

CHAPELFIELD LP LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Company number 4090126

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CHAPELFIELD LP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors submit their Strategic Report of Chapelfield LP Limited ("the company") for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company is as a limited partner in The Chapelfield Partnership, which was established to acquire, hold and invest in property. The company's interest has been reflected as an investment in the financial statements.

BUSINESS REVIEW

The directors expect the current level of activity to continue into the foreseeable future.

The company's results and financial position for the year ended 31 December 2015 are set out in full in the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The company's result before tax was £nil (2014 £nil). Following a £15,395,000 upward revaluation of an available-for-sale investment during the year (2014 £23,268,000), recognised through other comprehensive income, total equity at 31 December 2015 was £72,979,000 (2014 £57,584,000).

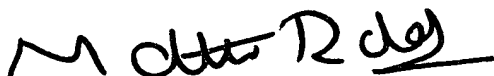
Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

As the company is a wholly owned subsidiary of the intu properties plc group, the company faces largely those risks and uncertainties faced by the group. These risks and uncertainties, including financial risks and the management thereof, are disclosed in the group financial statements.

On behalf of the Board



Kate Bowyer
Director
20 June 2016



Matthew Roberts
Director
20 June 2016

CHAPELFIELD LP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors submit their report and audited financial statements of the company for the year ended 31 December 2015.

The company is incorporated and registered in England and Wales (company number 4090126). The company's registered office is 40 Broadway, London, SW1H 0BU.

DIVIDENDS

The directors do not recommend a dividend for the year (2014 £nil).

CAPITAL MANAGEMENT

The directors consider the capital of the company to be the ordinary share capital of £79,951,000. Management of this capital is performed at a group level.

DIRECTORS

The directors who held office during the year and until the date of this report are given below:

Kate Bowyer
Hugh Ford
Matthew Roberts

DIRECTORS' INDEMNITY PROVISION

A qualifying indemnity provision (as defined in S234 of the Companies Act 2006) is in force for the benefit of the directors of the company during the financial year and at the date of the approval of the financial statements. The company's ultimate parent, intu properties plc, maintains directors' and officers' insurance which is reviewed annually.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

CHAPELFIELD LP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

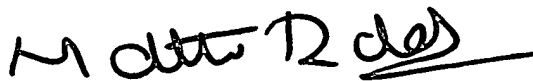
DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and each director has taken all reasonable steps to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. Under the provisions of the Companies Act 2006, the company is not required to hold an annual general meeting. Elective Resolutions are in force to dispense with the appointment of auditors annually. The auditors, PricewaterhouseCoopers LLP, will therefore be deemed to be reappointed for each succeeding financial year.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'M Roberts', with a horizontal line drawn underneath the signature.

**Matthew Roberts
Director
20 June 2016**

CHAPELFIELD LP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHAPELFIELD LP LIMITED

Report on the financial statements

Our opinion

In our opinion, Chapelfield LP Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2015;
- the Income Statement for the year then ended;
- the Statement of Cash flows for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

CHAPELFIELD LP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHAPELFIELD LP LIMITED

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Ranjan Sriskandan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 June 2016

CHAPELFIELD LP LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

There are no items of income or expense other than those disclosed in the statement of comprehensive income below and accordingly an income statement has not been prepared.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £000	2014 £000
Result for the year		-	-
Other comprehensive income			
Revaluation of investments	4	<u>15,395</u>	<u>23,268</u>
Total items that may be reclassified subsequently to profit and loss		<u>15,395</u>	<u>23,268</u>
Total comprehensive income for the year		<u><u>15,395</u></u>	<u><u>23,268</u></u>

CHAPELFIELD LP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2015

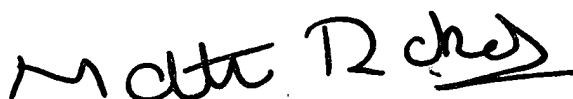
	Notes	2015 £000	2014 £000
Non-current assets			
Investments	4	<u>49,042</u>	<u>33,647</u>
Current assets			
Trade and other receivables	5	<u>23,937</u>	<u>23,937</u>
Total assets		<u>72,979</u>	<u>57,584</u>
Net assets		<u>72,979</u>	<u>57,584</u>
Equity			
Share capital	6	79,951	79,951
Accumulated losses		<u>(6,972)</u>	<u>(22,367)</u>
Total equity		<u>72,979</u>	<u>57,584</u>

The notes on page 9 to 14 form part of these financial statements.

