

**CHAPELFIELD NOMINEE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Company number 4373264



# **CHAPELFIELD NOMINEE LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors submit their report and financial statements of Chapelfield Nominee Limited ('the Company') for the year ended 31 December 2019.

The Company is incorporated and registered in England and Wales (company number: 4373264). The Company's registered office is 40 Broadway, London, SW1H 0BT)

The Company is exempt from the requirement to prepare a separate Strategic Report in accordance with Section 414B(b) of the Companies Act 2006 (as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2013.

### **PRINCIPAL ACTIVITIES**

The Company has joint title with Chapelfield GP Limited of the intu Chapelfield shopping centre, Norwich.

### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The Company is currently dormant. Future developments are largely contingent on the events and conditions set out in the going concern section below and within note 1.

### **GOING CONCERN**

Full detail in respect of going concern is set out in note 1. The going concern disclosure details that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

After reviewing the most recent projections and having carefully considered the material uncertainty, the directors have formed the judgement that it is appropriate to prepare the financial statements on the going concern basis.

### **DIRECTORS IN THE YEAR**

Sean Crosby	(Appointed 1 February 2020)
Rebecca Gates	
Kathryn Grant	(Appointed 1 February 2020)
Divya Jain	(Appointed 1 February 2020)
Thomas Rose	
Rebecca Ryman	(Resigned 6 November 2019)
Dushyant Sangar	(Resigned 1 February 2020)
Francesca Moffat	(Appointed 6 November 2019; Resigned 1 February 2020; Appointed 1 February 2020 and Resigned 21 April 2020)

### **DIRECTORS INDEMNITY**

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 - in administration, maintains directors' and officers' insurance which is reviewed annually.

### **AUDITOR**

The Company is exempt under section 480 of the Companies Act 2006 from the provisions of part 16 of this Act relating to the audit of financial statements.

## **CHAPELFIELD NOMINEE LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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

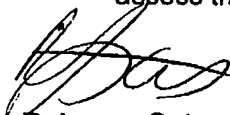
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the directors 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

#### **DIRECTORS' CONFIRMATIONS**

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance.



**Rebecca Gates**  
Director  
27 August 2020

## **CHAPELFIELD NOMINEE LIMITED**

### **INCOME STATEMENT, STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019**

There are no items of income and expense and accordingly neither an income statement nor a statement of comprehensive income have been prepared.

The Company does not operate any bank accounts and all operations are funded through intercompany balances, therefore there are no cash balances or movements and accordingly a statement of cash flows has not been prepared.

# CHAPELFIELD NOMINEE LIMITED

## BALANCE SHEET AT 31 DECEMBER 2019

	Notes	2019 £	2018 £
<b>Current assets</b>			
Trade and other receivables		<u>1</u>	<u>1</u>
<b>Equity</b>			
Share capital	2	<u>1</u>	<u>1</u>
<b>Total equity</b>		<u>1</u>	<u>1</u>

For the year ending 31 December 2019, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The notes on page 6 to 10 form part of these financial statements.

The financial statements of Chapelfield Nominee Limited (registration number 4373264) have been approved by the Board of Directors on 27 August 2020 and signed on its behalf by:



**Kathryn Grant**  
Director



## CHAPELFIELD NOMINEE LIMITED

### STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2019

	Share capital £
At 1 January 2018	1
Total comprehensive result for the year	<u>-</u>
At 31 December 2018	<u>1</u>
At 1 January 2019	1
Total comprehensive result for the year	<u>-</u>
At 31 December 2019	<u>1</u>

# CHAPELFIELD NOMINEE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 1. Accounting convention, basis of preparation and 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.

The standards, amendments and interpretations endorsed by the EU which are effective for the first time for the Company's 31 December 2019 year end, did not have any material impact on the presentation or disclosure of the financial statements of the Company.

Standards issued and adopted by the EU, but not effective for the year ended 31 December 2019 and not adopted early, are not expected to have a material impact on the presentation or disclosure of the financial statements of the Company.

Additionally, a number of standards have been issued but are not yet adopted by the EU and so are not available for early adoption. These are not expected to have any material impact on the presentation or disclosure of the financial statements of the Company.

#### **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with the Company's accounting policies requires the use of judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these judgements and estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those judgements and estimates.

#### **– key sources of estimation uncertainty**

There are no key sources of estimation uncertainty in the preparation of these financial statements.

#### **– critical accounting judgements**

Going concern – when preparing the financial statements, management is required to make an assessment of the entity's ability to continue as a going concern and prepare the financial statements on this basis unless it either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. As set out in the going concern section, there are events or conditions that indicate a material uncertainty exists in relation to going concern.

After reviewing the most recent projections and having carefully considered the material uncertainty, the directors have formed the judgement that it is appropriate to prepare the financial statements on the going concern basis.

