

Registered number: 03794233

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

TUESDAY



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GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

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GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS	R Aluwihare A Prince
COMPANY SECRETARY	E MacPherson
REGISTERED NUMBER	03794233
REGISTERED OFFICE	100 Leman Street London E1 8AJ
INDEPENDENT AUDITORS	Ernst & Young LLP 1 More London Place London SE1 2AF
BANKERS	The Royal Bank of Scotland Plc 62/63 Threadneedle Street London EC2R 8LA
SOLICITORS	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Directors present their Strategic Report for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is acting as a developer for the redevelopment of 10 Fenchurch Avenue (formerly 120 Fenchurch Street) London, for Saxon Land B.V., a fellow group undertaking. The Company is ultimately a wholly owned subsidiary of Assicurazioni Generali SpA which is incorporated in Italy.

REVIEW OF BUSINESS

The profit for the year, after taxation, amounted to £ 645,114 (31 December 2016 – profit £341,275). The result for the year is in accordance with the directors' expectations. The 10 Fenchurch Avenue redevelopment reached practical completion in May 2018, with tenants commencing their fitout works. The company will now undertake the role of asset manager for the property, under the terms of an asset management agreement with Saxon Land BV.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's financial risk management policy seeks to ensure that adequate financial resources are available to meet any liabilities as they fall due. The principal risks and uncertainties identified are as follows:

Liquidity risk

The Company actively manages its cash/ expenditure flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Company maintains sufficient levels of cash to meet its working capital requirements.

Credit risk

Credit risks are managed by the application of credit approvals and monitoring procedures.

Delivery and market risk

Delivery and market risks reflect the need to complete the development to time and budget/ contractual requirements and then to achieve suitable letting arrangements. The property will be pre-let which should address the letting market risk.

This report was approved by the board on 21 September

2018 and signed on its behalf by:



A Prince
Director

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2017.

DIVIDENDS

The Directors do not recommend payment of a dividend for the year ended 31 December 2017 (31 December 2016: £NIL).

DIRECTORS

The directors who served during the year and up to the date of this report are:

S Spano (resigned 31 March 2018)
A Prince
R Aluwihare (appointed 12 April 2018)

GOING CONCERN

After making enquiries, the Directors have assessed the appropriateness of the going concern basis of preparation for the financial statements by considering forecasts and budgets of the Company. Having reviewed these areas, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**DIRECTORS' REPORT CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102 'Reduced Disclosure Framework', have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

At a meeting of the Directors of the Company held on 13 November 2000 resolutions from the sole member of the Company were received to dispense with the requirements to hold annual general meetings of the Company and to reappoint auditors annually. Our auditors, Ernst & Young LLP, have indicated their willingness to continue in office.

This report was approved by the board on 21 September 2018 and signed on its behalf by:



A Prince
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

Opinion

We have audited the financial statements of Generali Saxon Land Development Company Limited for the year ended 31 December 2017 which comprise Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the 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 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GENERALI SAXON LAND
DEVELOPMENT COMPANY LIMITED (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

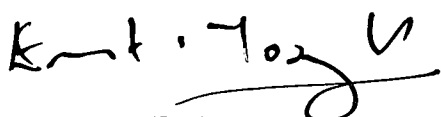
Auditor's responsibilities for the audit of the financial statements

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 an auditor's 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Adrian Mulea (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

21 SEPTEMBER 2018

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
TURNOVER	2	81,497,313	51,150,059
Cost of sales		(79,655,778)	(49,879,914)
GROSS PROFIT		1,841,536	1,270,145
Administrative expenses		(1,041,646)	(884,736)
OPERATING PROFIT		799,890	385,409
Interest receivable and similar income	3	-	22
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		799,890	385,431
Tax charge on profit on ordinary activities	6	(154,776)	(44,156)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		645,114	341,275
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		645,114	341,275

All amounts relate to continuing activities.

The notes on pages 10 to 18 form part of these financial statements.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note	£	31 December 2017 £	£	31 December 2016 £
NON CURRENT ASSETS					
Development work in progress	7		2,152,770		2,057,647
CURRENT ASSETS					
Development work in progress	8	6,652,769		-	
Development costs to be recharged	9	67,193		330,449	
Debtors	10	7,307,994		6,714,933	
Cash at bank		1,553,173		716,772	
		<u>15,581,129</u>		<u>7,762,154</u>	
CREDITORS: amounts falling due within one year	11	<u>(14,492,279)</u>		<u>(7,318,418)</u>	
NET CURRENT ASSETS			<u>1,088,850</u>		<u>443,736</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,241,620</u>		<u>2,501,383</u>
CREDITORS: amounts falling due after more than one year	12		<u>(2,152,770)</u>		<u>(2,057,647)</u>
NET ASSETS			<u>1,088,850</u>		<u>443,736</u>
CAPITAL AND RESERVES					
Called up share capital	13		250,000		250,000
Retained Earnings	14		838,850		193,736
TOTAL EQUITY SHAREHOLDER'S FUNDS			<u>1,088,850</u>		<u>443,736</u>

