

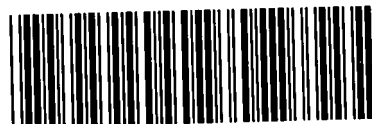
Registration number: 05965267

# Upper Piazza (Camden) Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2022

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## **Upper Piazza (Camden) Limited**

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## **Upper Piazza (Camden) Limited**

### **Company Information**

<b>Directors</b>	Eylon Garfunkel Margarita Nikolaeva Milosavljevic
<b>Registered office</b>	Labs Dockray 1-7 Dockray Place Camden London NW1 8QH
<b>Auditor</b>	KPMG LLP 15 Canada Square Canary Wharf London United Kingdom E14 5GL

## **Upper Piazza (Camden) Limited**

### **Directors' Report for the Year Ended 31 March 2022**

The directors present their report and the consolidated financial statements for the year ended 31 March 2022.

#### **Principal activity**

The principal activity of the company is property investment. The Company acts as a general partner to Upper Piazza Camden Limited Partnership ('the Partnership').

#### **Directors of the group**

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

Eylon Garfunkel

Yaron Shahar (ceased 6 September 2021)

Margarita Nikolaeva Milosavljevic (appointed 6 September 2021)

#### **Results and dividend**

The results for the year are set out on Page 8. No ordinary dividends were paid or declared during the year (2021:Nil). The directors do not recommend a payment of final dividend.


#### **Reappointment of auditor**

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Disclosure of information to the auditor**

So far as each director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish the the company's auditor is aware of that information.

Approved by the Board on 05/12/2022 and signed on its behalf by:

DocuSigned by:  
  
98D88BF793F248A.....  
Eylon Garfunkel  
Director

Labs Dockray  
1-7 Dockray Place  
London  
NW1 8QH

## **Upper Piazza (Camden) Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

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

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

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

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



## **Independent Auditor's Report to the Members of Upper Piazza (Camden) Limited**

### **Opinion**

We have audited the financial statements of Upper Piazza Camden Limited ("the parent company") for the year ended 31 March 2022 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Statement of Financial Position, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom accounting standards, including FRS 102 *The Financial Reporting Standards applicable in UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Going concern**

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

### **Fraud and breaches of laws and regulations - ability to detect**

#### ***Identifying and responding to risks of material misstatement due to fraud***

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:



## **Independent Auditor's Report to the Members of Upper Piazza (Camden) Limited (continued)**

- Enquiring of the directors of whether they are aware of fraud and of the Company's high-level policies and procedures to prevent and detect fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all material post-closing journals.

### ***Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations***

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the company's authority to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, property laws and building legislation and certain aspects of company legislation, recognising the nature of the company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### ***Context of the ability of the audit to detect fraud or breaches of law or regulation***

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.



## **Independent Auditor's Report to the Members of Upper Piazza (Camden) Limited (continued)**

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors report**

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

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

- we have not identified material misstatement in the Directors' report.
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).





**Independent Auditor's Report to the Members of Upper Piazza (Camden) Limited  
(continued)**

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

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

A handwritten signature in black ink, appearing to read 'J Tricker', written over a dotted line.

Jonathan Tricker (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square  
Canary Wharf  
London  
United Kingdom  
E14 5GL

Date: 5 December 2022

**Upper Piazza (Camden) Limited****Consolidated Profit and Loss Account for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
Revenue	4	1,428,310	1,428,309
Cost of sales		<u>(981,139)</u>	<u>(539,858)</u>
Gross profit		447,171	888,451
Administrative expenses		<u>(419,202)</u>	<u>(246,033)</u>
Operating profit	6	<u>27,969</u>	<u>642,418</u>
Loss on investment properties	5	(994,315)	(1,147,649)
Interest payable and similar expenses	7	<u>(1,813,698)</u>	<u>(1,814,836)</u>
		<u>(2,808,013)</u>	<u>(2,962,485)</u>
Loss before tax		<u>(2,780,044)</u>	<u>(2,320,067)</u>
Loss and total comprehensive income for the financial year		<u>(2,780,044)</u>	<u>(2,320,067)</u>
<b>loss attributable to:</b>			
Owners of the parent company		(2,739,319)	(2,291,065)
Non-controlling interests		<u>(40,725)</u>	<u>(29,002)</u>
		<u>(2,780,044)</u>	<u>(2,320,067)</u>

The above results were derived from continuing operations.

