

Allied London Holdco Limited

Report and Financial Statements

Year Ended

31 December 2014

Company Number 08243162

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Allied London Holdco Limited

Report and financial statements for the year ended 31 December 2014

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Directors

M J Ingall
F P Graham-Watson
S P Lyell
A Campbell (appointed 11 July 2014)

Secretary and registered office

A Campbell, 2nd Floor, HQ Building, 2 Atherton Street, Manchester. M3 3GS

Company number

08243162

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Allied London Holdco Limited

Report of the directors for the year ended 31 December 2014

The directors present their annual report and audited financial statements of the company for the year ended 31 December 2014.

Principal activities and trading review

The principal activity of the company is property investment and a holding company for a number of subsidiary undertakings.

The profit and loss account is set out on page 5 and shows a loss after tax for the year of £271,472 (2013 - loss of £246,706). The company received rental income from its investment property during the year. The directors expect the company's business to continue in the following year.

Directors

The directors of the company during the financial year were:

M J Ingall
F P Graham-Watson
S P Lyell
A Campbell (appointed 11 July 2014)

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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;
- 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.

Allied London Holdco Limited

Report of the directors for the year ended 31 December 2014 (*continued*)

Auditors

All the current directors have taken all the steps they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in the office.

Small companies' exemption

In preparing the directors' report advantage has been taken of the small companies' exemption provided by s415a of the Companies Act 2006.

On behalf of the Board



A Campbell

Director

30 June 2015

Allied London Holdco Limited

Independent auditor's report

TO THE MEMBERS OF Allied London Holdco Limited

We have audited the financial statements of Allied London Holdco Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet 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 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 Financial Reporting Council'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 2014 and of its loss 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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Allied London Holdco Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

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 and the directors' report in accordance with the small companies' regime and to the exemption from the requirements to prepare a strategic report.



Alexander Tapp (*senior statutory auditor*)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

30 June 2015

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

Allied London Holdco Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover		-	-
Cost of sales		(39,373)	-
Gross profit		(39,373)	-
Administrative expenses		(256,265)	(185,336)
Loss on ordinary activities before interest and taxation	2	(295,638)	(185,336)
Interest receivable	3	928,348	1,719,158
Interest payable	3	(904,197)	(1,780,528)
Profit on ordinary activities before and after taxation and retained profit for the year	10	(271,487)	(246,706)

All amounts relate to continuing activities.

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

Allied London Holdco Limited

Balance sheet at 31 December 2014

<i>Company number 08243162</i>	<i>Note</i>	<i>2014 £</i>	<i>2014 £</i>	<i>2013 £</i>	<i>2013 £</i>
Fixed assets					
Investments in subsidiary undertakings	5		14,675,200		14,675,200
Current assets					
Debtors	6	14,428,680		4,540,359	
Cash at bank and in hand		328,830		183,452	
			14,757,510		4,723,811
Current liabilities					
Creditors: amounts falling due within one year	7	(23,286,990)		(11,219,275)	
Net current liabilities			(8,529,480)		(6,495,464)
Creditors: amounts falling due after more than one year	8		(6,663,813)		(8,426,342)
Net liabilities			(518,093)		(246,606)
Represented by:					
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		(518,193)		(246,706)
Shareholders' funds			(518,093)		(246,606)

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 30 June 2015


A Campbell
Director

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

Allied London Holdco Limited

Notes forming part of the financial statements for the year ended 31 December 2014

1 Accounting policies

The following principal accounting policies have been applied in the preparation of these financial statements.

Accounting convention

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern

The directors have considered the financial position of the company in preparing these financial statements and note that it has net current liabilities of £8,529,480 and net liabilities of £518,093 at 31 December 2014.

The directors have obtained a letter of support from Allied London Properties Limited indicating that it is their current intention to support the company by ensuring that the intercompany indebtedness in respect of entities within the Allied London Properties Limited group will not be called for repayment unless the company has the funds and working capital to do so. The directors' note that although they expect that the support will continue for at least 12 months from the date of approving these financial statements, it is not guaranteed. However, on the basis of the projections of the company and the wider Allied London Properties Limited group, the directors believe that it is appropriate to assume that the support will be forthcoming and therefore have prepared these financial statements on a going concern basis.

Turnover

Turnover is stated net of VAT and comprises rental income, commissions and fees receivable. This is attributable to the company's principal activity wholly undertaken in the United Kingdom.