The financial statements were approved and authorised for issue by the board on 21 September 2018 and were signed on its behalf by:

R Aluwihare
Director

A Prince
Director

The notes on pages 10 to 18 form part of these financial statements.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2017**

				31 December 2017 £	31 December 2016 £
Opening shareholders' funds				443,736	102,461
Profit for the financial year				645,114	341,275
Closing shareholders' funds				<u>1,088,850</u>	<u>443,736</u>

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2017**

1. Basis of preparation

The financial statements are presented in pounds sterling which is also the functional currency, because that is the currency of the primary economic environment in which the company operates. The company is incorporated in the UK.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Reduced Disclosure Framework and Companies Act 2006. The principal accounting policies are set out below.

The company has taken the following exemptions available by using the reduced disclosures framework. These exemptions are detailed below.

a) Cash flow statement

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cashflows, on the grounds that it is a qualifying entity and its cash flows are incorporated in the publicly available, consolidated financial statements of its ultimate parent Company (note 16).

b) Related party transactions

The Company has taken exemption from disclosure of intra-group transactions as permitted by FRS 102 on the grounds that it is a wholly owned subsidiary and that the financial statements of its ultimate parent Company in which such transactions are consolidated are publicly available (note 16).

Going concern

The Company has entered into a contract where it will carry out the redevelopment and asset management of 10 Fenchurch Avenue (formerly 120 Fenchurch Street, London), for Saxon Land BV, a company within the Assicurazioni Generali SpA group. The directors have assessed the going concern by considering the forecasts and budgets of the Company. Having reviewed these areas, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

2. Summary of significant accounting policies**Turnover**

The turnover in the year to 31 December 2017 represents amounts rechargeable, exclusive of Value Added Tax, together with the fee earned on development costs. All turnover arose within the United Kingdom.

Work in Progress

The value of work in progress comprises the costs incurred on contracts but not recharged to a fellow group undertaking. The costs are only recharged once the invoice is received from the supplier and certified by an external agent. Provision is made for irrecoverable costs where appropriate.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2017**

2. Summary of significant accounting policies (continued)**Employee Benefits***(i) Short term benefits*

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

(ii) Defined contribution pension plans

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into separate, independently administered funds. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid at the balance sheet date are shown in accruals in the balance sheet.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, except that deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are recognised in the Statement of Comprehensive Income within operating profit.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and revenue and expenses recognised for the period reported. By their nature, estimates are subject to measurement uncertainty and are reviewed periodically and adjustments, if necessary, are made in the period in which they are identified.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2017**

2. Summary of significant accounting policies (Continued)**Judgements and key sources of estimation uncertainty (Continued)**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue and development costs

The company earns revenues based on the recharge of eligible expenditure in accordance with development agreements. Management may use judgement based on its interpretation of the agreement terms to determine which expenditure is recharged during the accounting period or accrued and recharged at the year end.

Contingent liabilities

As set out in Note 15, the company has a contingent liability relating to a profit share agreement. Management judgement is required in determining when there is sufficient certainty as to the likelihood of any liability (and any related contingent asset) arising.

The following are the company's key sources of estimation uncertainty:

Development costs to be recharged

Estimates are made in respect of accruals for development costs incurred but not yet invoiced at the year-end. Similarly, where these costs represent eligible expenditure, amounts will be included in revenue/debtors reflecting the company's ability to recharge such expenditure. The actual amounts paid/recharged may differ from the amounts accrued.

Financial instruments

The company has no derivative instruments. The company has basic financial instruments as follows:

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand. They are short term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in the year.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2017**

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Auditors' remuneration - Audit of the financial statements of the company	25,000	25,000
Foreign exchange (gains)/losses	147	(1,776)
	<hr/>	<hr/>

No fees were paid to the auditors in respect of non-audit services (2016: £nil).

4. EMPLOYEES

Staff costs, including Directors' remuneration, were as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Wages and salaries	350,331	301,351
Social security costs	40,062	37,894
Other pension costs	24,213	21,526
	<hr/>	<hr/>
	414,606	360,771

The average monthly number of employees during the year was as follows:

	Year ended 31 December 2017	Year ended 31 December 2016
Full time equivalent staff	<hr/> 4	<hr/> 3

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. DIRECTORS' REMUNERATION

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Remuneration received	-	-

Directors are remunerated by other Assicurazioni General SpA companies for their services to the group. The level of qualifying services of the directors of the company is considered negligible and incidental to the services provided to the group. There are no management charges to the Company from other group entities for these services. Consequently it determined that the remuneration for such qualifying services is £nil (2016: £nil).

