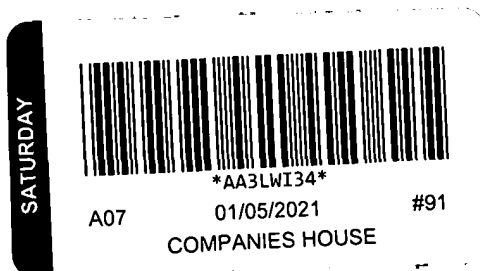


Registration number: 12135675

Capco Investment London 2 Limited

Annual Report and Financial Statements

for the Period from 2 August 2019 to 31 December 2020



Capco Investment London 2 Limited

Directors' Report for the Period from 2 August 2019 to 31 December 2020

The Directors present their report and the audited financial statements of Capco Investment London 2 Limited (the "Company") for the period from 2 August 2019 to 31 December 2020.

Incorporation

The Company was incorporated and registered in England and Wales and domiciled in the United Kingdom, with Company number 12135675, on 2 August 2019 as a private company limited by shares. The registered office of the Company is Regal House, 14 James Street, London, United Kingdom, WC2E 8BU.

Principal activity

The principal activity of the Company is the holding of investments. All activities are based in the United Kingdom.

Business review

Fair review of the business

The Company's results for and financial position at the year ended 31 December 2020 are set out in full in the statement of comprehensive income, the balance sheet, the statement of changes in equity and the notes relating thereto.

Both the level of business during the year and the year end financial position were as expected. The loss before taxation for the period from 2 August 2019 to 31 December 2020 was £5,000. Total shareholders' deficit at 31 December 2020 was £5,000.

Given the straightforward nature of the business, the Directors are of the opinion that analysis using KPIs is not necessary for an understanding of its development, performance or position.

Principal risks and uncertainties

The Directors believe that the principal risks and uncertainties that face the Company are not materially different to those disclosed in the Group Annual Report & Accounts of Capital & Counties Properties PLC for the year ended 31 December 2020 that are publicly available and in which the Company is consolidated.

Going Concern

The Director's assessment for preparing the financial statements on a going concern basis is set out in note 1.

Dividends

The Directors do not recommend the payment of a dividend for the period.

Directors of the Company

The Directors, who held office during the period and up to the date of signing the financial statements, were as follows:

I D Hawksworth

S S Jobanputra

Future Prospects

It is the opinion of the Directors that for the foreseeable future the Company will continue to act as an investment holding company.

Capco Investment London 2 Limited

Directors' Report for the Period from 2 August 2019 to 31 December 2020

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year or period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Capco Investment London 2 Limited

Directors' Report for the Period from 2 August 2019 to 31 December 2020

Directors' indemnity

As permitted by the Articles of Association, the Directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company's ultimate parent company purchased and maintained Directors' and Officers' liability insurance throughout the financial period in respect of the group, including the Company and its Directors.

Disclosure of information to the auditors

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The Auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. Under the provisions of the Companies Act 2006, the Company is not required to hold an annual general meeting and accordingly the Auditors, PricewaterhouseCoopers LLP, will therefore be deemed to be reappointed for each succeeding financial period.

Exemptions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Directors have taken advantage of the exemption from preparing a Strategic Report.

Approved by the Board on 29 April 2021 | 2:17 PM BST
and signed on its behalf by:

DocuSigned by:

Situl Jobanputra

29 April 2021 | 2:17 PM BST
S S Jobanputra

Director

29 April 2021 | 2:17 PM BST
Date:2021

Capco Investment London 2 Limited

Independent Auditor's Report to the Members of Capco Investment London 2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Capco Investment London 2 Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the 17 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Statement of Comprehensive Income, the Statement of Changes in Equity for the Period from 2 August 2019 to 31 December 2020; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Capco Investment London 2 Limited

Independent Auditor's Report to the Members of Capco Investment London 2 Limited

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Capco Investment London 2 Limited

Independent Auditor's Report to the Members of Capco Investment London 2 Limited

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

.....
Andrew Paynter (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London

Date:.....2021

Capco Investment London 2 Limited

**Statement of Comprehensive Income
for the Period from 2 August 2019 to 31 December 2020**

		Period from 2 August 2019 to 31 December 2020
	Note	£ 000
Interest payable and similar expenses	3	(5)
		(5)
Loss before tax		(5)
Tax on loss	7	-
Loss and total comprehensive expense for the financial period		(5)

These notes on page 10 to 17 form an integral part of these financial statements.

