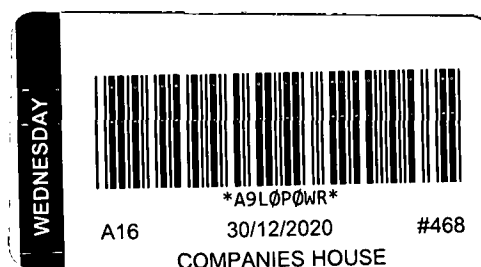


Registered number: 08649243

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020



C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

COMPANY INFORMATION

Directors	T S Cole S R Collins M N Steinberg
Registered number	08649243
Registered office	10 Upper Berkeley Street London W1H 7PE
Independent auditors	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus London E14 4HD

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

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C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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;
- 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 to 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.

Principal activity

The company's principal activity is property development.

Results and dividends

The loss for the year, after taxation, amounted to £856,241 (2019 - loss £780,804).

No dividends were paid in the year (2019: £nil)

Directors

The directors who served during the year were:

T S Cole
S R Collins
M N Steinberg

Disclosure of information to auditors

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

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

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020**

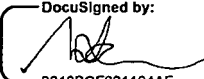
Auditors

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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M N Steinberg
Director

Date: 21 December 2020

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

Opinion

We have audited the financial statements of C.G.I.S. Group (No. 3) Intermediate Limited (the 'Company') for the year ended 30 June 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF C.G.I.S. GROUP (NO. 3)
INTERMEDIATE LIMITED (CONTINUED)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's shareholders 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders for our audit work, for this report, or for the opinions we have formed.

Ref Littlejohn LLP
Timothy Herbert (Senior Statutory Auditor)
for and on behalf of
PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
London
E14 4HD
Date: 21 December 2020

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 £	2019 £
Administrative expenses		(55,382)	(220,611)
Operating loss		(55,382)	(220,611)
Interest receivable and similar income	6	153,434	86,379
Interest payable and expenses	7	(954,293)	(670,579)
Other finance income		-	24,007
Loss before tax		(856,241)	(780,804)
Loss for the financial year		(856,241)	(780,804)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 7 to 13 form part of these financial statements.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED
REGISTERED NUMBER: 08649243

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	Restated 2019 £
Fixed assets			
Investments	9	101	101
		<u>101</u>	<u>101</u>
Current assets			
Debtors: amounts falling due within one year	10	14,640,149	6,462,686
Cash at bank and in hand	11	2,584,087	5,598,831
		<u>17,224,236</u>	<u>12,061,517</u>
Creditors: amounts falling due within one year	12	(19,436,458)	(14,048,145)
Net current liabilities		<u>(2,212,222)</u>	<u>(1,986,628)</u>
Total assets less current liabilities		<u>(2,212,121)</u>	<u>(1,986,527)</u>
Creditors: amounts falling due after more than one year	13	(6,049,885)	(5,419,238)
Net liabilities		<u><u>(8,262,006)</u></u>	<u><u>(7,405,765)</u></u>
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account	15	(8,262,106)	(7,405,865)
		<u><u>(8,262,006)</u></u>	<u><u>(7,405,765)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 December 2020

DocuSigned by:

T S Cole

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T S Cole
Director

The notes on pages 7 to 13 form part of these financial statements.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. General information

C.G.I.S. Group (No.3) Intermediate Limited is a private company limited by shares and is incorporated in England. The address of its registered office is 10 Upper Berkeley Street, London, W1H 7PE, which is also its trading address. Its principal activity is property investment.

2. Accounting policies
2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of CGIS Group (No. 3) Limited as at 30 June 2020 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Going concern

The directors have prepared the financial statements on a going concern basis as they have received assurances from the company's parent undertakings that fellow group members will provide financial support to the company for at least the next 12 months from the date of approval of these financial statements.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of receivables

Management must exercise judgement when deciding whether to provide against receivables. All available information up to the date of approval of the financial statements is reviewed and assessed, and provisions made when management consider it more likely than not that recoverables will not be recovered.

4. Auditors' remuneration

The auditors' remuneration has been borne by its subsidiary company, HDL Debenture Limited.

5. Employees

Other than the directors, the company employed no staff during the year (2019: Nil). None of the directors received any remuneration.

6. Interest receivable and similar income

	2020 £	2019 £
Interest receivable from group companies	153,407	86,379
Other interest receivable	27	-
	<u>153,434</u>	<u>86,379</u>

7. Interest payable and similar expenses

	2020 £	2019 £
Other loan interest payable	696,047	419,238
Interest payable to group companies	258,246	251,341
	<u>954,293</u>	<u>670,579</u>

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

8. Taxation

	2020 £	2019 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	(856,241)	(780,804)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(162,686)	(148,353)
Effects of:		
Expenses not deductible for tax purposes	378	11,569
Other differences leading to an increase (decrease) in the tax charge	-	(4,312)
Group relief	162,308	141,096
Total tax charge for the year	-	-

There were no factors that may affect future tax charges.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****9. Fixed asset investments**

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2019	101
At 30 June 2020	101

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
HDL Debenture Limited	10 Upper Berkeley Street, London, W1H 7PE	Ordinary	100%
C.G.I.S. Logistics (Holdings) Limited	10 Upper Berkeley Street, London, W1H 7PE	Ordinary	100%

10. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	13,024,337	6,276,586
Amounts owed by related parties	1,615,812	100,000
Prepayments and accrued income	-	86,100
	<u>14,640,149</u>	<u>6,462,686</u>

11. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	2,584,087	5,598,831
	<u>2,584,087</u>	<u>5,598,831</u>

Included within the Cash and Cash Equivalents is an amount of £0.7m (2019: £2.5m) which is held in a blocked account and is held as security over the Company's loan.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020****12. Creditors: Amounts falling due within one year**

	2020 £	Restated 2019 £
Trade creditors	-	2,750
Amounts owed to group undertakings	18,866,926	13,768,564
Other taxation and social security	568,315	275,611
Other creditors	1,217	1,220
	<u>19,436,458</u>	<u>14,048,145</u>

13. Creditors: Amounts falling due after more than one year

	2020 £	Restated 2019 £
Other loans	6,049,885	5,419,238
	<u>6,049,885</u>	<u>5,419,238</u>

The loan is secured by way of a fixed charge over all its assets, interest in all present and future rental income and company's shares in its subsidiary, HDL Debenture Limited, and any dividend income receivable from it. It is also secured by a floating charge with full title guarantee of the company's present or future assets, to the extent that such amounts have not been assigned to the Lender pursuant to the Existing Debenture. Interest is 12% and it can be paid or PIK at company's discretion.

14. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

15. Reserves**Profit and loss account**

The profit and loss account represents accumulated comprehensive income for the year and prior periods, less any dividends paid.

16. Related party transactions

Advantage has been taken by the company of the exemptions provided by Section 33.1A of FRS 102 not to disclose group transactions because it is a wholly owned subsidiary of a company preparing consolidated accounts.

C.G.I.S. GROUP (NO. 3) INTERMEDIATE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

17. Controlling party

The immediate holding company and ultimate parent company is CGIS Group (No. 3) Limited. This company is incorporated in England and Wales.

The smallest and largest group to prepare group financial statements in which the company is included in CGIS Group (No. 3) Limited.

The company is ultimately controlled by the directors.