

**Company Registration No.: 03525212 (England and Wales)**

**ABPP DEVELOPMENTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2020**



# **ABPP DEVELOPMENTS LIMITED**

<b>CONTENTS</b>	<b>PAGE</b>
Directors and Advisors	1
Directors' Report	2
Directors' Responsibilities Statement	3
Independent Auditor's Report to the Members of ABPP Developments Limited	4-6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10-13

# ABPP DEVELOPMENTS LIMITED

## Directors and Advisors

<b>Directors:</b>	JWM Raven (Resigned 9 Sep 2021) R Potter AIG Wimshurst
<b>Company Secretary:</b>	J Hughes
<b>Company Number:</b>	03525212
<b>Registered Office:</b>	Ground Floor, 1230 Parkview Arlington Business Park Theale, Reading Berkshire RG7 4SA
<b>Auditor:</b>	RSM UK Audit LLP Chartered Accountants Davidson House, Forbury Square Reading, Berkshire RG1 3EU

# ABPP DEVELOPMENTS LIMITED

## Directors' Report for the year ended 31 December 2020

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2020.

### Principal activity

The principal activities of the Company in the financial year under review were property trading and development and associated property development management services.

The Company is positioned to undertake turnkey developments or generate development management fee income on the land interests within its intergroup and related parties and will continue to evaluate such opportunities as they arise.

### Going concern

At the time of approving the financial statements the Directors have a reasonable expectation that the company has adequate resources to continue in operations existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Further detail of the measures taken by Directors and the going concern considerations made can be seen in the accounting policies included in the notes to the financial statements.

### Results and dividends

The Company's profit on ordinary activities before taxation for the financial year is £36,928 (2019: profit £522,470). No dividend payment was made during the financial year (2019: £nil).

### Disclosure of information to auditor

In the case of each of the persons who are directors at the time when the report is approved, the following applies:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Post balance sheet event

On 16 June 2021, the Arlington Group was acquired by funds ultimately controlled by Brookfield Asset Management Inc.

### Auditor

The auditor, RSM UK Audit LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

By order of the Board



AIG Wimshurst  
Director

Date: 29/09/21

Registered office: Ground Floor, 1230 Parkview Arlington Business Park, Theale, Reading, Berkshire, RG7 4SA

# ABPP DEVELOPMENTS LIMITED

## Directors' Responsibilities Statement for the year ended 31 December 2020

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 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

# **Independent Auditor's Report to the Members of ABPP Developments Limited**

## **Opinion**

We have audited the financial statements of ABPP Developments Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS 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 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's 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 UK, including the FRC'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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# **Independent Auditor's Report to the Members of ABPP Developments Limited**

## **(Continued)**

### **Opinions 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.

### **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 exemption from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities 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, 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.

### **Auditor's 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 auditor's 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed

## **Independent Auditor's Report to the Members of ABPP Developments Limited**

### **(Continued)**

risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and reviewing tax computations and returns.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

#### **Use of our report**

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.

*RSM UK Audit LLP*

Mayulee Pinkerton CA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP

Chartered Accountants

Davidson House, Forbury Square

Reading, Berkshire, RG1 3EU

Date

*30/09/21*



# ABPP DEVELOPMENTS LIMITED

## Statement of Comprehensive Income for the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover		118,527	644,875
Cost of sales		(63,580)	(112,620)
<b>Gross profit</b>		<b>54,947</b>	<b>532,255</b>
Gain on disposals of investments		-	14,728
Administrative expenses		(15,410)	(19,000)
Write down of stock to net realisable value		-	(7,690)
<b>Operating profit</b>		<b>39,537</b>	<b>520,293</b>
Interest receivable and similar income	4	570	4,039
Interest payable and similar charges	5	(3,178)	(1,862)
<b>Profit on ordinary activities before taxation</b>		<b>36,928</b>	<b>522,470</b>
Tax on profit on ordinary activities		(9,579)	(335,071)
<b>Profit for the financial year</b>		<b>27,349</b>	<b>187,399</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the financial year</b>		<b>27,349</b>	<b>187,399</b>

All amounts relate to continuing activities.

