Registered number: 08243027

ALLIED LONDON HOLDCO THREE LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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Allied London Holdco Three Limited
Company Information
For The Year Ended 31 December 2016

Directors	Mr F P Graham-Watson Mr A J Campbell
Secretary	Mr A J Campbell
Company Number	08243027
Registered Office	2nd Floor HQ Building 2 Atherton Street Manchester M3 3GS
Auditors	BDO LLP 55 Baker Street London W1U 7EU

The directors present their report and the financial statements for the year ended 31 December 2016.

Statement of Directors' Responsibilities
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 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 the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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.

Statement of Disclosure of Information to Auditors
The directors of the company who held office at the date of approval of this annual report confirm that:

- so far as they are 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 directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Principal Activity
The principle activity of the company is that of a holding company.

Directors
The directors who held office during the year were as follows:
Mr A J Campbell
Mr F P Graham-Watson

Small Company Rules
This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemption provided by Section 415A of the Companies Act 2006.

Auditors
BDO have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board

Mr A J Campbell
Director
Date 7 SEPTEMBER 2017

Independent Auditor's Report to the Members of Allied London Holdco Three Limited
We have audited the financial statements of Allied London Holdco Three Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective Responsibilities of Directors and Auditors
As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate

Opinion on Financial Statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on Other Matter 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 director's 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;
- the financial statements are not in agreement with the accounting records or returns;
- certain disclosures of directors' remuneration specified by law are not made;
- 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 strategic report.

Alexander Tapp (Senior Statutory Auditor)
For and on behalf of BDO LLP , Statutory Auditor
Date 7 September 2017
BDO LLP
55 Baker Street
London
W1U 7EU

BDO LLP is a limited liability partnership registered in England and Wales (with registration number OC305127)

Allied London Holdco Three Limited
Statement of Comprehensive Income
For The Year Ended 31 December 2016

	Notes	2016 £	2015 £
Administrative Expenses		-	(14,669,109)
OPERATING LOSS	**2**	**-**	**(14,669,109)**
Income from shares in group undertakings		-	25,945,047
PROFIT BEFORE AND AFTER TAXATION FOR THE FINANCIAL YEAR		**-**	**11,275,938**
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-**	**11,275,938**

All amounts relate to continuing activities.

The notes on pages 7 to 10 form part of these financial statements

Allied London Holdco Three Limited
Statement of Financial Position
For The Year Ended 31 December 2016

Company No. 08243027	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Investments	5		5,991		5,991
			5,991		**5,991**
CURRENT ASSETS					
Debtors	6	5		5	
		5		**5**	
NET CURRENT ASSETS			**5**		**5**
TOTAL ASSETS LESS CURRENT LIABILITIES			**5,996**		**5,996**
NET ASSETS			**5,996**		**5,996**
CAPITAL AND RESERVES					
Called up share capital	7		1		1
Profit and loss account			5,995		5,995
SHAREHOLDERS' FUNDS			**5,996**		**5,996**

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

These financial statements were approved by the board of directors and authorised for issue on 7 SEPTEMBER 2017

Mr A J Campbell
Director

The notes on pages 7 to 10 form part of these financial statements

Allied London Holdco Three Limited
Statement of Changes in Equity
For The Year Ended 31 December 2016

	Share Capital	Profit & Loss Account	Total
	£	£	£
As at 1 January 2015	14,675,100	-	14,675,100
Comprehensive income for the year			
Dividends paid	-	(25,945,042)	(25,945,042)
Share capital reduction	(14,675,099)	14,675,099	-
Profit for the year	-	11,275,938	11,275,938
As at 31 December 2015	1	5,995	5,996
As at 1 January 2016	1	5,995	5,996
Comprehensive income for the year			
Results for the year	-	-	-
As at 31 December 2016	1	5,995	5,996

The Company passed a special resolution on 15 December 2015, pursuant to section 642 of the Companies Act 2006 to reduce the share capital of the company from £14,675,100 to £1 as the share capital was surplus to requirements.

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102 section 1A small entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 1.7).

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 pound.

1.2 Financial Reporting Standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 4 Statements of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Allied London Properties Limited as at 31 December 2015 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

1.3. Financial Instruments

Financial assets
Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity
Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Finance costs
Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.4. Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.5. Deferred Taxation

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.6. Preparation of Consolidated Financial Statements

The company has taken advantage of the exemption allowed by Financial Reporting Standard 102, "Consolidated and separate financial statements", Section 9.3A not to prepare consolidated accounts on the basis that the company and the group qualify as small as permitted by sections 384 and 399 (2A) of Companies Act 2006.

