

Company Registration No. 05738643 (England and Wales)

**ARORA HEATHROW INVESTMENTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



**Arora**  
GROUP

# ARORA HEATHROW INVESTMENTS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Surinder Arora Carlton Brown Athos Yiannis
<b>Secretary</b>	Athos Yiannis
<b>Company number</b>	05738643
<b>Registered office</b>	World Business Centre 3 Newall Road London Heathrow Airport Hounslow England TW6 2TA
<b>Auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

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# **ARORA HEATHROW INVESTMENTS LIMITED**

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# ARORA HEATHROW INVESTMENTS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their annual report and financial statements for the year ended 31 March 2020.

### Principal activities

The principal activity of the company was that of holding investment property.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Surinder Arora  
Carlton Brown  
Athos Yiannis

### Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

### Statement of directors' responsibilities

The directors are responsible 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. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement; 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.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# ARORA HEATHROW INVESTMENTS LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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### Auditor

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditor of the company will be put at a General Meeting.

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

On behalf of the board



.....  
Carlton Brown  
Director

Date: 1/10/2020  
.....

# ARORA HEATHROW INVESTMENTS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ARORA HEATHROW INVESTMENTS LIMITED

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#### Opinion

We have audited the financial statements of Arora Heathrow Investments Limited (the 'company') for the year ended 31 March 2020 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 March 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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

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

#### Other information

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

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

# ARORA HEATHROW INVESTMENTS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ARORA HEATHROW INVESTMENTS LIMITED

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#### 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 where 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 in preparing the directors' report 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, 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.

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.



**Marc Reinecke (Senior Statutory Auditor)**

For and on behalf of BDO LLP, statutory auditor  
London

2/10/20  
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BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# ARORA HEATHROW INVESTMENTS LIMITED

## INCOME STATEMENT

*FOR THE YEAR ENDED 31 MARCH 2020*

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		2020	2019
	Notes	£	£
Profit before taxation		-	-
Tax on profit	4	-	-
Profit for the financial year		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

The income statement has been prepared on the basis that all operations are continuing operations.



# ARORA HEATHROW INVESTMENTS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 MARCH 2020*

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	2020	2019
	£	£
Profit for the year	-	-
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	-	-
	<hr/>	<hr/>

# ARORA HEATHROW INVESTMENTS LIMITED

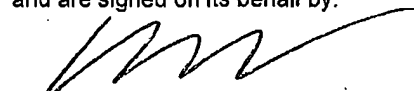
## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investment properties	5		5,039,158		5,039,158
<b>Current assets</b>					
Debtors	6	-		1	
Creditors: amounts falling due within one year	7	(5,039,157)		(5,039,158)	
<b>Net current liabilities</b>			(5,039,157)		(5,039,157)
<b>Total assets less current liabilities</b>			<u>1</u>		<u>1</u>
<b>Capital and reserves</b>					
Called up share capital	8		<u>1</u>		<u>1</u>

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

The financial statements were approved by the board of directors and authorised for issue on 1/10/2020 and are signed on its behalf by:

  
.....  
Carlton Brown  
Director

Company Registration No. 05738643

# ARORA HEATHROW INVESTMENTS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

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	Share capital £
Balance at 1 April 2018	1
Year ended 31 March 2019:	
Profit and total comprehensive income for the year	-
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Balance at 31 March 2019	1
Year ended 31 March 2020:	
Profit and total comprehensive income for the year	-
	<hr/>
Balance at 31 March 2020	<hr/> 1 <hr/>

# ARORA HEATHROW INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Company information

Arora Heathrow Investments Limited is a private company limited by shares incorporated in England and Wales. The registered office is World Business Centre 3, Newall Road, London Heathrow Airport, Hounslow, England, TW6 2TA.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Arora Holdings Limited. These consolidated financial statements are available from its registered office, World Business Centre 3, Newall Road, London Heathrow Airport, TW6 2TA.

#### 1.2 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 operational existence for the foreseeable future. The company also received a confirmation of support from group undertakings to confirm that amounts owed to the group undertakings will not be called until the company is in position to settle its obligations. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

# ARORA HEATHROW INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

(Continued)

#### 1.4 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 in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.5 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# ARORA HEATHROW INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 2 Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

#### Property portfolio valuation

Investment properties are stated at fair value, as accounted for by the directors. The valuations is on the basis of Market Value ("MV"), which is defined in the RICS Valuation Standards as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

The investment properties are revalued at each year end at MV by the directors with the surplus or deficit being taken to the statement of comprehensive income.

The valuation considers a range of assumptions including future EBITDA which is dependent on future rental income streams, investment yields, anticipated outgoings and maintenance costs, future development expenditure and appropriate discount rates. Future rental income streams and consequently future EBITDA has the most impact on valuations.

As at the valuation date the directors continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base their judgements.

It is also important to note that certain estimates require an assessment of factors not within management's control, such as overall market conditions. As a result, actual results of operations and realisation of net assets could defer from the estimates as set out in these financial statements, and the difference could be significant. However, the directors are considered to have access to appropriately qualified personnel to enable a director valuation as at 31 March 2020.

### 3 Operating profit

Auditors' remuneration in respect of audit fees has been borne by Arora Holdings Limited, the company's ultimate UK parent.

None of the directors were paid emoluments for their services as directors of Arora Heathrow Investments Limited during the year (2019: £nil).

There were no staff for the year ended 31 March 2020 (2019: nil).

### 4 Taxation

No liability to UK corporation tax arose on ordinary activities for the period (2019: £nil).

### 5 Investment property

	2020 £
Fair value	
At 1 April 2019 and 31 March 2020	5,039,158

The company's investment properties were revalued on 31 March 2020 by the directors at open market value. Neither a surplus or deficit arose. Further details of the judgements made are given in note 2.

# ARORA HEATHROW INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	-	1

At the year end amounts owed by group undertakings are repayable on demand at the option of both the lender and borrower.

### 7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts due to group undertakings	5,039,157	5,039,158

At the year end amounts owed to group undertakings are repayable on demand at the option of both the lender and the borrower.

### 8 Share capital

	2020	2019
	£	£
Ordinary share capital issued and fully paid 1 Ordinary Share of £1 each	1	1

### 9 Related party transactions

The company is a wholly-owned subsidiary of the Arora Family Trust No.2 and utilises the exemption contained in Financial Reporting Standards 102 'Related Party Disclosures' not to disclose any transactions with wholly-owned entities that are part of the group.

### 10 Ultimate controlling party

The immediate parent company of Arora Heathrow Investments Limited is Arora Heathrow Holdings Limited, a company registered in the United Kingdom.

The ultimate controlling party of Arora Heathrow Investments Limited is Arora Family Trust No. 2, a trust registered in Jersey.

The ultimate controlling entity of the company is Apex Financial Services (Trustees) Limited as the trustee of Arora Family Trust No. 2. Apex Financial Services (Trustees) Limited is a regulated trust company administered in Jersey.