6. TAXATION

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	154,776	44,156
Total current tax charge	<u>154,776</u>	<u>44,156</u>
Deferred tax	-	-
Total tax charge on profit on ordinary activities	<u>154,776</u>	<u>44,156</u>

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. TAXATION (continued)

Factors affecting total tax charge for the year:

The tax assessed for the year is different from the standard rate of corporation tax in the UK of 19.25% (31 December 2016 – 20%). The differences are explained below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Profit on ordinary activities before tax	799,890	385,431
Profit on ordinary activities multiplied by standard rate of Corporation tax in the UK of 19.25% (31 December 2016 – 20%)	153,979	77,086
Effects of:		
Expenses not deductible for tax purposes	797	602
Prior year losses utilised	-	(33,532)
	154,776	44,156
Total tax charge for the year		

Future tax rates

The tax rate for the year has reduced following the reduction of the corporation tax rate from 20% to 19% from 1 April 2017, as introduced in Finance (No.2) Act on 26 October 2015. The corporation tax rates will further decrease down to 18% on 1 April 2020. On 16 March 2016, the Chancellor of the Exchequer announced in his Budget that corporation tax rates will further decrease to 17% and this will replace the expected decrease to 18% from 1 April 2020.

7. NON CURRENT ASSETS

	31 December 2017 £	31 December 2016 £
Development work in progress	2,152,770	2,057,647

The amount relates to the non current portion of the WIP balance on the contract retention payable to the main contractor, and therefore not recharged as at 31 December 2017. Refer to note 12.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. DEVELOPMENT WORK IN PROGRESS

	31 December 2017 £	31 December 2016 £
Development work in progress	6,652,769	-

- i. Of the above amount, £2,305,769 relates to the current portion of the WIP balance on the contract retention payable to the main contractor and not recharged as at 31 December 2017 (refer to note 11)
- ii. £4,500,000 relates to an estimated amount due under a profit share agreement.

9. DEVELOPMENT COSTS TO BE RECHARGED

	31 December 2017 £	31 December 2016 £
Debtor at 1 January	330,449	-
Additions in the year	77,140,414	52,268,010
Recharged in the year	(75,155,778)	(49,879,914)
Retention due to main contractor	(2,247,892)	(2,057,647)
Debtor at 31 December	67,193	330,449

10. DEBTORS

	31 December 2017 £	31 December 2016 £
Other debtors	10,197	6,310
Prepayments and accrued income	-	12,528
Amounts due from group undertakings	7,297,797	6,696,095
	7,307,994	6,714,933

Amounts due from group undertakings are unsecured, interest free and have no fixed date of repayment and are thus considered repayable on demand.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. CREDITORS: amounts falling due within one year

Amounts falling due within one year:

	31 December 2017 £	31 December 2016 £
Creditors	1,447,200	6,327,843
Corporation tax	57,303	8,337
VAT payable	51,732	378,881
Accruals	10,783,275	595,437
Retention Payable	2,152,769	-
Other creditors	-	7,920
	<u>14,492,279</u>	<u>7,318,418</u>

Amounts owed to group undertakings are unsecured, interest free, amounts have no fixed date of repayment and are thus considered repayable on demand.

12. CREDITORS: amounts falling due after more than one year

	31 December 2017 £	31 December 2016 £
Other Creditors	<u>2,152,770</u>	<u>2,057,647</u>

Other creditors relate to the long term retention payable to the main contractor.

GENERALI SAXON LAND DEVELOPMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2017**

13. SHARE CAPITAL

	31 December 2017 £	31 December 2016 £
Allotted, called up and fully paid 250,000 Ordinary Shares of £1 each	<u>250,000</u>	<u>250,000</u>

14. MOVEMENT IN RESERVES

	Retained earnings £
At 31 December 2016	
Profit for the financial year	193,736
	645,114
At 31 December 2017	<u>838,850</u>

15. CONTINGENT LIABILITIES

There is a contingent liability in relation to a profit share agreement that the Company has entered into for the redevelopment of the 10 Fenchurch Avenue (formerly 120 Fenchurch Street), property in London. Any cost to the Company will be offset by an equal contribution from the Group undertaking to which the Company is providing development services. Given that the development is in progress, this obligation (and any related contingent asset) cannot be quantified with any certainty at present. A provision will be recognised as appropriate when the obligation can be measured with sufficient certainty in the future.

16. ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking and controlling party is Assicurazioni Generali SpA which is incorporated in Italy. This is also the smallest and largest undertaking which prepares consolidated financial statements, which include the company. Copies of its group financial statements, which include the Company, are available from Piazza Duca degli Abruzzi, Trieste, Italy.