Net current (liabilities)/assets		(22,286)	12,745
Total assets less current liabilities		<u>127,157</u>	<u>155,748</u>
Provisions for liabilities	12	<u>(11,537)</u>	<u>(11,434)</u>
Net assets		<u>115,620</u>	<u>144,314</u>
Capital and reserves			
Called up share capital (£100)	13	-	-
Profit and loss reserves		115,620	144,314
Total equity		<u>115,620</u>	<u>144,314</u>

The notes of the accounts on pages 9 to 18 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 24 JUNE 2019 and are signed on its behalf by:



 TIMOTHY NORMAN
 DIRECTOR

Company Registration No. 01606054

C. I. PROPERTY & INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital (£100) £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2017		-	144,009	144,009
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	305	305
Balance at 31 December 2017		-	144,314	144,314
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	1,306	1,306
Dividend paid	7	-	(30,000)	(30,000)
Balance at 31 December 2018		-	115,620	115,620

The notes of the accounts on pages 9 to 18 form part of these financial statements.

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Principal accounting policies

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

Company information

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

1.1 Basis of preparation

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

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

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

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

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

1.2 Going concern

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

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

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

1.3 Tangible fixed assets

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

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

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Principal accounting policies

(Continued)

Depreciation and residual values

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

Category of Asset	Annual Rate
Leasehold Improvements	Shorter of period of lease or useful economic life
Equipment, fixtures and fittings	10-25%

No depreciation is provided on freehold land and investment properties, or assets in the course of construction.

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

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

Subsequent to initial recognition:

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

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

The gain or loss on the disposal of investment property is determined as the difference of the sale proceeds and the carrying value of the investment property, and is charged as Other Operating (expenses)/income under the Statement of Comprehensive Income.

1.5 Investments

Fixed assets investments are shown at historical cost less provision for impairment in value.

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Principal accounting policies

(Continued)

1.6 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1.7 Taxation

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

Current tax

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

Deferred tax

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

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

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

1.8 Provisions

A provision is recognised in the balance sheet when C. I. Property & Investments Limited has a present legal or constructive obligation as a result of a past event, that can be measured reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the parent company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the group, the company and group treats the guarantee contract as a contingent liability until such time as it becomes probable that there is a requirement to make a payment under the guarantee.

1.9 Operating Leases

The rental charges on operating leases are charged to the profit and loss account on a straight line basis.

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Principal accounting policies

(Continued)

1.10 Other operating (expenses)/income

Other operating expense/income relates to loss/gain on the sale of Fixed Assets and Investment properties.

1.11 Dividends paid

The determination of the quantum of any dividend declared by the Company remains at the absolute discretion of the Directors of the Company and any decisions in that regard will be taken by those Directors in light of the circumstances which exist at that time. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

All turnover relates to property activities and comprises rental income and changes in property valuations. Rental income is recognised on a straight line basis over the period of the lease (net of any sales tax). Property revaluation losses of £1.9m (2017: revaluation loss of £1.0m) were recognised during the year and are set out in note 8.

4 Operating profit/(loss)

	2018	2017
	£'000	£'000
Operating profit/(loss) for the year is stated after charging/(crediting):		
Depreciation	198	8
(Profit)/loss on disposal of investment property	(35)	4,625
Rentals payable under operating leases on properties	3,078	3,063
<i>Auditor's remuneration:</i>		
Audit of these financial statements	6	5

5 Directors' remuneration

The Directors did not receive any emoluments in their capacity as Directors during the year (2017: £35k)

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Taxation

	2018 £'000	2017 £'000
Current tax		
UK corporation tax on profits for the current period	1,052	1,294
Adjustments in respect of prior periods	(428)	34
Total current tax	624	1,328
Deferred tax		
Origination and reversal of timing differences	98	(1,599)
Adjustment in respect of prior periods	5	(1,363)
Total deferred tax	103	(2,962)
Total tax charge/(credit)	727	(1,634)

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

	2018 £'000	2017 £'000
Profit/(loss) before taxation	2,033	(1,329)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	386	(256)
Tax effect of expenses that are not deductible in determining taxable profit	67	843
Gains not taxable	(7)	-
Adjustments in respect of prior years	(422)	(1,329)
Effect of change in corporation tax rate	33	31
Depreciation on assets not qualifying for tax allowances	6	-
Chargeable gain/(loss) on disposal	285	440
Indexation allowance on chargeable gains	379	(1,363)
Taxation (credit)/charge for the year	727	(1,634)

Analysis of charge in period

A reduction in UK corporation tax main rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This means that for C. I. Property & Investments Limited, the deferred tax rate applied as at 31 December 2018 was 17%.

