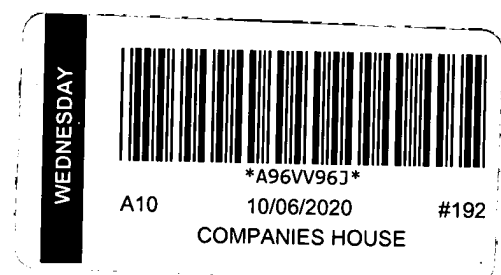


Registered Number: 11714784

**ST JAMES SQUARE HOLDING COMPANY LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 December 2019



**ST JAMES SQUARE HOLDING COMPANY LIMITED**

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

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**Directors**

S. Wicks  
A. J. Rippingale  
M. B. White

**Secretary and registered office**  
Nuveen Corporate Secretarial Services Limited  
201 Bishopsgate  
London EC2M 3BN

## **ST JAMES SQUARE HOLDING COMPANY LIMITED**

### **REPORT OF THE DIRECTORS**

**For the year ended 31 December 2019**

The Directors present their report and company financial statements for the year ended 31 December 2019.

#### **Principal activities and future prospects**

The Company was incorporated on 6 December 2018 and holds property investments held for sale in Edinburgh, which includes a residential flat.

#### **Results and dividends**

The Company made a loss of £121,560 (2018: £nil) for the year. The Directors do not recommend the payment of a dividend.

#### **Directors**

The Directors of the Company are set out on page 1, which includes those who held office throughout the period and any appointments, resignations and cessations since the period end.

#### **Registered office**

The Company's registered office address is 201 Bishopsgate, London EC2M 3BN.

#### **Strategic report**

The Company has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a strategic report.

## ST JAMES SQUARE HOLDING COMPANY LIMITED

### REPORT OF THE DIRECTORS (continued)

For the year ended 31 December 2019

#### Disclosure of information to auditor

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


#### Auditor

KPMG LLP were appointed as auditor of the Company on 12 August 2019. Pursuant to section 487 of the Companies Act 2006.

#### Going Concern

The Board of directors has also considered the impact of the COVID-19 global pandemic, which has resulted in unprecedented risks and significant levels of volatility and reduced asset prices in global equity and bond markets. The main risks resulting from COVID-19 for the Company is in respect of the impact on the valuation of investment property and the availability of continued financing from its ultimate investors. The Board of directors has considered the impact on the company of lower property valuations and possible limitations on investor financing and has concluded, as explained in note 1, that this represents a material uncertainty in relation to going concern.

By order of the Board

DocuSigned by:  
  
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Andrew Rippingale, Director

28 May 2020

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

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the 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 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 necessary to enable the preparation of financial statements that are free from material misstatement, 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 fraud and other irregularities.

## **ST JAMES SQUARE HOLDING COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JAMES SQUARE HOLDING COMPANY LIMITED**

#### **Opinion**

We have audited the financial statements of St James Square Holding Company Limited ("the company") for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, Balance Sheet and related notes, including the accounting policies in note 1.

We have audited the financial statements of Edinburgh St James Car Park Operating Company Limited ("the company") for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the 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 company 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.

#### **Material uncertainty related to going concern**

We draw attention to note 1 to the financial statements which indicates that the company's ability to continue as a going concern is dependent on continued financial support from its investors Matador LP General Partner Limited on behalf of HSCF Edinburgh LP and APG Real Estate Pool. Matador LP General Partner Limited has cash restrictions imposed by lenders which may mean it is unable to provide further funding should the company require it. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

#### **Directors' report**

The directors are responsible for the 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 statements 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 misstatements 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, 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, take advantage of the small companies exemption in preparing the directors' report and 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 4, 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).

### **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.



Henry Todd (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London E14 5GL  
Date: 28 May 2020

# ST JAMES SQUARE HOLDING COMPANY LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

|   | Note | 2019<br>£ | Period from 6<br>December to<br>31 December<br>2018<br>£ |
|---|------|-----------|--|
| Administration expenses                     | 2    | -         | -  |
| Net loss on investment property revaluation |      | (121,560) | -  |
| Loss before taxation                        |      | (121,560) | -  |
| Taxation                                    | 3    | -         | -  |
| Loss for the financial year                 |      | (121,560) | -  |

There were no items of comprehensive income other than those in profit or loss.

