

Registration number: 04131311

CG Shield House (UK) No.1 Limited

Report and Unaudited Financial Statements

31 December 2020

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COMPANIES HOUSE

13/09/2021

CG Shield House (UK) No.1 Limited

Directors C M Warnes
C S Bidel
I S Venter

Company secretary Sanne Group Secretaries (UK) Limited

Registered number 04131311

Registered office 6th Floor
125 London Wall
London
EC2Y 5AS

CG Shield House (UK) No.1 Limited

Directors' Report

for the Year Ended 31 December 2020

The directors present their report and the unaudited financial statements for the year ended 31 December 2020.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption. The Company has also taken exemption from preparing a strategic report under Companies Act 2006 paragraph 414A(2).

Directors of the Company

The directors, who held office during the year were as follows:

C M Warnes

C S Bidel

I S Venter

Principal activity

The principal activity of the Company is to act as one of the General Partners to the CG Shield House Limited Partnership. The Company's results for the year are set out in the statement of comprehensive income.

Going concern

These financial statements have been prepared on the going concern basis. Please refer to note 2 of the financial statements for more details regarding this.

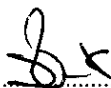
Results and dividends

The loss for the year amounted to £25,009 (2019: £33,345). The directors do not recommend a dividend for the year (2019: £Nil).

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 20/09/21 and signed by order of the Board by:



I S Venter

Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the 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.

CG Shield House (UK) No.1 Limited

Statement of Comprehensive Income

for the Year Ended 31 December 2020

	<i>Note</i>	<i>2020</i> £	<i>2019</i> £
Administrative expenses		<u>(24,846)</u>	<u>(33,110)</u>
Operating loss		(24,846)	(33,110)
Interest receivable and similar income		17	38
Interest payable and similar charges		<u>(180)</u>	<u>(273)</u>
Loss before tax		(25,009)	(33,345)
Tax on loss	5	<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u><u>(25,009)</u></u>	<u><u>(33,345)</u></u>

The above results were derived from continuing operations.

The notes on pages 7 to 11 form an integral part of these financial statements.

CG Shield House (UK) No.1 Limited

Statement of Financial Position

as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	1	1
Current assets			
Debtors	7	11,139	5,368
Cash at bank and in hand		<u>9,226</u>	<u>10,521</u>
		20,365	15,889
Creditors: Amounts falling due within one year	8	<u>(133,271)</u>	<u>(103,786)</u>
Net current liabilities		<u>(112,906)</u>	<u>(87,897)</u>
Net liabilities		<u>(112,905)</u>	<u>(87,896)</u>
Capital and reserves			
Called up share capital	9	1	1
Retained earnings		<u>(112,906)</u>	<u>(87,897)</u>
Shareholders' deficit		<u>(112,905)</u>	<u>(87,896)</u>

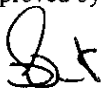
For the financial year ending 31 December 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 20/01/21 and signed on its behalf by:


.....
I S Venter
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

CG Shield House (UK) No.1 Limited

Statement of Changes in Equity

for the Year Ended 31 December 2020

	<i>Called up share capital</i> £	<i>Retained earnings</i> £	<i>Total</i> £
At 1 January 2019	1	(54,552)	(54,551)
Loss for the year	-	(33,345)	(33,345)
Total comprehensive loss	-	(33,345)	(33,345)
At 31 December 2019	1	(87,897)	(87,896)
Loss for the year	-	(25,009)	(25,009)
Total comprehensive loss	-	(25,009)	(25,009)
At 31 December 2020	1	(112,906)	(112,905)

The notes on pages 7 to 11 form an integral part of these financial statements.

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 General information

The Company is a private company limited by shares, incorporated and domiciled in England and Wales.

The address of its registered office is:

6th Floor
125 London Wall
London
EC2Y 5AS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures';
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of i. paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (statement of financial position as at the beginning period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8, 'Changes in accounting estimates and errors';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures' (inter group transactions).

CG Shield House (UK) No.1 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

2 Accounting policies (continued)

Going concern

CG Shield House (UK) No. 1 Limited has net current liabilities as at 31 December 2020 and is reliant on the support of its indirect parent company, Rhino 1 S.a.r.l, to be able to meet its liabilities as they fall due. The Directors consider the Company to be an integral part of the structure and intend to provide the necessary financial support to the Company for at least 12 months from the date of signing these financial statements.