The financial statements on pages 6 to 14 have been approved for issue by the Board of Directors on 20 June 2016 and were signed on its behalf by



Kate Bowyer
Director



Matthew Roberts
Director

CHAPELFIELD LP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital £000	Accumulated losses £000	Total equity £000
At 1 January 2014	79,951	(45,635)	34,316
Result for the year	-	-	-
Other comprehensive income: Revaluation of investments	-	23,268	23,268
Total comprehensive income for the year	-	23,268	23,268
At 31 December 2014	79,951	(22,367)	57,584
At 1 January 2015	79,951	(22,367)	57,584
Result for the year	-	-	-
Other comprehensive income: Revaluation of investments	-	15,395	15,395
Total comprehensive income for the year	-	15,395	15,395
At 31 December 2015	79,951	(6,972)	72,979

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £000	2014 £000
Cash flows from operating activities	-	-
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at 1 January	-	-
Cash and cash equivalents at 31 December	-	-

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS), IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale investments. A summary of the accounting policies is set out below.

In assessing whether the going concern basis of preparation is appropriate to adopt, the directors considered a number of factors including financial projections of the company and the level of financial support that may be made available to the company by its ultimate parent, intu properties plc. Based on this review the directors have concluded that there is a reasonable expectation that the company will have sufficient resources to continue in operational existence for the foreseeable future and have therefore prepared the financial statements on a going concern basis.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Where such judgements are made they are included within the accounting policies given below.

The accounting policies used are consistent with those applied in the last annual financial statements, as amended to reflect the adoption of new standards, amendments, and interpretations which became effective in the year. During the year, amendments arising from the Annual Improvements Cycle to IFRSs 2011-2013 became effective for the first time for the company's 31 December 2015 financial statements. These amendments have not had a material impact on the financial statements, but have resulted in changes to presentation or disclosure.

A number of standards have been issued but are not yet adopted by the EU and so are not available for early adoption. The most significant of these are IFRS 9 Financial Instruments along with related amendments to other IFRSs. Based on the company's current circumstances, these standards are not expected to have a material impact on the financial statements.

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

Investments

Available-for-sale investments, being investments intended to be held for an indefinite period, are initially and subsequently measured at fair value. Fair value is determined via reference to the company's share of the net assets of the investment, as set out in the publicly available financial statements of that investment.

Gains or losses arising from changes in fair value are included in other comprehensive income, except to the extent those losses are considered to represent a permanent impairment, in which case they are recognised in the income statement.

Upon disposal, accumulated fair value adjustments are recycled from reserves to the income statement.

Taxation

Current tax is the amount payable on the taxable income for the year and any adjustment in respect of prior years. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Current/non-current classification

Current assets include assets held primarily for trading purposes, cash and cash equivalents, and assets expected to be realised in, or intended for sale or consumption in, the course of the company's operating cycle. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes, liabilities expected to be settled in the course of the company's operating cycle and those liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. Operating result

The operating result of £nil (2014 £nil) did not include any fees in respect of auditors' remuneration or directors' remuneration (2014 £nil). No deduction is made for auditors' remuneration of £1,600 (2014 £1,550) which was settled on behalf of the company by the ultimate parent company, intu properties plc, and has not been recharged.

There were no employees during the year (2014 nil).

The directors' remuneration for services to the company has been borne by other entities that are part of the intu properties plc group.