The group has no recognised gains or losses for the year other than the results above.

# Upper Piazza (Camden) Limited

## Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2022

	2022 £	2021 £
Loss for the year	<u>(2,780,044)</u>	<u>(2,320,067)</u>
Total comprehensive income for the year	<u><u>(2,780,044)</u></u>	<u><u>(2,320,067)</u></u>
<b>Total comprehensive income attributable to:</b>		
Owners of the company	(2,739,319)	(2,291,065)
Non-controlling interests	<u>(40,725)</u>	<u>(29,002)</u>
	<u><u>(2,780,044)</u></u>	<u><u>(2,320,067)</u></u>


The notes on pages 15 to 30 form an integral part of these financial statements.

**Upper Piazza (Camden) Limited****(Registration number: 05965267)****Consolidated Statement of Financial Position as at 31 March 2022**

	Note	2022 £	2021 Restated* £
<b>Fixed assets</b>			
Tangible assets	11	151,268	214,788
Investment property	12	<u>18,694,332</u>	<u>19,377,546</u>
		<u>18,845,600</u>	<u>19,592,334</u>
<b>Current assets</b>			
Debtors	14	32,844,289	31,477,693
<b>Creditors: Amounts falling due within one year</b>	15	<u>(41,723,815)</u>	<u>(38,291,891)</u>
<b>Net current liabilities</b>		<u>(8,879,526)</u>	<u>(6,814,198)</u>
<b>Total assets less current liabilities</b>		9,966,074	12,778,136
<b>Creditors: Amounts falling due after more than one year</b>	15	<u>(19,556,653)</u>	<u>(19,588,671)</u>
<b>Net liabilities</b>		<u>(9,590,579)</u>	<u>(6,810,535)</u>
<b>Equity</b>			
Called up share capital	16	1	1
Other reserves		205,000	205,000
Profit and loss account		<u>(5,289,288)</u>	<u>(2,549,969)</u>
Equity attributable to owners of the parent company		(5,084,287)	(2,344,968)
Non-controlling interests		<u>(4,506,292)</u>	<u>(4,465,567)</u>
Shareholders' deficit		<u>(9,590,579)</u>	<u>(6,810,535)</u>

\* Refer to the consolidated statement of changes in equity for further details relating to the restatement.

Approved and authorised by the Board on 05/12/2022 and signed on its behalf by:

DocuSigned by:  
  
 .....55D60BF793F248A.....  
 Eylon Garfunkel  
 Director

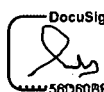
The notes on pages 15 to 30 form an integral part of these financial statements.

**Upper Piazza (Camden) Limited****(Registration number: 05965267)****Statement of Financial Position as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	13	176,377	176,377
<b>Current assets</b>			
Trade and other receivables	14	205,002	206,260
<b>Creditors: Amounts falling due within one year</b>	15	<u>(241,600)</u>	<u>(242,216)</u>
<b>Net current liabilities</b>		<u>(36,598)</u>	<u>(35,956)</u>
<b>Net assets</b>		<u>139,779</u>	<u>140,421</u>
<b>Equity</b>			
Called up share capital	16	1	1
Other reserves		205,000	205,000
Profit and loss account		<u>(65,222)</u>	<u>(64,580)</u>
<b>Shareholders' funds</b>		<u>139,779</u>	<u>140,421</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company made a loss after tax for the financial year of £642 (2021 : loss of £ 6,367).