After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Exemption from preparing group accounts

The Company has taken advantage of the exemption under S401 of the Companies Act 2006 not to prepare group financial statements as the Company itself is wholly owned by DSQ JV S.a.r.l, a company incorporated in Luxembourg, which prepares consolidated financial statements which include CG Shield House (UK) No.1 Limited and its subsidiaries. These financial statements therefore present information for CG Shield House (UK) No.1 Limited as a company, and not its group.

The Company is classified as a 'qualifying entity' - a member of a group where the parent of that group prepares publicly available consolidated financial statements.

In applying FRS 101, the Company has taken advantage of the disclosure exemption in the standard due to the fact it is a 'qualifying entity'.

Investments

Investments are held at cost less provision for impairment.

The Company has a 0.001% share in the CG Shield House Limited Partnership. CG Shield House Limited Partnership is domiciled in the UK. The principal activity of the Limited Partnership is to hold investment property. Investment income from the Limited Partnership is accounted for as and when received.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks with an original maturity of three months or less.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

2 Accounting policies (continued)

Financial instruments

Classification and measurement

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through the Profit and Loss (FVTPL):-

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial asset meets the amortised cost criteria, the Company may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

Financial liabilities at amortised cost

All financial liabilities, other than those classified as financial liabilities at FVTPL, are measured at amortised cost using the effective interest rate method.

3 Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgements for the year.

The estimates and underlying assumptions are reviewed on an ongoing basis. There were no material estimates or assumptions made at the end of the year.

4 Staff costs

The Company has no employees (2019: Nil) and the directors received no remuneration in connection with their services to this Company in the current or previous year.

CG Shield House (UK) No.1 Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

5 Income tax

The tax on loss for the year is different to the standard rate of corporation tax in the UK (2019 - different to the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Loss before tax	<u>(25,009)</u>	<u>(33,345)</u>
Corporation tax at standard rate	(4,752)	(6,336)
Deferred tax asset not recognised	<u>4,752</u>	<u>6,336</u>
Total tax charge	<u>-</u>	<u>-</u>

6 Investments

£

Cost

At 1 January & 31 December 2020

1

The Company has a 0.001% share in the CG Shield House Limited Partnership.

7 Debtors

	2020 £	2019 £
Other debtors	<u>11,139</u>	<u>5,368</u>

CG Shield House (UK) No.1 Limited

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

8 Creditors: Amounts falling due within one year

	2020 £	2019 £
Accrued expenses	8,769	14,625
Amounts due to group undertakings	124,502	89,161
	<u>133,271</u>	<u>103,786</u>

Amounts due to group undertakings are interest free and repayable on demand.

9 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

10 Related party transactions

CG Shield House (UK) No.1 Limited and CG Shield House (UK) No.2 Limited are both General Partners of the CG Shield House Limited Partnership (the 'Partnership'). CG Shield House (UK) No.1 Limited and CG Shield House (UK) No.2 Limited have provided the Partnership's lenders with a fixed and floating charge on all of its assets by way of a debenture document.

11 Parent and ultimate parent undertaking

The Company's immediate parent company is Rhino 1 S.a.r.l.

The ultimate parent is European Cities Partnership (GP) S.a.r.l.

The smallest group into which these accounts are consolidated is DSQ JV S.a.r.l. and the largest group into which these accounts are consolidated are European Cities Partnership (GP) S.a.r.l. Both of these consolidated financial statements are available upon request from 4a Rue Henri Schnadt, L-2530 Gasperich, Luxembourg.

Registration number: LP007459

CG Shield House Limited Partnership

Report and Unaudited Financial Statements

31 December 2020

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 4131311



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16/12/2021
COMPANIES HOUSE

#215

CG Shield House Limited Partnership

Registered number LP007459

Registered office 6th Floor
125 London Wall
London
EC2Y 5AS

Partners	% Share	% Share
General Partners	2020	2019
CG Shield House (UK) No.1 Limited	0.0010	0.0010
CG Shield House (UK) No.2 Limited	0.0010	0.0010
Limited Partners		
Rhino 1 S.a.r.l	47.1515	47.1515
Rhino 2 S.a.r.l	52.8465	52.8465
	<u>100.0000</u>	<u>100.0000</u>

CG Shield House Limited Partnership

Partners' Report

for the Year Ended 31 December 2020

The Partners present their report and the unaudited financial statements for the year ended 31 December 2020.

