Capital & Regional plc

Company balance sheet

As at 30 June 2022

Registered number: 01399411
Prepared in accordance with FRS 101

	Note	30 June 2022 £m	30 December 2021 £m
Non-current assets			
Investments	C	**142.2**	**144.3**
Receivables – amounts falling due after one year	D	**42.4**	**37.0**
Total non-current assets		**184.6**	**181.3**
Current assets			
Receivables – amounts falling due within one year	D	**1.2**	**0.4**
Cash and deposits		**14.0**	**30.0**
Total current assets		**15.2**	**30.4**
Total assets		**199.8**	**211.7**
Current liabilities			
Trade and other payables	E	**(19.2)**	**(20.5)**
Net current liabilities		**(4.0)**	**10.0**
Non-current liabilities			
Other payables		**(0.7)**	**(0.2)**
Net assets		**179.9**	**191.0**
Equity			
Share capital		**16.5**	**16.5**
Share premium		**-**	**266.1**
Merger reserve		**60.3**	**60.3**
Capital redemption reserve		**-**	**4.4**
Retained earnings		**103.1**	**(156.3)**
Shareholders' funds		**179.9**	**191.0**

These financial statements were approved by the Board of Directors, authorised for issue and signed on their behalf on 10 August 2022 by:

Stuart Wetherly
Group Finance Director

Statement of changes in equity

For the six months to 30 June 2022

	Non-distributable				Distributable		
	Share capital £m	Share Premium £m	Capital redemption reserve £m	Retained earnings £m	Retained earnings £m	Merger reserve £m	**Total £m**
Balance at 30 December 2020	**11.2**	**244.3**	**4.4**	**-**	**(150.3)**	**60.3**	**169.9**
Retained loss for the year	-	-	-	-	(6.2)	-	**(6.0)**
Total comprehensive loss for the year	-	-	-	-	(6.2)	-	**(6.0)**
Credit to equity for equity-settled share-based payments	-	-	-	-	0.2	-	**0.2**
Shares issued, net of costs	5.3	21.8	-	-	-	-	**27.1**
Balance at 30 December 2021	**16.5**	**266.1**	**4.4**	**-**	**(156.3)**	**60.3**	**191.0**
Retained profit for the period	-	-	-	-	(11.3)	-	**(11.3)**
Total comprehensive profit for the period	-	-	-	-	(11.3)	-	**(11.3)**
Credit to equity for equity-settled share-based payments	-	-	-	-	0.2	-	**0.2**
Capital reduction	-	(266.1)	(4.4)	-	270.5	-	**-**
Balance at 30 June 2022	**16.5**	**-**	**-**	**-**	**103.1**	**60.3**	**179.9**

The Company has one class of Ordinary shares which carry voting rights but no right to fixed income. The Company maintains a Listing on the London Stock Exchange ("LSE") and a Secondary Listing on the Johannesburg Stock Exchange ("JSE") in South Africa. At 30 June 2022 the Company had 165,399,863 issued and fully paid shares, of which 7,690,574 were held on the JSE register.

The merger reserve of £60.3 million arose on the Group's capital raising in 2009 which was structured to allow the Company to claim merger relief under section 612 of the Companies Act 2006 on the issue of ordinary shares. The merger reserve is available for distribution to shareholders

Notes to the Company's financial statements
For the six months ended 30 June 2022

A Accounting policies
Capital & Regional plc is a public company limited by shares domiciled and incorporated in England, United Kingdom under the Companies Act 2006. The address of the registered office is 22 Chapter Street, London, SW1P 4NP. The Group is a specialist real estate investor and asset manager, focused on dominant in-town community shopping centres.

The Company's separate financial statements for the six months ended 30 June 2022 are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The main accounting policies have been applied consistently in the current period and the preceding year.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payments, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, impairment of assets and related party transactions.

The Company's financial statements are presented in Pounds Sterling.

Trade payables are carried at fair value, with any gains or losses arising on remeasurement recognised in the income statement.

Transactions in foreign currencies are translated into sterling at exchange rates approximating to the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the exchange rate ruling at that date and differences arising on translation are recognised in the income statement.

Except for the Directors, the Company had no direct employees during the period. Information on the Directors' emoluments, share options, long-term incentive schemes and pension contributions is shown in the Directors' Remuneration Report within the Capital & Regional plc Group Annual Report and Financial Statements.

Key sources of estimation uncertainty
The preparation of financial statements requires the Directors to make estimates that may affect the reported amounts of assets and liabilities, income and expenses. The following are the key sources of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements:

Impairment of investments and intercompany receivables

Investments and amounts owed by subsidiaries are stated at cost less provision for expected credit loss under IFRS 9. Where there is an indication that an investment is impaired, an impairment review is carried out by comparing the carrying value of the investment against its recoverable amount, which is the higher of its estimated value in use and fair value less costs of disposal. This review involves accounting judgements about the future cash flows from the underlying associates and, in the case of CRPM, estimated asset management fee income less estimated fixed and variable expenses. Disclosure of accounting policy for expected credit losses can be found in the Capital & Regional plc Group Annual Report and Financial Statements.

There are no critical accounting judgements that affect these financial statements

B Loss for the period
The loss for the period attributable to equity shareholders was £11.3 million.

C Fixed asset investments

	Subsidiaries £m	Other investments £m	**Total £m**
Cost			
At the start of the period	1,207.4	13.9	**1,221.3**
Additions	7.8	-	**7.8**
Disposals	-	-	**-**
At the end of the period	1,215.2	13.9	**1,229.1**
Impairment			
At the start of the period	(1,063.1)	(13.9)	**(1,077.0)**
Reversal of impairment/(impairment) of investments	(9.9)	-	**-**
At the end of the period	(1,073.0)	(13.9)	**(1,086.9)**
Carrying value			
30 June 2022	**142.2**	-	**142.2**
30 December 2021	144.3	-	**144.3**

C Fixed asset investments (continued)
Investments are subject to an impairment review using a discount rate of 16.3%. Impairment is recognised after comparing the carrying value of the investment against its recoverable amount, which is the higher of its estimated value in use and fair value less costs to sell. During the period the Company made an additional investment in Capital & Regional (Europe Holding 5) Limited.

D Receivables

Amounts falling due after one year	30 June 2022 £m	30 December 2021 £m
Amounts owed by subsidiaries	42.4	37.0
	42.4	37.0

Amounts falling due within one year	30 June 2022 £m	30 December 2021 £m
Other receivables	1.1	0.3
Taxation and social security	0.1	0.1
	1.2	0.4

Amounts owed by subsidiaries are stated after impairment of £nil and are unsecured and repayable on demand. Impairment is recognised after comparing the carrying value of the receivable against its recoverable amount, which is the higher of its estimated value in use and fair value less costs of disposal. Interest is charged at 3.5% above Bank of England base rate per annum.

E Trade and other payables

Amounts falling due within one year	30 June 2022 £m	30 December 2021 £m
Amounts owed to subsidiaries	18.8	19.2
Trade payables	-	0.2
Accruals and deferred income	0.4	1.1
	19.2	20.5

Amounts owed to subsidiary companies are unsecured and repayable on demand. Interest is charged at 3.5% above Bank of England base rate per annum.