Approved and authorised by the Board on 05/12/2022 and signed on its behalf by:

DocuSigned by:  
  
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Eylon Garfunkel  
Director

The notes on pages 15 to 30 form an integral part of these financial statements.

## Upper Piazza (Camden) Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2022  
Equity attributable to the parent company.

	Share capital	Other reserves	Profit and loss account	Total	Non-controlling interests	Total equity
	£	£	£	£	£	£
At 1 April 2021	1	205,000	(2,549,969)	(2,344,968)	(4,465,567)	(6,810,535)
Loss for the year	-	-	(2,739,319)	(2,739,319)	(40,725)	(2,780,044)
Total comprehensive loss	-	-	(2,739,319)	(2,739,319)	(40,725)	(2,780,044)
At 31 March 2022	1	205,000	(5,289,288)	(5,084,287)	(4,506,292)	(9,590,579)
	Share capital	Other reserves	Profit and loss account	Total	Non-controlling interests	Total equity
	£	£	Restated*	Restated*	£	Restated*
At 1 April 2020	1	205,000	(268,821)	(63,820)	(4,436,565)	(4,500,385)
Prior period adjustment	-	-	9,917	9,917	-	9,917
At 1 April 2020 (As restated)*	1	205,000	(258,904)	(53,903)	(4,436,565)	(4,490,468)
Loss for the year	-	-	(2,291,065)	(2,291,065)	(29,002)	(2,320,067)
Total comprehensive income	-	-	(2,291,065)	(2,291,065)	(29,002)	(2,320,067)
At 31 March 2021 (As restated)*	1	205,000	(2,549,969)	(2,344,968)	(4,465,567)	(6,810,535)

\* During the year ended 31 March 2022, management identified that the group did not correctly recognise interest on the borrowing granted by AIG (note 19) for the period ended 31 March 2019 in line with the ultimate parent company policy for sharing the interest cost of the facility. As a result, a prior year adjustment has been recognised for the interest which should have been charged. The interest cost was paid from The Camden Market Management Company Limited, a fellow subsidiary on behalf of the Company. The prior year adjustment is a decrease to current creditors in the prior year of £9,917 and a reduction of losses for both opening and closing reserves of £9,917 for the same year. This restatement does not impact profit or loss for the prior year.

# Upper Piazza (Camden) Limited

## Statement of Changes in Equity for the Year Ended 31 March 2022

	Share capital	Other reserves	Profit and loss account	Total
	£	£	£	£
At 1 April 2021	1	205,000	(64,580)	140,421
Loss for the year	-	-	(642)	(642)
Total comprehensive loss	-	-	(642)	(642)
At 31 March 2022	1	205,000	(65,222)	139,779

	Share capital	Other reserves	Profit and loss account	Total
	£	£	£	£
At 1 April 2020	1	205,000	(58,213)	146,788
Loss for the year	-	-	(6,367)	(6,367)
Total comprehensive loss	-	-	(6,367)	(6,367)
At 31 March 2021	1	205,000	(64,580)	140,421

Other reserves are capital contribution by the partner and are not distributable.

**Upper Piazza (Camden) Limited****Consolidated Statement of Cash Flows for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Loss for the year		(2,780,044)	(2,320,067)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	63,520	63,519
Changes in fair value of investment property	12	994,315	1,147,649
Amortisation of finance costs		-	906
Finance costs	7	1,813,698	1,814,836
		91,489	706,843
Working capital adjustments			
Increase in debtors	14	(1,366,596)	(2,054,318)
Increase in trade creditors	15	3,399,904	277,152
Net cash flow from operating activities		2,124,797	(1,070,323)
<b>Cash flows from investing activities</b>			
Acquisition of tangible assets		(311,099)	-
Net cash flow from investing activities		(311,099)	-
<b>Cash flows from financing activities</b>			
Repayment of other borrowing		(1,813,698)	1,070,323
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at 1 April		-	-
Cash and cash equivalents at 31 March		-	-

Operating cash requirements are arranged by group companies as the company does not have a bank account.