This report has been prepared in accordance with the provisions applicable to partnerships entitled to small companies exemption. The Partnership has also taken exemption from preparing a strategic report under Companies Act 2006, paragraph 414A(2).

Management

Under the terms of the Partnership Agreement, the General Partners are responsible for the control, management and conduct of the business of the Partnership.

Principal Activity

The Partnership's principal activity during the year continued to be property investment. The Partners do not foresee any material changes in the scope or nature of the Partnership's activity for the forthcoming year.

Going concern

The General Partners have a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. Further details can be found in note 2.

Approved and signed on 14/12/2021 on behalf of the members by:

 Ian Venter

On behalf of CG Shield House Limited Partnership

CG Shield House Limited Partnership

Statement of Partners' Responsibilities

The Partners acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law as applied to Limited Partnerships by the The Partnerships (Accounts) Regulations 2008 requires the Partners to prepare financial statements for each financial year. Under that law the Partners have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law, as applied to Limited Partnerships, the Partners 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 Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the Partners are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The Partners are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership 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 Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CG Shield House Limited Partnership

Statement of Comprehensive Income

for the Year Ended 31 December 2020

<i>(As restated)</i>			
	<i>Note</i>	<i>2020</i> £	<i>2019</i> £
Rental income	4	254,415	254,307
Unrealised loss in fair value of investment property	7	(670,585)	(1,105)
Property expenses		(108,232)	-
Other operating expenses		<u>(64,362)</u>	<u>(52,650)</u>
Net operating (loss)/profit		(588,764)	200,552
Finance income	5	230	523
Finance costs	6	<u>(237,179)</u>	<u>(237,207)</u>
Loss for the financial year before members remuneration and profit share		<u>(825,713)</u>	<u>(36,132)</u>
Total comprehensive loss for the year		<u><u>(825,713)</u></u>	<u><u>(36,132)</u></u>

The above results were derived from continuing operations.

The notes on pages 7 to 16 form an integral part of these financial statements.

CG Shield House Limited Partnership

Statement of Financial Position

as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investment properties	7	5,350,000	6,015,000
Investments	8	<u>10</u>	<u>10</u>
		<u>5,350,010</u>	<u>6,015,010</u>
Current assets			
Debtors	9	223,253	94,258
Cash at bank		<u>69,042</u>	<u>18,377</u>
		292,295	112,635
Creditors: Amounts falling due within one year	10	<u>(4,748,527)</u>	<u>(4,408,154)</u>
Net current liabilities		<u>(4,456,232)</u>	<u>(4,295,519)</u>
Total assets less current liabilities		893,778	1,719,491
Creditors: Amounts falling due after more than one year	11	<u>(3,887,605)</u>	<u>(3,887,605)</u>
Net liabilities		<u>(2,993,827)</u>	<u>(2,168,114)</u>
Total members' interests			
Members' capital account	12	1,003	1,003
Members' equity loans	12	<u>1,545,978</u>	<u>1,545,978</u>
		1,546,981	1,546,981
Members' profit and loss account		<u>(4,540,808)</u>	<u>(3,715,095)</u>
Total members' interests		<u>(2,993,827)</u>	<u>(2,168,114)</u>

The General Partners consider that the Partnership is entitled to exemption from audit under section 479A of the Companies Act 2006 and Partners have not required the Partnership to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved and signed on 14/12/2021 on behalf of the members by:

On behalf of CG Shield House Limited Partnership



Ian Venter

The notes on pages 7 to 16 form an integral part of these financial statements.

CG Shield House Limited Partnership

Statement of Changes in Members' Interests

for the Year Ended 31 December 2020

	<i>Members' capital account</i> £	<i>Members' equity loans</i> £	<i>Members' profit and loss account</i> £	<i>Total members' interests</i> £
At 1 January 2019	1,003	1,545,978	(3,678,963)	(2,131,982)
Total comprehensive loss	-	-	(36,132)	(36,132)
At 1 January 2020	1,003	1,545,978	(3,715,095)	(2,168,114)
Total comprehensive loss	-	-	(825,713)	(825,713)
At 31 December 2020	1,003	1,545,978	(4,540,808)	(2,993,827)

The notes on pages 7 to 16 form an integral part of these financial statements.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

1 General information

The Partnership was established on 6 March 2001 in the United Kingdom under the 1907 Limited Partnership Act. The principal activity of the Partnership is property investment, and the Partnership is incorporated and domiciled in England and Wales with its registered office at:

Asticus Building
2nd Floor
21 Palmer Street
London
SW1H 0AD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, in compliance with The Partnerships (Accounts) Regulations 2008 (The Regulations) and the Companies Act 2006 by virtue of being a qualifying partnership as defined in The Regulations.