# CHAPELFIELD NOMINEE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 1. Accounting convention, basis of preparation and accounting policies (continued)

#### Going concern

–introduction and material uncertainty

The Company's business activities are set out in the principal activities section of the strategic report on page 1. The Company has joint title with Chapelfield GP Limited of the intu Chapelfield shopping centre, which is owned and managed by The Chapelfield Partnership ('the Partnership').

On 26 June 2020, following unsuccessful negotiations for a group-wide standstill with lenders to group entities and a resulting inability to agree a standstill with its lenders, intu properties plc (the ultimate parent company of the intu group), along with certain intu group entities that provide asset and facilities management services to intu Chapelfield, entered administration.

To enable continued uninterrupted delivery of asset and facilities management services to intu Chapelfield from the date of intu properties plc's administration, the Partnership and the Company have entered into a 6-month Transitional Services Arrangement (TSA) with Intu Retail Services Limited - in administration. As part of the TSA, the Partnership is required to pre-fund costs two months in advance to the service providers prior to delivery of services as well as settlement of existing arrears.

The financial statements of the Partnership indicate that a material uncertainty exists that may cast significant doubt on its ability to continue as a going concern relating to:

- the impact of Covid-19 on ongoing operations;
- the funding of any potential liquidity shortfall;
- the transition to alternative third-party asset and facilities management service providers ahead of the 6-month TSA period end-date; and
- the strategic direction of the Partnership going forward.

In the event that the Partnership was no longer able to continue as a going concern or the asset was sold, there may be no requirement for the Company to continue to hold title to intu Chapelfield, and therefore to continue in operation. Certain aspects relating to these events and conditions are outside the control of the directors.

#### –Conclusion

The events or conditions described above indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

After reviewing the most recent projections and having carefully considered the material uncertainty, the directors have formed the judgement that it is appropriate to prepare the financial statements on the going concern basis.



# **CHAPELFIELD NOMINEE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

### **1. Accounting convention, basis of preparation and accounting policies (continued)**

#### **Impairment of assets**

The Company's assets are reviewed at each balance sheet date to determine whether events or changes in circumstances exist that indicate that their carrying amount may not be recoverable. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

At each balance sheet date the Company reviews whether there is any indication that an impairment loss recognised in previous periods may have decreased. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss recognised in prior periods is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount. In this case the asset's carrying amount is increased to its recoverable amount but not exceeding the carrying amount that would have been determined had no impairment loss been recognised. The reversal of an impairment loss is recognised in the income statement.

#### **Trade receivables**

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost less loss allowance for expected credit losses.

When applying a loss allowance for expected credit losses, judgement is exercised as to the collectability of trade receivables and to determine if it is appropriate to impair these assets. When considering expected credit losses, management has taken into account days past due, credit status of the counterparty and historical evidence of collection.

#### **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 NOMINEE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

#### 2. Share capital

	2019 £	2018 £
<b>Issued, called up and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

#### 3. Related party transactions

Significant balances outstanding between the Company and other group companies are shown below:

	<b>Amounts owed by</b>	
	2019 £	2018 £
Liberty International Group Treasury Limited	<u>1</u>	<u>1</u>

#### 4. Ultimate parent company

Until 31 January 2018 the ultimate parent company was intu properties plc (in administration), 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. After 31 January 2018 the Company has no ultimate parent company and is jointly controlled by intu properties plc - in administration, and Greater Manchester Pension Fund and West Yorkshire Pension fund (managed through their agent, LaSalle Investment Management).

The immediate parent company is Chapelfield GP Limited, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained as above.

## **CHAPELFIELD NOMINEE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **5. Events after the reporting date**

In Q1 2020, the existence of a global virus outbreak known as Covid-19 was confirmed. Non-essential retail at intu Chapelfield closed between 24 March and 15 June 2020 in order to comply with measures put in place by the UK Government to limit virus transmissions. From 15 June 2020 non-essential stores began to trade and from 4 July 2020 catering outlets started to re-open, with the opening of leisure facilities permitted from 25 July 2020.

On 26 June 2020, following unsuccessful negotiations for a group-wide standstill with lenders to group entities and a resulting inability to agree a standstill with its lenders, intu properties plc (the ultimate parent company of the Company), along with certain intu group entities that provide asset and facilities management services to intu Chapelfield, entered administration.

To enable continued uninterrupted delivery of asset and facilities management services to intu Chapelfield from the date of intu properties plc's administration, the Limited Partnership has entered into a 6-month Transitional Services Arrangement (TSA) with Intu Retail Services Limited (in administration). As part of the TSA, the Limited Partnership is required to pre-fund costs two months in advance to the service providers prior to delivery of services as well as settlement of existing arrears.

The latest independent property valuation for intu Chapelfield as at 30 June 2020 shows a decrease of 23 per cent in market value against the December 2019 position.