1.7. Judgements in applying accounting policies and key sources of estimation uncertainty

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

Carrying value of investments
Investments held as fixed assets are stated at cost less any provisions for impairment. Directors have assessed the recoverability of investments made and the economic benefit of the investments based on market conditions, economic forecasts and cash flow estimates.

1.8 Revenue

Revenue comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

2. Operating Profit

Audit fees were borne by the ultimate parent company.

The company had no employees during the year other than the directors, who received no remuneration.

	2016	2015
	£	£
Provision for impairment of investments	-	(14,669,109)
Dividends from shares in individual subsidiaries	-	25,945,047

3. Average number of employees

Average number of employees, including directors, during the year was as follows:

	2016	2015
Directors	2	5
	2	5

4. Tax on Profit on Ordinary Activities

	Tax Rate		2016	2015
	2016	2015	£	£
UK Corporation Tax	20%	20%	-	-

	2016	2015
	£	£
Profit on ordinary activities before tax	-	**11,275,938**
Breakdown of Tax Charge is:		
Tax on profit at 20% (UK standard rate) (2015: 20%)	-	2,255,188
Effects of:		
Relief on dividend from subsidiary	-	(5,189,009)
Non-deductible expenses	-	2,933,828
Total tax charge for the year	-	-

5. Investments

	Shares in group undertakings £
Cost	
As at 1 January 2016	14,675,100
As at 31 December 2016	14,675,100
Provision	
As at 1 January 2016	14,669,109
As at 31 December 2016	14,669,109
Net Book Value	
As at 31 December 2016	5,991
As at 1 January 2016	5,991

The directors have made an impairment provision for the majority cost of the company's investment as they no longer believe that the carrying value of the investments is supported by their underlying net assets.

The company owns the entire issued share capital of Allied London Holdco Four Limited, a holding company registered in England and Wales.

The following companies, all registered in England and Wales are indirectly wholly-owned subsidiaries:

Allied London Holdco Three Limited	(holding company)
Allied London Holdco Four Limited	(holding company)
3 Hardman Square Retail Limited	(property development company)
4 Hardman Square Retail Limited	(property development company)
Allied London (Manchester House) Limited	(property development company)
Irwell Square Retail Limited	(property development company)
Magistrates Court Retail Investment Limited	(property development company)

The Registered Office of the subsidiaries is 2nd Floor, HQ Building, 2 Atherton Street, Manchester, M3 3GS

6. Debtors

	2016 £	2015 £
Due within one year		
Amounts owed by group undertakings	5	5

The amounts due from group undertakings are repayable on demand and not interest bearing.

7. Share Capital

	2016 Number	2015 Number	2016 £	2015 £
Allotted, called up and fully paid				
Ordinary £1 shares	1	1	1	1

8. Dividends

	2016	2015
	£	£
On equity shares:		
Interim dividend paid (£25,280,314 per share)	-	25,280,314

9. Related Party Transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 102, "Related party disclosures" Section 33.1A not to disclose details of related party transactions with entities that are included in the consolidated financial statements of Allied London Properties Limited and are 100% owned. There are no other related party transactions other than as disclosed.

10. Ultimate Controlling Party

The company's immediate parent is Allied London Holdco Limited. The ultimate parent company is Capital Holdco Limited, a company incorporated in the British Virgin Islands. Allied London Properties Limited, a company registered in England, is the parent company of the largest group of which the company is a member and where accounts are publicly available. Copies on the consolidated financial statements of Allied London Properties Limited are available from Companies House. The directors consider the ultimate parent company to be Capital Holdco Limited, a company registered in the British Virgin Islands.

11. Financial Instruments

The Company considers that the fair value of debtors are not materially different to their carrying value.

The Company's financial instruments may be analysed as follows:

	2016	2015
	£	£
Financial assets		
Financial assets measured at amortised cost	5	5
Financial liabilities		
Financial liabilities measured at amortised cost	-	-

Financial assets measured at amortised cost comprise amounts due from group undertakings.

12. General Information

Allied London Holdco Three Limited, registered number 08243027, is a limited by shares company incorporated in England & Wales. The Registered Office is 2nd Floor, HQ Building, 2 Atherton Street, Manchester, M3 3GS.