The financial statements have been prepared on the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling (£) and all values are rounded to the nearest pound, unless otherwise stated.

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of i. paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 111 (cash flow statement information); and

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

2 Accounting policies (continued)

- 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8, 'Changes in Accounting Estimates and Errors';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' (inter group transactions).

Going concern

The Partnership has net current liabilities and net liabilities at 31 December 2020 and is reliant on the support of its immediate parents to meet its liabilities as they fall due. The Members consider the Partnership to be an integral part of the structure and intend to provide the necessary financial support to the Partnership for at least 12 months from the date of signing these financial statements.

After making enquiries and taking account of the factors noted above, the Members have a reasonable expectation that the Partnership will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Exemption from preparing group accounts

The financial statements contain information about CG Shield House Limited Partnership as an individual partnership and do not contain consolidated financial information as the parent of a group.

The Partnership is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of DSQ JV S.a.r.l, a company incorporated in Luxembourg.

Foreign currency transactions and balances

Foreign currency transactions that are denominated, or that require settlement, in a foreign currency are translated into Pounds Sterling, being the functional currency, using the exchange rates prevailing at the dates of the relevant transactions.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Partnership and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the managers are reasonably certain that the tenant will exercise that option.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

2 Accounting policies (continued)

Tax

The Partnership is not a taxable entity. Any liabilities arising from the results of the Partnership are dealt with in the financial statements of the Partners.

Investment property

Investment properties comprises of completed properties that are held to earn rentals or for capital appreciation or both. Properties held under a lease are classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Investment properties are measured initially at cost including transaction costs.

Investment property that is obtained through a lease is measured initially at the lease liability amount adjusted for any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the Partnership, and when applicable, an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

After initial recognition, investment properties are carried at fair value.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Partnership uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed on a quarterly basis and with a full annual valuation report as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

The fair value of investment properties reflects amongst other things, rental income from current leases and assumptions about rental income from future leases in the light of the current market conditions. The fair value also reflects on a similar basis, any cash outflows that could be expected in respect of the property.

The fair value of investment properties do not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the fair value of the property.

Changes in fair value are recorded in the statement of comprehensive income.

Transfers are made to or from investment properties only when there is a change in use. For a transfer from investment properties to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Partnership accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

2 Accounting policies (continued)

Investment properties are derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Partnership disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statement of comprehensive income within net gain from fair value adjustment on investment property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Partnership and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

Investments

Investments are held at cost less provision for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade receivables and other debtors

Trade receivables and other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, the Partnership applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the receivables.

A provision for impairment is recognised when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Partnership will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Partnership prior to the end of the financial year which are unpaid. The amounts are unsecured and trade and other payables are presented as current liabilities unless payment is not due until twelve months after the reporting year. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities not included in trade and other payables are recognised initially at fair value and subsequently at amortised cost.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

3 Critical accounting judgements and key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. There were no other material estimates or assumptions made at the end of the year aside from the valuation of investment.

The value of the investment property is assessed by Cushman & Wakefield, an external independent valuer. By necessity a valuation requires the valuer to make subjective judgements that, even if logical and appropriate may differ from those made by a purchaser, or another valuer. Property values can change substantially over short periods of time, therefore the value of the property at the date of signing these financial statements may differ materially to the valuation provided at 31 December 2020.

4 Rental income

The Partnership's rental income is solely generated in the United Kingdom and is net of value added tax.

5 Finance income

	2020	2019
	£	£
Interest income on bank deposits	<u>230</u>	<u>523</u>

6 Finance costs

	2020	2019
	£	£
Bank charges	813	841
Interest on amounts due to fellow group undertakings	<u>236,366</u>	<u>236,366</u>
	<u>237,179</u>	<u>237,207</u>

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

7 Investment properties

	2020 £	2019 £
At 1 January	6,015,000	6,015,000
Capital expenditure	5,585	1,105
Unrealised loss in fair value of investment property (excluding straight lining of lease incentive)	(670,585)	(1,105)
At 31 December	<u>5,350,000</u>	<u>6,015,000</u>

The value of the investment property if it were held at cost is £3,956,690 (2019: £3,951,105).