# ABPP DEVELOPMENTS LIMITED

## Statement of Financial Position as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed Assets</b>			
Investments	6	-	-
<b>Current Assets</b>			
Stock	7	100,000	1,433,602
Debtors: amount falling due within one year	8	9,073,825	6,906,708
Cash at bank and in hand		1,192,996	908,009
		<b>10,366,820</b>	<b>9,248,319</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	9	(2,230,162)	(1,139,010)
		<b>8,136,658</b>	<b>8,109,309</b>
<b>Net current assets</b>		<b>8,136,658</b>	<b>8,109,309</b>
<b>Total assets less current liabilities</b>		<b>8,136,658</b>	<b>8,109,309</b>
<b>Net assets</b>		<b>8,136,658</b>	<b>8,109,309</b>
<b>Capital and reserves</b>			
Called up share capital	10	5,000,100	5,000,100
Profit and loss reserve		3,136,558	3,109,209
<b>Total shareholders' funds</b>		<b>8,136,658</b>	<b>8,109,309</b>

Notes on pages 10 to 13 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 13 were approved by the Board of Directors on 28 September 2021 and were signed on its behalf by:

*A. White*

AIG Wimshurst  
Director

Date: *29/09/21*

Company Registration No: 03525212

# ABPP DEVELOPMENTS LIMITED

## Statement of Changes in Equity for the year ended 31 December 2020

	Called up share capital	Profit and loss reserve	Total shareholders' funds
	£	£	£
Balance as at 1 January 2019	5,000,100	2,921,810	7,921,910
Profit for financial year	-	187,399	187,399
Total movements for the year	-	187,399	187,399
Balance as at 31 December 2019	5,000,100	3,109,209	8,109,309
Profit for financial year	-	27,349	27,349
Total movements for the year	-	27,349	27,349
Balance as at 31 December 2020	5,000,100	3,136,558	8,136,658

# ABPP DEVELOPMENTS LIMITED

## Notes to Financial Statements for the year ended 31 December 2020

### 1 Accounting policies

#### Company information

ABPP Developments Limited is a private company limited by shares and is registered and incorporated in England and Wales. The principal activity of the Company is included in the Directors report.

#### Basis of preparation

These financial statements have been prepared on the going concern basis, under historical cost convention and in accordance with Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice) and the requirements of the Companies Act 2006 as applicable to companies subject to the smaller companies' regime.

The presentation currency of these financial statements is sterling.

#### Going concern

In making the going concern assessment for the Company, the Directors have considered the on-going financial position of the Company. As at 31 December 2020, the Company had £8,136,658 of net assets (2019: £8,109,309). No material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

The financial statements for the year to 31 December 2020 have been prepared on a going concern basis at the time of approving the financial statements. In making this assessment, Directors have considered the possible impact of the continuing Coronavirus (Covid-19) global pandemic on the current financial position of the Company. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Turnover

Turnover, which excludes value added tax, represents the contractual value of goods and services supplied in the year.

Revenue on turnkey projects is generated by design and build contracts, where construction costs are recharged to the customer, plus an agreed management fees upon each stage of delivery. The turnkey income generated is recognised net of construction costs.

Rental income entitlements under operating leases are stated net of VAT and recognised on a straight-line basis over the term of the lease contract.

#### Stocks

Stocks relating to properties held for future sale are stated at the lower of cost and net realisable value. Cost represents the cost of purchasing the property and capital expenditure associated with development of the property. Net realisable value is the estimate proceeds from the value of stock, less costs to complete and disposal costs.

#### Financial instruments

The Company 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 when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are off set 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 the liability simultaneously.