Investment properties – Leasehold properties

All investment properties are valued each year on an open market value basis and the aggregate surplus or temporary deficit arising from such revaluation is transferred to the revaluation reserve. Deficits that are expected to be permanent are taken to the profit and loss account. Acquisitions and disposals of properties are recognised where binding contracts have been exchanged during the accounting period, provided completion takes place prior to approval of the financial statements.

Depreciation – Investment Properties

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation is provided in respect of freehold properties and leasehold properties with over 20 years to run. Although the Companies Act would normally require the systematic depreciation of such assets, the Directors believe that this departure from the statutory rules is necessary for the financial statements to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation, and it is not practicable to quantify separately the amount which might otherwise have been shown.

Deferred taxation

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

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Allied London Holdco Limited

Notes forming part of the financial statements for the year ended 31 December 2014 (*continued*)

2	Operating loss	2014 £	2013 £
	Operating loss is stated after charging:		
	Management charge payable to group undertakings	125,000	125,000
	Audit fees are borne by the parent company. The company has no employees. The directors received no remuneration in the year.		
3	Interest	2014 £	2013 £
	Interest receivable		
	Interest receivable – intercompany interest	904,197	1,719,158
	Interest receivable – other interest	24,151	-
		928,348	1,719,158
	Interest payable		
	Interest payable on bank loans and overdrafts	904,197	1,780,528
		904,197	1,780,528
4	Taxation on profit on ordinary activities		
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below		
		2014 £	2013 £
	(Loss) / profit on ordinary activities before tax	(271,472)	(246,706)
	Reconciliation of current year tax charge:		
	Loss on ordinary activities at the standard rate of corporation tax in the UK of 21.50% (2013 – 23.25%)	58,366	23,064
	Effects of:		
	Group relief receivable	(58,366)	(23,064)
	Current tax charge for year	-	-

Allied London Holdco Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (*continued*)

5 Fixed asset investments

	Leasehold property £
As at 01 January 2014	14,675,200
As at 31 December 2014	14,675,200

The directors believe that the carrying value of the investments is supported by their underlying net assets. The future realisable open market value of these assets are likely to be more than the book values and are supported by the future cash flows arising from the realisation of these investments.

Details of the company's subsidiaries at 31 December 2014 are as follows:

Name of subsidiary undertaking	Country of Incorporation	Holding %
Allied London Holdco Two Limited	England	100%
Allied London Holdco Three Limited	England	100%

6 Debtors

	2014 £	2013 £
Amounts due from group undertakings	14,118,888	4,189,112
Trade Debtors	-	-
Other Debtors	309,792	351,247
	14,428,680	4,540,359

7 Creditors: amounts falling due within one year

	2014 £	2013 £
Amounts due from group undertakings	23,256,502	11,164,383
Accruals and deferred income	715	27,703
Trade Creditors	29,773	27,189
	23,286,990	11,219,275

8 Creditors: amounts falling due after more than one year

	2014 £	2013 £
Bank loans and overdrafts	6,663,813	8,426,342

Bank loans were taken out on 14 December 2012 and are repayable in full on 30 June 2016. Interest is charged at a fixed rate of 10%.

Allied London Holdco Limited

Notes forming part of the financial statements
for the year ended 31 December 2014 (continued)

9 Share capital

	2014 Number	Authorised 2013 Number	2014 £	2013 £
Ordinary shares of £1 each	100	100	100	100
	2014 Number	Allotted, called up and fully paid 2013 Number	2014 £	2013 £
Ordinary shares of £1 each	100	100	100	100

10 Reserves

	Profit and loss account £
Balance at 1 January 2014	(246,706)
Retained loss for the year	(271,487)
Balance at 31 December 2014	(518,193)

11 Contingent liability

The group's assets have been given as security for £10,108,614 of bank and other loans drawn by the group.

12 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement on the grounds that it is a small entity, as defined by s382 of the Companies Act 2006.

13 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related party disclosures", not to disclose any transactions with entities that are included in the consolidated financial statements of Allied London Properties Limited and are 100% owned.

14 Ultimate parent company

The company's immediate parent is Allied London Properties Limited. The ultimate parent company remains 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 that prepares consolidated financial statements of which this company is a member. Copies of the consolidated financial statements of Allied London Properties Limited are available from Companies House.