Capco Investment London 2 Limited**Balance Sheet
as at 31 December 2020**

	Note	31 December 2020 £ 000
Fixed assets		
Investments	8	3,301
Creditors: Amounts falling due within one year	10	<u>(3,306)</u>
Net liabilities		<u>(5)</u>
Capital and reserves		
Profit and loss account		<u>(5)</u>
Total shareholders' deficit		<u>(5)</u>

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

The notes on pages 10 to 17 form part an integral part of these financial statements. These financial statements on pages 7 to 17 have been Approved by the Board on 29 April 2021 at 2:17 PM BST and signed on its behalf by:

DocuSigned by:

Situl Jobanputra

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S S Jobanputra

Director

Date: 29 April 2021 at 2:17 PM BST

Capco Investment London 2 Limited**Statement of Changes in Equity
for the Period from 2 August 2019 to 31 December 2020**

	Share capital £ 000	Accumulated losses £ 000	Total £ 000
At 2 August 2019	-	-	-
New share capital subscribed*	-	-	-
Loss for the period	-	(5)	(5)
Total comprehensive expense	-	(5)	(5)
At 31 December 2020	-	(5)	(5)

* 1 Ordinary share of £1 nominal value issued on 2 August 2019

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

1 Accounting policies

Basis of preparation

These financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and United Kingdom Accounting Standards.

Summary of disclosure exemptions

FRS 101 sets out a reduced disclosure framework that addresses the financial reporting requirements of and disclosure exemptions available in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS"). Amendments are made to the requirements of IFRS where necessary so as to comply with the Companies Act 2006.

The Company, as a qualifying entity, is a member of a group where the parent of that group, being Capital & Counties Properties PLC, prepares publicly available consolidated financial statements that are intended to give a true and fair view and the Company is included in the consolidation. Details of where the 2020 Annual Report & Accounts of Capital & Counties Properties PLC can be obtained are disclosed in note 11.

The Directors of the Company have taken advantage of the following disclosure exemptions available under FRS 101:

The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements';

The requirements of IAS 7 'Statement of Cash Flows';

The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'; and

The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group.

Going concern

The balance sheet shows that the Company has net current liabilities and net liabilities. As a result, the ultimate parent company has agreed to support the Company for a period of at least 12 months from the date of signing these financial statements. The existence of this support results in the going concern of the Company being dependent on the going concern of the ultimate parent company and group.

Having assessed the going concern position of the Group, details of which are also included in the Annual Report & Accounts of Capital & Counties Properties PLC for the year ended 31 December 2020, the Directors consider that the Group is well placed to manage its business risks successfully despite the current economic climate.

As a consequence of this, the Directors consider that the going concern basis of preparation is appropriate.

Changes in accounting policy

New standards, interpretations and amendments effective

The following have been applied since the Company's incorporation on 2 August 2019 and have had an effect on the financial statements:

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

In the current period, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for annual periods that begin on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards:

IAS 1 'Presentation of Financial Statements' (amendment) (Definition of material)
IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (amendment) (Definition of material)
IFRS 3 'Business Combinations' (amendment) (Definition of a business)
IFRS 7 'Financial Instruments: Disclosures' (amendment) (Interest Rate Benchmark Reform)
IFRS 9 'Financial Instruments' (amendment) (Interest Rate Benchmark Reform)
IFRS 16 'Leases' (amendment) (COVID-19 related Rent Concessions)
Amendments to IFRS (Annual improvements cycle 2015-2017)

At the date of approval of the financial statements the following standards and interpretations which have not been applied in these financial statements were in issue but not effective, and in some cases have not been adopted for use in the European Union pursuant to Regulation (EC) No 1606/2002:

IAS 1 'Presentation of Financial Statements' (amendment) (Classification of Liabilities as Current and Non-Current)
IFRS 3 'Business Combinations' (amendment) (Reference to Conceptual Framework)
IAS 16 'Property, Plant and Equipment' (amendment) (Proceeds before Intended Use)
IFRS 10 and IAS 28 (amendments) (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' (Onerous contracts – Cost of fulfilling a contract)
Amendments to IFRS (Annual improvements cycle 2018-2020)

The Company has assessed the impact of these new standards and interpretations and does not anticipate any material impact on the financial statements.

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 the period presented, unless otherwise stated.

Finance income and costs policy

Interest receivable and payable is accrued on a time basis, by reference to the principal outstanding and the effective interest rate.

Investments in subsidiaries

Investment in subsidiaries are carried at cost less impairment losses, if any. Impairment losses are determined with reference to the investment's fair value less estimated selling costs. Fair value is derived from the subsidiary's, and their subsidiaries, net assets at the balance sheet date. On disposal, the difference between the net disposal proceeds and its carrying amount is included in the income statement.

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

Impairment of financial assets

The Company applies the IFRS 9 'Financial Instruments' expected credit loss model in order to calculate a lifetime expected loss allowance for all financial assets. To measure the expected credit losses, receivables are reviewed on an individual contract basis. The expected loss rates are based on forward-looking information as well as historical evidence of collection. In the current environment the historical loss rates are adjusted to reflect current and future information such as estimated future cash flows or by using fair value where this is available through observable market prices and review of macro-economic factors which may affect the counter-party's ability to settle the receivables.

Share capital

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

Amounts owed to and from group undertakings

Amounts owed to and from group undertakings are recognised at fair value and subsequently measured at amortised cost until settled. These balances are assessed annually for impairment in accordance with IFRS 9 'Financial Instruments' using the expected credit loss model. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the original impairment was recognised, the impairment reversal is recognised in the income statement on a basis consistent with the original charge.