3. Taxation

The tax expense for the year is equal to (2014 equal to) the standard rate of corporation tax in the UK. The movements are shown below:

	2015 £000	2014 £000
Result before tax	-	-
Result before tax multiplied by the standard rate of tax in the UK of 20.25% (2014 21.5%)	-	-
Effects of:		
Expenses disallowed	113	109
Transfer pricing adjustment	287	(458)
Partnership profit taxed in the company	3,117	5,002
Group relief (without payment)	1	198
REIT exemption - corporate tax	(1,186)	1,438
REIT exemption - deferred tax	(2,332)	(6,289)
Tax expense	-	-

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

4. Investments

	2015 £000	2014 £000
At 1 January	33,647	10,379
Revaluation	<u>15,395</u>	<u>23,268</u>
At 31 December	<u>49,042</u>	<u>33,647</u>

The company's investment is an available-for-sale investment and reflects its 100% interest in The Chapelfield Partnership, which owns the intu Chapelfield shopping centre, Norwich. This interest is accounted for as an available-for-sale investment as the company does not have control, joint control or significant influence over the Partnership. The management and control of the Partnership is the exclusive responsibility of the General Partner.

Available-for-sale investments are categorised as Level 2 in the fair value hierarchy.

Fair value hierarchy

Level 1: Valuation based on quoted market prices traded in active markets.

Level 2: Valuation techniques are used, maximising the use of observable market data, either directly from market prices or derived from market prices.

Level 3: Where one or more inputs to valuation are unobservable. Valuations at this level are more subjective and therefore more closely managed, including sensitivity analysis of inputs to valuation models. Such testing has not indicated that any material difference would arise due to a change in input variables.

Transfers into and transfers out of the fair value hierarchy levels are recognised on the date of the event or change in circumstances that caused the transfer. There were no transfers in or out for the above financial assets and liabilities during the year.

Valuation techniques for level 2 hierarchy financial assets and liabilities are presented in the accounting policies.

5. Trade and other receivables

	2015 £000	2014 £000
Amounts owed by group undertakings	<u>23,937</u>	<u>23,937</u>

Amounts owed by group undertakings are unsecured, repayable on demand and non-interest bearing.

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

6. Share capital

	2015 £000	2014 £000
Issued, called up and fully paid		
79,951,477 (2014 79,951,477) ordinary shares of £1 each	<u>79,951</u>	<u>79,951</u>

7. Related party transactions

During the year the company had no significant transactions (2014 no transactions) with other group companies.

Balances outstanding between the company and other group companies are shown below:

	2015 £000	2014 £000
Amounts owed by		
The Chapelfield Partnership	<u>23,937</u>	<u>23,937</u>

8. Ultimate parent company

The ultimate parent company is intu properties plc, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained from the Company Secretary, 40 Broadway, London, SW1H 0BT. The immediate parent company is Intu (SGS) Limited, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained as above.

CHAPELFIELD LP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. Financial risk management

The majority of the company's financial risk management is carried out by the intu properties plc group treasury department.

Classification of financial assets and liabilities

The table below sets out the company's accounting classification of each class of financial assets and liabilities, and their fair values at 31 December 2015 and 31 December 2014.

	Carrying value £000	Fair value £000
2015		
Available-for-sale investments	49,042	49,042
Trade and other receivables	<u>23,937</u>	<u>23,937</u>
Total investments and receivables	<u>72,979</u>	<u>72,979</u>
	Carrying value £000	Fair value £000
2014		
Available-for-sale investments	33,647	33,647
Trade and other receivables	<u>23,937</u>	<u>23,937</u>
Total investments and receivables	<u>57,584</u>	<u>57,584</u>

During the year a gain on available-for-sale investments of £15,395,000 (2014 £23,268,000) was recognised directly to equity.

There were no other gains or losses arising on financial assets or liabilities recognised in either the income statement or direct to equity (2014 £nil).