The notes on pages 15 to 30 form an integral part of these financial statements.



## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 General information**

Upper Piazza (Camden) Limited is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Labs Dockray, 1-7 Dockray Place, Camden, London, NW1 8QH, United Kingdom.

The group consists of Upper Piazza (Camden) Limited and all of its subsidiaries listed in note 14.

#### **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.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102") and the requirements of the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

##### **Summary of disclosure exemptions**

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available group financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the group financial statements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of share;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, detail of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### **Basis of consolidation**

The group financial statements incorporate those of Upper Piazza (Camden) Limited and all of its subsidiaries (i.e. entities that the group control through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. Included in the group is Upper Piazza Camden Limited Partnership ('the Partnership'), a limited partnership to which the Company acts as General Partner. Therefore despite only an 1% share in the Partnership the Company legally has control of the Partnership and is consolidated in these financial statements.

As a result of being dealt with on a consolidated basis in these group financial statements the Partnership has taken the exemption available in Part 2 Regulation 7 of the Partnerships (Accounts) Regulations 2008 from the requirement to prepare audited financial statements.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provide evidence of an impairment of asset transferred.

##### **Going concern**

The Group is a member of the Labtech Investments Limited group ('the ultimate parent company').

As at 31 March 2022 the Group has net current liabilities of £8,945,100 and net liabilities of £9,665,153. Further, the Company is reliant on the Group to perform certain operational and administrative functions on behalf of the Company. The Group has indicated its intention to provide financial support as is necessary, and to not demand repayment of existing funding, if the Company does not have sufficient funds to do so. As with any reliance on others for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, taking into account the financial position of the Group described below, the Directors have no reason to believe it will not do so.

In assessing the ability of the ultimate parent company to continue to support the Group the Directors have considered the ability of the ultimate parent company to continue as a going concern.

The Group meets its day-to-day working capital requirements from rental income, proceeds from the sale of non-core assets, accumulated cash balances and, if necessary, loans from its shareholder. The Group has a range of loan facilities, with each loan secured on specific property assets held by the Group. The most significant loan was repaid in full on 15 September 2022, following the sale of several of the Group's investment property assets. That repayment significantly reduced the Group's third party borrowing and the Directors therefore consider that there are no issues with covenant compliance for a period of at least 12 months from the date of approval of these financial statements, and that the Group will therefore be able to continue to provide support to the Company for the foreseeable future.

As a result of the above considerations the Directors have prepared these financial statements on a going concern basis.

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### **Revenue recognition**

Revenue arising from rental income is recognised to the extent that is probable that the economic benefits will flow to the group 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. The group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligation in all the revenue arrangements, has pricing latitude and is also exposed to credit risks. The specific recognition criteria describe below must also be met before revenue is recognised.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

##### **Foreign currency transactions and balances**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

##### **Tax**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss because it exclude items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current year is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction of other event that resulted in the tax expense or income. Deferred tax asset and liabilities are offset when the company has a legally enforceable right to offset the current tax assets and liabilities and the deferred tax assets and liabilities related to taxes levied by the same tax authority.

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 2 Accounting policies (continued)

##### Tangible assets

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

##### Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Asset class	Depreciation method and rate
Fixtures and fittings per the note	20% reducing balance

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

##### Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those asset have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimate the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimate future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### **Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which include the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

The carrying amount of leasehold property is increased by the carrying amount of the associated finance lease obligation.

##### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

##### **Investments**

In the parent company financial statements interest in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversal of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within borrowings in current liabilities.

##### **Financial Instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instruments.

Financial asset and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle liability simultaneously.