# ABPP DEVELOPMENTS LIMITED

## Notes to Financial Statements for the year ended 31 December 2020 (Continued)

### 1 Accounting policies (Continued)

#### Basic financial assets

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### Classification of 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 evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts due to fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

#### Equity instruments

Equity instruments issued by the Company are recorded at the fair value of proceeds received, net of direct issue costs.

#### Interest

Interest payable is recognised through profit or loss on an accrual's basis.

#### Taxation

The taxation expense recognised in the profit and loss represents an estimate of the tax liability at the reporting date. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

### 2 Turnover

	2020 £	2019 £
Loss/ profit of stock	(10)	540,000
Rental income	118,537	108,153
Turnkey profit/(loss)	-	(3,278)
	<b>118,527</b>	<b>644,875</b>

### 3 Gain on disposal

	2020 £	2019 £
Proceeds	-	14,730
Interest on overdue tax payable	-	(2)
	<b>-</b>	<b>14,728</b>

# ABPP DEVELOPMENTS LIMITED

## Notes to Financial Statements for the year ended 31 December 2020 (Continued)

### 4 Interest receivable and similar income

	2020 £	2019 £
Bank interest receivable	570	4,039

### 5 Interest payable and similar charges

	2020 £	2019 £
Bank charges	60	59
Interest on overdue tax payable	3,118	1,803
	<b>3,178</b>	<b>1,862</b>

### 6 Investments

The Company does not hold any investments.

### 7 Stock

The carrying value of the land as at 31 December 2020 is £100,000 (2019: £1,433,602) and is stated at the lower of cost and net realisable value. During the year, land at Reading was disposed of with a carrying value of £1,168,310 (2019: £1,460,000).

### 8 Debtors

	2020 £	2019 £
<b>Amount falling due within one year</b>		
Amounts owed by related parties	8,449,990	6,853,105
Other debtors	573,127	38,711
Other taxation	50,707	14,892
<b>Total debtors</b>	<b>9,073,825</b>	<b>6,906,708</b>

All the amounts owed by group undertakings relate to loans which are unsecured and are repayable on demand. These loans are non-interest bearing.

### 9 Creditors

	2020 £	2019 £
<b>Amount falling due within one year</b>		
Trade creditors	301,610	-
Amounts owing to related parties	1,886,075	998,568
Corporation tax creditor	7,062	97,484
Accruals and deferred income	35,415	42,958
<b>Total creditors</b>	<b>2,230,162</b>	<b>1,139,010</b>

# ABPP DEVELOPMENTS LIMITED

## Notes to Financial Statements for the year ended 31 December 2020 (Continued)

### 10 Called up share capital

	2020 £	2019 £
<b>Allotted and fully paid</b>		
5,000,100 (2019: 5,000,100) ordinary shares of £1 each	5,000,100	5,000,100

### 11 Related parties

		2020 Fees	Debtor/(Creditor) at 31 December 2020	2019 Fees	Debtor/(Creditor) at 31 December 2019
ABPP Development Management (UK) Limited	Project Management and Quantity Surveyors Fees	-	-	42,487	-
	Amounts settled by intercompany	-	(571,887)	-	(823,122)
Arlington Portfolio Management Limited	Amounts settled by intercompany	-	(1,314,188)		(370,382)
Arlington Business Parks Partnership	Related Parties Settlements	-	8,449,990	-	6,853,105

### 12 Immediate and ultimate parent company

At the year ending 31 December 2020 the Company was owned by Arlington Holdco Limited. The registered office of Arlington Holdco Limited is Ground Floor, 1230 Parkview, Arlington Business Park, Theale, Reading, RG7 4SA.

The Company and Arlington Holdco Limited are owned by funds ultimately controlled by Brookfield Asset Management Inc. listed on the Toronto and New York stock exchanges.

### 12 Events after the reporting date

On 16 June 2021, the Arlington Group was acquired by funds ultimately controlled by Brookfield Asset Management Inc.