Group financial statements

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements because the immediate and ultimate parent company, Capital & Counties Properties PLC, prepares consolidated financial statements that are publicly available and into which the Company's financial statements are consolidated.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 101 requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, equity, income and expenses from sources not readily apparent. Although these estimates and assumptions are based on management's best knowledge of the amount, historical experiences and other factors, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period.

Areas of estimation and uncertainty are included within the accounting policies below, the more significant being impairment of investments.

3 Interest payable and similar expenses

Interest paid to group undertakings

Period from 2
August 2019 to
31 December
2020
£ 000
5

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

4 Directors' remuneration

No Director received any remuneration for services to the Company in the period. The Directors are also directors of Capital & Counties Properties PLC, the Company's immediate and ultimate parent company, and the remuneration of these Directors is disclosed in the financial statements of Capital & Counties Properties PLC.

5 Staff costs

There were no employees during the period.

6 Auditors' remuneration

**Period from 2
August 2019 to
31 December
2020
£ 000**

Audit of the financial statements

-

Auditor's remuneration of £2,839 for the period has been met by the Company's immediate and ultimate parent, Capital & Counties Properties PLC and has not been recharged.

Capco Investment London 2 Limited**Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020****7 Income tax**

Tax charged/(credited) in the profit and loss account

**Period from 2
August 2019 to
31 December
2020
£ 000**

Current taxation

UK corporation tax

-

The differences between the tax assessed for the period and the amount that would arise by applying the standard rate of corporation tax in the United Kingdom of 19 per cent are shown below:

**Period from 2
August 2019 to
31 December
2020
£ 000**

Loss before tax

(5)

Current standard United Kingdom corporation tax at 19%

(1)

Adjusted for the effects of:

Increase arising from group relief tax reconciliation

1

Total tax charge/(credit)

-

As announced in the UK Budget on 11 March 2020 and substantively enacted on 17 March 2020, the main rate of UK corporation tax remained unchanged at 19 per cent. This has been reflected in these accounts.

The UK Budget announced on 3 March 2021, confirmed an increase in the main corporation tax rate from 19 to 25 percent with effect from 1 April 2023. This change has not been substantively enacted at the date of these accounts.

Capco Investment London 2 Limited**Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020****8 Investments**

Subsidiaries	£ 000
Cost	
Additions	3,301
At 31 December 2020	3,301
Provision	
At 2 August 2019	-
Provision	-
At 31 December 2020	-
Carrying amount	
At 31 December 2020	3,301

Investments in subsidiary undertakings are reviewed at least annually for impairment. Where an indication of impairment exists, the recoverable amount of the investment is determined. The recoverable amount is based on the greater of the investments continued value in use and its fair value less costs to sell. Fair value is derived from the net assets attributable to the subsidiary at the balance sheet date. The resulting impairment charge is recognised immediately in the statement of comprehensive income.

On 1 December 2020, the Company acquired 100 per cent of the interests in the share capital of Capco Investment London (No.5) Limited from Hackwood Secretaries Limited for a consideration of £1.

On 1 December 2020, the Company acquired 100 per cent of the interests in the share capital of Capco Investment London (No.3) Limited for a consideration of £3,301,000 and Capco Investment London (No.4) Limited for a consideration of £1 from Capco Investment London Limited and Capital & Counties Properties PLC respectively.

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

8 Investments continued

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

Name of subsidiary	Principal activity	Registered office	Holding	Proportion of ownership interest and voting rights held 2020
Capco Investment London (No.3) Limited	Investment company	Regal House, 14 James Street, London, WC2E 8BU	Ordinary Shares	100%
Capco Investment London (No.4) Limited	Investment company	Regal House, 14 James Street, London, WC2E 8BU	Ordinary Shares	100%
Capco Investment London (No.5) Limited	Investment company	Regal House, 14 James Street, London, WC2E 8BU	Ordinary Shares	100%

The registered office of the subsidiary undertakings is Regal House, 14 James Street, London, WC2E 8BU.

9 Share capital

Allotted, called up and fully paid shares

	31 December 2020	
	No.	£
Ordinary shares of £1 each	1	1

Upon incorporation, the Company issued 1 Ordinary share of £1 nominal value.

Capco Investment London 2 Limited

Notes to the Financial Statements for the Period from 2 August 2019 to 31 December 2020

10 Creditors: Amounts falling due within one year

	31 December 2020 £ 000
Amounts owed to group undertakings	<u>3,306</u>

Amounts owed to group undertakings accrue interest at 0 per cent or at such rates and on such terms as shall be agreed from time to time between the parties in writing. The loan accrued interest at 0.6 per cent (2019: 1.25 percent) during the year.

11 Parent and ultimate parent undertaking

The immediate and ultimate parent company of the largest group and smallest group of which the company is a member and for which consolidated financial statements are prepared is Capital & Counties Properties PLC, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained from the Company Secretary, Regal House, 14 James St, London, WC2E 8BU.