##### **Basic financial assets**

Basic financial asset, which include debtors, are initially measured at transaction price including transaction cost and subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### ***Classification financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidence a residual interest in the assets of the group after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and amounts due to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from supplies. Amounts payable are classified as current liabilities if payment due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Borrowings***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

##### ***Leases***

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessees. All other leases are classified as operating leases. Lease of investment property are recognised as finance leases regardless of the lease term.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest element. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### ***Equity instruments***

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividend payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **3 Critical accounting judgement and key sources of estimation uncertainty**

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

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

The directors do not consider there to be any estimates and assumptions which have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities.

#### **Key sources of estimation uncertainty**

The following estimates have had the most significant effect on amounts recognised in the financial statements..

##### ***Investment property***

Investment properties are valued to fair value annually. The group recognises the property at fair value, defined as the estimated amount for which a property should exchange on the date of the valuation between a willing buyer and seller in an arm's length transaction. The directors of the group assess the carrying value at each reporting date to ensure that its carrying value is adjusted to fair value. The main assumptions in the valuation are typically market related, such as market rents and yields and are based on the professional judgement and market observations. Each property has been valued in isolation based on the unique nature, characteristics and perceived risk of that property. Further information on investment property valuation methodology is disclosed in Note 13.

##### **Valuation of investment in subsidiary**

The Company tests annually whether the investments in subsidiary are impaired or otherwise when changes in events or situations indicate that the carrying value may not be recoverable. These calculations require the use of estimates in relation to future cash flows and discount factors. External and internal factors are monitored for indicators of impairment. In terms of such indicators, management typically consider adverse changes in the economy or political situation of the geographical locale in which the underlying entity operates. Management's approach for determining the recoverable amount of an individual asset is based on underlying subsidiary's net asset value. Generally discounted cash flow models are used to determine the recoverable amount of asset. The appropriate estimates and assumptions used require significant estimation uncertainty.

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 4 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2022	2021
	£	£
Rental income	<u>1,428,310</u>	<u>1,428,309</u>

All revenue is generated within the United Kingdom.

#### 5 Other losses

The analysis of the group's other losses for the year is as follows:

	2022	2021
	£	£
Loss on fair value in investment properties	<u>(994,315)</u>	<u>(1,147,649)</u>

#### 6 Operating loss

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	63,520	63,519
Operating lease expense - property	<u>140,572</u>	<u>134,004</u>

#### 7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and borrowings	412,504	412,456
Interest payable on loans from group undertakings	<u>1,401,194</u>	<u>1,402,380</u>
	<u>1,813,698</u>	<u>1,814,836</u>

#### 8 Staff costs

The average monthly number of persons (excluding directors) employed by the group and company during the year was nil (2021 :nil).

A portion of directors' remuneration is recharged from LabTech London Limited and included in this entity as an overhead expense. The allocation of directors' remuneration is £21,670 (2021: £16,146).



## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 9 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	<u>11,099</u>	<u>4,625</u>

The audit fee of £11,099 (2021: £4,625) for the year was borne by Labtech London Limited, a fellow group undertaking. There was no non-audit services provided by the company's auditors during the year (2021: £nil).

#### 10 Taxation

The standard rate of corporation tax in UK is 19% (2021 19%) The actual charge for the group for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Loss before tax	<u>(2,780,044)</u>	<u>(2,320,067)</u>
Corporation tax at standard rate in the UK	(528,208)	(440,813)
Effect of revenues exempt from taxation	-	440,813
Increase Partnership losses allocated to Camden Market Upper Piazza Limited	534,497	-
increase Expenses not deductible for tax purposes	5,785	-
Tax increase arising from group relief	<u>2,095</u>	<u>-</u>
Total tax charge	<u>14,169</u>	<u>-</u>