The title of the property was registered in the name of the Partnership's wholly-owned subsidiary, CG Shield House (Jersey) Limited. On 18 January 2007, the title was transferred to CG Shield House (Jersey 2) Limited and CG Shield House (Jersey) Limited jointly. Both companies are registered in Jersey. The beneficial interest in the property remains with CG Shield House LP.

The investment property has been valued at 31 December 2020 by an independent valuer, Cushman & Wakefield. The investment property has been valued using the comparative and investment methods, taking into account size, location, lease terms, covenants and other factors. Valuations are prepared by the independent valuer on a quarterly basis, with a full annual valuation report provided as at 31 December each year. The valuers hold recognised relevant professional qualifications and have relevant experience in the location of the investment property.

At the Statement of Financial Position date, the Partnership had contracted with tenants for the following future minimum lease payments:

	2020 £	2019 £
No later than 1 year	254,361	254,361
Later than 1 year and no later than 2 years	254,361	254,361
Later than 2 year and no later than 3 years	254,361	254,361
Later than 3 year and no later than 4 years	254,361	254,361
Later than 4 year and no later than 5 years	254,361	254,361
After five years	2,620,964	2,875,325
	<u>3,892,769</u>	<u>4,147,130</u>

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

8 Investments

£

Cost

At 1 January & 31 December 2020

10

Details of the investment as at 31 December 2020 are as follows:

Name of investment	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2020	2019
CG Shield House (Jersey) Limited	To hold the title of the property on behalf of the Partnership	IFC 5, St Helier, Jersey, JE1 1ST Jersey	100%	100%

9 Debtors

	2020	2019
	£	£
Trade debtor	183,576	76,308
Amounts due from fellow group undertakings	<u>39,677</u>	<u>17,950</u>
	<u>223,253</u>	<u>94,258</u>

Amounts due from fellow group undertakings are interest free and receivable on demand.

10 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Accrued expenses and deferred income	73,250	77,939
Amounts due to fellow group undertakings	4,646,866	4,328,580
Social security and other taxes	<u>28,411</u>	<u>1,635</u>
	<u>4,748,527</u>	<u>4,408,154</u>

Amounts due to fellow group undertakings are interest free and repayable on demand.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

11 Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Amounts due to fellow group undertakings	<u>3,887,605</u>	<u>3,887,605</u>

Amounts due to group undertakings represent an intra-group loan in place with DSQ Bidco S.a.r.l, which is an indirect owner of the Partnership, bearing an interest rate of 6.08%. There is no fixed repayment date.

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

12 Movement in Partners' capital and current accounts

<i>Partner's capital accounts</i>	<i>CG Shield House (UK) No. 1 Limited</i>	<i>CG Shield House (UK) No. 2 Limited</i>	<i>Rhino 1 S.a.r.l.</i>	<i>Rhino 2 S.a.r.l.</i>	<i>Total</i>
	£	£	£	£	£
Balance at 1 January 2019	16	16	729,424	817,525	1,546,981
Balance at 1 January 2020	16	16	729,424	817,525	1,546,981
Balance at 31 December 2020	16	16	729,424	817,525	1,546,981
<i>Profit and loss account</i>					
Balance at 1 January 2019	(44)	(44)	(1,734,679)	(1,944,196)	(3,678,963)
Total comprehensive loss	-	-	(17,037)	(19,095)	(36,132)
Balance at 1 January 2020	(44)	(44)	(1,751,716)	(1,963,291)	(3,715,095)
Total comprehensive loss	(8)	(8)	(389,336)	(436,361)	(825,713)
Balance at 31 December 2020	(52)	(52)	(2,141,052)	(2,399,652)	(4,540,808)
<i>Total Partners' equity</i>	(36)	(36)	(1,411,628)	(1,582,127)	(2,993,827)

CG Shield House Limited Partnership

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2020

13 Parent and ultimate parent undertaking

The Partnership's immediate parents are CG Shield House (UK) No.1 Limited and CG Shield House (UK) No.2 Limited.

The ultimate parent is European Cities Partnership (GP) S.a.r.l..

The smallest group into which these accounts are consolidated is DSQ JV S.a.r.l and the largest group into which these accounts are consolidated are European Cities Partnership (GP) S.a.r.l. Both of these consolidated financial statements are available upon request from 4a Rue Henri Schnadt, L-2530 Gasperich, Luxembourg.

14 Restatement

The Partnership's Statement of Comprehensive Income has been restated this year to align with the presentation format of the group in which it is a part of. This restatement had no effect to operating or net profit.