All activities derive from continuing operations.

The notes on pages 9 to 13 form part of these financial statements.



**ST JAMES SQUARE HOLDING COMPANY LIMITED**

Company registration number: 11714784

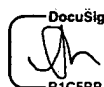
**BALANCE SHEET****31 December 2019**

|   | Note | 2019      |           | 2018  |       |
|---|------|-----------|-----------|-------|-------|
|   |      | £         | £         | £     | £     |
| <b>Fixed assets</b>                                   |      |           |           |       |       |
| Investment property                                   | 4    |           | 560,000   |       | -     |
|   |      |           | -----     |       | ----- |
| <b>Current assets</b>                                 |      |           |           |       |       |
| Debtors   | 5    | 10        |           | 10    | -     |
|   |      | -----     |           | ----- |       |
| <b>Creditors: amounts falling due within one year</b> | 6    | (681,560) |           | -     | -     |
|   |      | -----     |           | ----- |       |
| <b>Net current liabilities</b>                        |      |           | (681,550) |       | 10    |
|   |      |           | -----     |       | ----- |
| <b>Net liabilities</b>                                |      |           | (121,550) |       | 10    |
|   |      |           | =====     |       | ===== |
| <b>Capital and reserves</b>                           |      |           |           |       |       |
| Share capital   | 7    |           | 10        |       | 10    |
| Revaluation reserve                                   |      |           | (121,560) |       | -     |
| Profit and loss account                               |      |           | -         |       | -     |
|   |      |           |           |       |       |
| <b>Equity attributable to owners of the parent</b>    |      |           | -----     |       | ----- |
|   |      |           | (121,550) |       | 10    |
|   |      |           | =====     |       | ===== |

The financial statement have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Section 1A of FRS 102.

The notes on pages 9 to 13 form part of these financial statements. The financial statements were approved by the Board of Directors on 28 May 2020.

Signed on behalf of the Board of Directors by

DocuSigned by:  


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Andrew Rippingale, Director

## ST JAMES SQUARE HOLDING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

#### 1. ACCOUNTING POLICIES

The Company, St James Square Holding Company Limited has its registered office at 201 Bishopsgate, London EC2M 3BN. The financial statements are prepared for the financial year ended 31 December 2019.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and investments, and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1 unless otherwise stated.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its intermediate parent company Matador LP General Partner Limited on behalf of HSCF Edinburgh Limited Partnership and ultimate parent APG Real Estate Pool (together, the 'parent companies' and together with their subsidiaries, the 'group'), to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the parent companies not seeking repayment of the amounts currently due to the group and providing additional financial support during that period. The parent companies have indicated their intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. The parent company, Matador LP General Partner Limited has cash restrictions imposed by their debt lenders due to a potential breach in Loan to Value and Interest Coverage Ratio covenants, and therefore may impact the ability to fund the company. As with any company placing reliance on other group entities 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, they have no reason to believe that they will do so.

Based on the above indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, this material uncertainty may cast **significant doubt on the company's ability to continue as a going concern** and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business as they fall due for at least 12 months from the date of approval of the financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are set out below. Judgements made by the Directors, in the application of these accounting policies that have significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are discussed in the respective sections of the accounting policies or notes to the financial statements.

## **ST JAMES SQUARE HOLDING COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2019**

#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **Cash flow statement**

With low income and no employees, the Company qualifies as a small company and so has an exemption from preparing the cash flow statement under section 1A of FRS 102.

##### **Basic financial instruments**

##### **Investments**

Investments are measured initially at transaction price plus attributable transaction costs. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss.

##### **Trade and other debtors / creditors**

Trade and other debtors are recognised initially at the transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. Trade and other debtors are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs; and subsequently at amortised cost.

If an arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

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

Cash and cash equivalents comprise cash balances and short term deposits.

##### **Other financial instruments**

Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in the Statement of Comprehensive Income.

##### **Expenses**

Property and management expenses are recognised on an accruals basis.

#### **2. ADMINISTRATION EXPENSES**

The Directors did not receive any remuneration for services to the Company in the current year. The Company had no employees in the current year. The Directors estimate that the audit fee for the Company for the year was £1,500 (2018: £nil).