# Upper Piazza (Camden) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 11 Tangible assets

#### Group

	Fixtures and fittings £	Total £
<b>Cost</b>		
At 1 April 2021	317,594	317,594
At 31 March 2022	317,594	317,594
<b>Depreciation and impairment</b>		
At 1 April 2021	102,806	102,806
Depreciation charge for the year	63,520	63,520
At 31 March 2022	166,326	166,326
<b>Carrying amount</b>		
At 31 March 2022	151,268	151,268
At 31 March 2021	214,788	214,788

### 12 Investment properties

#### Group

	2022 £
At 1 April 2021	19,377,546
Additions	311,101
Fair value adjustments	(994,315)
At 31 March 2022	18,694,332

The investment property value of £18,694,332 as at 31 March 2022 (2021: £19,372,046) consists of the remaining of a 75 year term leasehold ( which commenced in March 2009) over a portion of Stables Market in Camden and £8,440,453 (2021: £8,470,715) related to investment properties held under finance lease.

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 12 Investment properties (continued)

The valuation of the remainder of the 75 year term leasehold interest in the property was performed by a director, and has been adjusted for the carrying amount of finance leases in note 18. The directors acknowledge that the leasehold interest in itself has a market value but because of the unique nature of the asset, it would most likely only be marketable in conjunction with other assets held within the group. Due to limited comparable valuation information, the directors have used a best estimate of the fair value of the asset and have had the valuation inputs and assumptions reviewed by an independent third party valuer.

The key assumptions applied in determining the fair value of investment properties are mainly (i) cashflow growth rate, (ii) the leasehold discount rate and (iii) assumed leasehold premium on the leasehold discount rate.

#### Sensitivity analysis 2022

	Input	-1%	+1%	-2%	+2%
Stabilized annual CF growth rate	1.22%	0.22%	2.22%	-0.78%	3.22%
Leasehold premium	3.00%	4.00%	2.00%	5.00%	1.00%
Leasehold discount rate	10.00%	11.00%	9.00%	12.00%	8.00%
Market Value	10,253,879	8,502,365	12,975,993	7,302,957	17,532,724
Movement		(1,751,514)	2,722,114	(2,950,921)	7,278,845

#### Sensitivity analysis 2021

	Input	-1%	+1%	-2%	+2%
Stabilized annual CF growth rate	2.08%	1.08%	3.08%	0.08%	4.08%
Leasehold premium	3.00%	4.00%	2.00%	5.00%	1.00%
Leasehold discount rate	10.50%	11.50%	9.50%	12.50%	8.50%
Market Value	10,901,331	8,989,014	13,893,355	7,686,704	18,939,442
Movement		(1,912,317)	2,992,024	(3,214,627)	8,038,111

#### 13 Investments

##### Company

	2022	2021
	£	£
Investments in subsidiaries	176,377	176,377

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 13 Investments (continued)

Subsidiaries	£
<b>Cost</b>	
At 1 April 2021	<u>176,377</u>
<b>Carrying amount</b>	
At 31 March 2022	<u><u>176,377</u></u>
At 31 March 2021	<u><u>176,377</u></u>

#### Details of undertakings

Details of the investments in which the company holds the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
<b>Subsidiary undertakings</b>				
Upper Piazza Camden Limited Partnership	Stanley Sidings, Chalk Farm Road, London, NW1 8AH United Kingdom	Partnership Capital	1%	1%

#### Subsidiary undertakings

*Upper Piazza Camden Limited Partnership*

The principal activity of Upper Piazza Camden Limited Partnership is Property Investment.

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 14 Debtors

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts owed by group undertakings	32,739,055	31,232,011	205,002	205,000
Other receivables	105,234	245,682	-	1,260
	<u>32,844,289</u>	<u>31,477,693</u>	<u>205,002</u>	<u>206,260</u>

Group undertakings refer to the members of the Labtech Investments Limited group ('the ultimate parent company') as per note 2.