7 Dividends

A dividend of £30.0m was paid during 2018 (2017: nil).

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Tangible fixed assets (including investment properties)	Freehold land and buildings	Long leasehold	Assets under construction	Equipment, fixtures and fittings	Leasehold improvements	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 January 2018	164	139,100	381	491	2,334	142,470
Additions	-	5,600	2,497	3	2,845	10,945
Disposals	-	-	-	-	(2,458)	(2,458)
Revaluation	-	(1,850)	-	-	-	(1,850)
Transfers	-	-	(2,878)	-	2,878	-
At 31 December 2018	164	142,850	-	494	5,599	149,107
Depreciation and impairment						
At 1 January 2018	-	-	-	466	2,334	2,800
Depreciation charged in the year	-	-	-	5	193	198
At 31 December 2018	-	-	-	471	2,527	2,998
Carrying amount						
At 31 December 2018	164	142,850	-	23	3,072	146,109
At 31 December 2017	164	139,100	381	23	2	139,670

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Tangible fixed assets

(Continued)

Freehold land and buildings, long leasehold, and short leasehold are all held as investment properties and as such are revalued at the balance sheet date. Land and investment properties are not depreciated. Assets under construction relate to the refurbishment of properties.

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

A desktop revaluation of investment properties was performed at 31 December 2017 and at 30 September 2018 by Angermann, Goddard and Loyd. The revaluations have been arrived at using Investment Property Databank (IPD) all property indices, and applying those to the December 2016 valuations. The Directors have assessed whether any material change in value occurred between 30 September 2018 and 31 December 2018 (using similar indices) and concluded that no such change occurred.

9 Fixed asset investments

The Company's investments are included below at cost less provision for impairment.

	Shares in group undertakings £'000
At 1 January 2018 & 31 December 2018	3,334

In the opinion of the Directors, the investments in and amounts due from the Company's fellow subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

10 Debtors

	2018 £'000	2017 £'000
Amounts falling due within one year:		
Trade debtors	75	299
Amounts owed by group undertakings	806	34,004
Other debtors	1,494	235
Prepayments and accrued income	411	71
	<u>2,786</u>	<u>34,609</u>

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

11 Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Amounts due to group undertakings	33,358	27,754
Corporation tax	1,052	1,294
Other taxation	227	90
Accruals and deferred income	4,480	3,662
	<u>39,117</u>	<u>32,800</u>

12 Provisions for liabilities

	2018 £'000	2017 £'000
Deferred tax	<u>11,537</u>	<u>11,434</u>

The analysis of the amount provided in respect of deferred taxation is as follows:

Revaluation of investment properties.

	£'000
At the beginning of the year	11,434
Origination of timing differences through profit & loss	98
Prior years deferred tax adjustments	5
At end of the year	<u>11,537</u>

13 Share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each (£100)	<u>-</u>	<u>-</u>

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Operating lease commitments

The Company's future minimum operating lease commitments in respect of land and buildings under non-cancellable operating leases are as follows:

	2018 £'000	2017 £'000
Within one year	2,040	1,065
Between two and five years	6,904	3,959
In over five years	87,300	88,270
	<u>96,244</u>	<u>93,294</u>

The investment properties are let under operating leases. The Company's future minimum operating lease payments receivable under non-cancellable leases are as follows:

	2018 £'000	2017 £'000
Within one year	1,100	1,205
Between two and five years	1,448	1,591
In over five years	1,194	883
	<u>3,742</u>	<u>3,679</u>

15 Contingent liabilities

As at 31 December 2018, the Company together with Christie's International plc, Christie, Manson & Woods Limited, Christies Overseas Holdings Limited, Christie's Inc, Christie's Hong Kong Limited, Christie's Private Sales Limited and Christie's (International) SA have provided guarantees to a number of Banks that provide the Group with credit facilities and to the Note holders of the USD 100m 5.22% Senior Notes due March 31, 2021.

16 Immediate and ultimate parent undertaking

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

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

C. I. PROPERTY & INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

17 Related undertakings

The Company has the following subsidiary undertakings at 31 December 2018 and operated mainly in their country of registration or incorporation. All shares held by or on behalf of subsidiaries are treated as if held by the company.

Name of undertaking	Registered	Nature of business	Registered office address	Percentage of equity or share capital owned
First Property and Investment Management Limited	England	Serviced flats	8, King Street, St. James's London. SW1Y 6QT, England	100%
Christie's Fine Art Storage Services Limited	England	Security warehouse	8, King Street, St. James's London. SW1Y 6QT, England	100%