There were £nil non-audit fees payable to the Auditor during the year (2018: £nil).

**ST JAMES SQUARE HOLDING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2019****3. TAXATION**

| (a) Tax charge               | Period from<br>6 December to<br>31 December |       |
|------------------------------|---|-------|
|                              | 2019<br>£                                   | 2018  |
| Corporation tax for the year | -   | -     |
| Deferred tax charge          | -   | -     |
|                              | -----                                       | ----- |
| Total tax                    | -   | -     |
|                              | =====                                       | ===== |

**b) Factors affecting current tax charge.**

The tax assessed on the loss for the period uses the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

|   | Period from<br>6 December to<br>31 December |           |
|---|---|-----------|
|   | 2019<br>£                                   | 2018<br>£ |
| Loss on ordinary activities before tax              | (121,560)                                   | -         |
|   | -----                                       | -----     |
| Profit multiplied by UK corporation tax rate of 19% |   |           |
| Effects of:   | (23,096)                                    | -         |
| Income disallowable for tax                         | 23,096                                      | -         |
|   | -----                                       | -----     |
| Total current tax                                   | -   | -         |
|   | =====                                       | =====     |

From 1 April 2017 the corporation tax rate changed to 19% from 20%. The future tax rates of corporation tax will maintain at 19% on 1 April 2020.

**4. LAND AND BUILDINGS****(a) The movement in the period on the valuation of investment properties were:**

|                                    | £         |
|------------------------------------|-----------|
| Market value at 31 December 2018   | -         |
| Additions at cost                  | 681,560   |
| Deficit on revaluation of property | (121,560) |
|                                    | -----     |
| Market value at 31 December 2019   | 560,000   |
|                                    | =====     |

**(b) The historical cost of investment properties at 31 December 2019 was £681,560 (2018: £nil).**

**ST JAMES SQUARE HOLDING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2019****5. DEBTORS**

|  | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Due from Edinburgh St James (GP) Limited | 10          | 10          |
|  | -----       | -----       |
|  | <u>10</u>   | <u>10</u>   |

Amounts are interest free, unsecured and repayable on demand.

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|  | <b>2019</b>    | <b>2018</b> |
|--|----------------|-------------|
|  | <b>£</b>       | <b>£</b>    |
| Loan due to Albina Investments Holding Limited | 507,330        | -           |
| Loan due to HSCF Edinburgh Limited Partnership | 169,110        | -           |
| Capital Accruals                               | 5,120          | -           |
|  | -----          | -----       |
|  | <u>681,560</u> | <u>-</u>    |

Amounts are interest free, unsecured and repayable on demand.

**7. CALLED UP SHARE CAPITAL**

|  | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Called up, allotted and fully paid:<br>10 share of £1 each | 10          | 10          |
|  | -----       | -----       |

Share capital of £nil (2018: £nil) was issued in the year.

**8. RELATED PARTIES**

Other than as disclosed in notes 5 and 6, there were no material related party transactions during the year.

**9. CONTROLLING PARTIES**

The ordinary shares are 100% owned by Edinburgh St James (GP) Limited.

The company is included in the consolidated accounts of Edinburgh St James (GP) Limited. These consolidated accounts are available from the registered office.

## **ST JAMES SQUARE HOLDING COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2019**

#### **10. SUBSEQUENT EVENTS**

In early 2020, the existence of a new coronavirus (COVID-19) was confirmed and since this time COVID-19 has spread across the world. COVID-19 has caused unprecedented disruption to businesses and economic activity, which has been reflected in recent significant fluctuations and reduced asset prices in global equity and bond markets. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event, given the significant changes in business activities and economic conditions occurred as a result of events occurring after 31 December 2019. The valuations of assets and liabilities as at 31 December 2019 are, therefore, based on assessments using the available information and associated risks as at that date.

Given the inherent uncertainties it is not practicable at this time to quantify the potential impacts arising from COVID-19 on the financial performance of the company. The impacts will likely depend on a range of factors, including the extent and duration of the period of disruption and the impact on the global economy. However, it is possible that the Fair Value of the company's investment properties would be materially lower if valued as at the date of these financial statements.