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

#### 15 Creditors

		Group		Company	
	Note	2022	2021	2022	2021
		£	Restated*	£	£
<b>Due within one year</b>					
Loans and borrowings	17	31,497	1,795,600	-	-
Trade creditors		-	100	-	100
Amounts due to group undertakings		40,456,038	35,801,527	232,177	224,848
Other payables		404,623	428,492	-	12,412
Accruals		831,657	266,172	9,423	4,856
		<u>41,723,815</u>	<u>38,291,891</u>	<u>241,600</u>	<u>242,216</u>
<b>Due after one year</b>					
Loans and borrowings	17	<u>19,556,653</u>	<u>19,588,671</u>	<u>-</u>	<u>-</u>

Amounts owed to group undertakings include a shareholder loan £13,900,297 (2021: £ 13,900,297) which accrues interest at the rate of 7.7% from Divanyx Investments Limited, the loan is repayable on demand. All other amounts owed to group undertakings are interest free and repayable on demand.

\* Refer to the consolidated statement of changes in equity for further details relating to the restatement.

# Upper Piazza (Camden) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 16 Share capital

#### Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
1 ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 17 Loans and borrowings

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<b>Non-current loans and borrowings</b>				
Bank borrowings	11,147,696	11,148,218	-	-
Finance lease liabilities	<u>8,408,957</u>	<u>8,440,453</u>	<u>-</u>	<u>-</u>
	<u>19,556,653</u>	<u>19,588,671</u>	<u>-</u>	<u>-</u>

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<b>Current loans and borrowings</b>				
Finance lease liabilities	31,497	30,262	-	-
Other borrowings	<u>-</u>	<u>1,765,338</u>	<u>-</u>	<u>-</u>
	<u>31,497</u>	<u>1,795,600</u>	<u>-</u>	<u>-</u>

#### Group

#### Bank borrowings

AIG facility is denominated in GBP with a fixed interest rate of 4.16%, and the final instalment is due on 15 December 2025. The carrying amount at year end is £11,147,696 (2021 £11,148,218). The loan is secured by way of fixed and floating charges over assets of the group.

## Upper Piazza (Camden) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 18 Obligations under leases and hire purchase contracts

##### Group

##### Finance leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	361,133	361,133
Later than one year and not later than five years	1,444,531	1,444,531
Later than five years	<u>20,584,569</u>	<u>20,945,702</u>
	<u>22,390,233</u>	<u>22,751,366</u>

Finance lease payments represent rental payable by the group for investment property. The remaining lease term is 62 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The finance lease obligation is with a group company.

##### Operating leases - lessor

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	952,205	1,428,309
Later than one year and not later than five years	<u>-</u>	<u>952,205</u>
	<u>952,205</u>	<u>2,380,514</u>

The operating lease commitment is with a group company.

#### 19 Financial guarantee contracts

##### Group

The limited partnership has provided cross guarantees in connection with bank facilities granted by AIG to other group entities. AIG loan was fully paid post year end, disclosure is made in note 21.

The amount of the financial guarantee contract is £602,000,000 (2021: £602,000,000).

## **Upper Piazza (Camden) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **20 Parent and ultimate parent undertaking**

The company's immediate parent is Camden Market Estate Holdings Limited, incorporated in British Virgin Islands.

The ultimate parent is The Goodheart Trust, incorporated in Isle of Man.

The ultimate controlling party is The Goodheart Trust, a trust established under the laws of the Isle of Man.

The parent of the largest group in which these financial statements are consolidated is Labtech Investments Limited, incorporated in Guernsey.

The address of Labtech Investments Limited is:

4th Floor, West Wing, Trafalgar Court, Admiral Park, St Peter Port, Guernsey, GY1 2JA

The parent of the smallest group in which these financial statements are consolidated is Divanyx Investment Limited, incorporated in British Virgin Islands.

The address of Divanyx Investment Limited is:

Graigmuir Chambers, PO Box 71, Road Town, Tortola, VG110 BVI.

#### **21 Post balance sheet events**

On 9 September 2022, AIG loan was committed to be repaid in full, that was duly completed on 15 September 2022.