

REGISTERED NUMBER: 08309495 (England and Wales)

ASSEMBLE HOLDCO 2 LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN



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FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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ASSEMBLE HOLDCO 2 LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2018

DIRECTORS:

A J Fowles
D J Hudson
B J Jenkins
A D Pond
M W Grinonneau

SECRETARY:

G M Gatty

REGISTERED OFFICE:

128 Buckingham Palace Road
London
SW1W 9SA

REGISTERED NUMBER:

08309495 (England and Wales)

AUDITORS:

Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 30 September 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2017 to the date of this report.

A J Fowles
D J Hudson
B J Jenkins
A D Pond
M W Grinonneau

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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 auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
A J Fowles - Director

Date: 19 June 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASSEMBLE HOLDCO 2 LIMITED

Opinion

We have audited the financial statements of Assemble Holdco 2 Limited (the 'company') for the year ended 30 September 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, 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 Financial Reporting Standard 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 30 September 2018 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.

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 Auditors' 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 in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 Report of the Directors.

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ASSEMBLE HOLDCO 2 LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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.

Wilkins Kennedy Audit Services

Michael Wesley FCA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

Date: 24/6/19

ASSEMBLE HOLDCO 2 LIMITED (REGISTERED NUMBER: 08309495)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	2018 £	2017 £
TURNOVER		-	-
OPERATING PROFIT		-	-
Interest receivable and similar income		<u>373,354</u>	<u>378,553</u>
Fair value movement on investments		<u>373,354</u> <u>(9,300)</u>	<u>378,553</u> <u>(90,087)</u>
		<u>364,054</u>	<u>288,466</u>
Interest payable and similar expenses		<u>(373,354)</u>	<u>(378,553)</u>
LOSS BEFORE TAXATION		<u>(9,300)</u>	<u>(90,087)</u>
Tax on loss	4	<u>1,000</u>	<u>16,000</u>
LOSS FOR THE FINANCIAL YEAR		<u>(8,300)</u>	<u>(74,087)</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u><u>(8,300)</u></u>	<u><u>(74,087)</u></u>

The notes form part of these financial statements

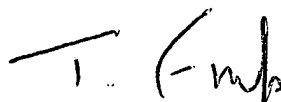
ASSEMBLE HOLDCO 2 LIMITED (REGISTERED NUMBER: 08309495)

BALANCE SHEET
30 SEPTEMBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Investments	5	7,257,899	7,310,029
CURRENT ASSETS			
Debtors	6	1	1
CREDITORS			
Amounts falling due within one year	7	(43,784)	(42,830)
NET CURRENT LIABILITIES		<u>(43,783)</u>	<u>(42,829)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,214,116	7,267,200
CREDITORS			
Amounts falling due after more than one year	8	(2,910,391)	(2,954,175)
PROVISIONS FOR LIABILITIES	11	<u>(732,000)</u>	<u>(733,000)</u>
NET ASSETS		<u>3,571,725</u>	<u>3,580,025</u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Fair value reserve	13	<u>3,571,724</u>	<u>3,580,024</u>
SHAREHOLDERS' FUNDS		<u>3,571,725</u>	<u>3,580,025</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 19 June 2019 and were signed on its behalf by:



A J Fowles - Director

The notes form part of these financial statements

ASSEMBLE HOLDCO 2 LIMITED (REGISTERED NUMBER: 08309495)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 October 2016	1	-	3,654,111	3,654,112
Changes in equity				
Total comprehensive loss	-	-	(74,087)	(74,087)
Balance at 30 September 2017	<u>1</u>	<u>-</u>	<u>3,580,024</u>	<u>3,580,025</u>
Changes in equity				
Total comprehensive loss	-	-	(8,300)	(8,300)
Balance at 30 September 2018	<u><u>1</u></u>	<u><u>-</u></u>	<u><u>3,571,724</u></u>	<u><u>3,571,725</u></u>

The notes form part of these financial statements

ASSEMBLE HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. STATUTORY INFORMATION

Assemble Holdco 2 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£) which is also the functional currency of the company.

Going Concern

The company has long term funding in place and has a detailed financial model on which its future operations are based. The directors have considered the company's projected income and cash flows in the short and medium term and they consider that these projections, together with available loan finance, will enable the company to trade for the foreseeable future and to meet its liabilities as they fall due.

Disclosure Exemptions

Exemption has been taken from preparing a cash flow statement on the grounds that the company is considered to be small under the provisions of the Companies Act 2006.

Preparation of consolidated financial statements

The financial statements contain information about Assemble Holdco 2 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

2. ACCOUNTING POLICIES - continued

Interest income

Interest income is recognised using the effective interest method.

Fixed asset investments

Shares held as fixed asset investments are stated at directors' valuation based on the net present value of future returns using the industry average discounting factor of 7.0%, where future returns can be anticipated with certainty.

Loans provided to subsidiary companies included within fixed asset investments are stated at the aggregate of amounts issued, accrued interest receivable at the balance sheet date, less capital and interest payments received.

Trade and other debtors

Trade and other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Trade and other creditors

Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a pre-tax discount code rate. The unwinding of the discount is recognised as a finance costs in profit or loss in the period it arises.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of investment in subsidiary

Directors valuation based on the net present value of future returns using the group average discounting factor of 7%, where future returns can be anticipated with certainty.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

4. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2018 £	2017 £
Deferred tax	(1,000)	(16,000)
Tax on loss	<u>(1,000)</u>	<u>(16,000)</u>

5. FIXED ASSET INVESTMENTS

	2018 £	2017 £
Shares in group undertakings	4,303,725	4,313,025
Loans to group undertakings	2,954,174	2,997,004
	<u>7,257,899</u>	<u>7,310,029</u>

Additional information is as follows:

COST OR VALUATION

At 1 October 2017

Fair value adjustments

At 30 September 2018

NET BOOK VALUE

At 30 September 2018

At 30 September 2017

Shares in
group
undertakings
£

4,313,025

(9,300)

4,303,725

4,303,725

4,313,025

Cost or valuation at 30 September 2018 is represented by:

	Shares in group undertakings £
Valuation in 2013	4,667,354
Valuation in 2014	(62,057)
Valuation in 2015	(111,212)
Valuation in 2016	(90,974)
Valuation in 2017	(90,087)
Valuation in 2018	(9,300)
Cost	1
	<u>4,303,725</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

5. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Assemble Fundco 2 Limited

Registered office: 128 Buckingham Palace Road, London, SW1W 9SA

Nature of business: Property development and management

Class of shares:	%
Ordinary	holding 100.00

	2018 £	2017 £
Aggregate capital and reserves	(1,879,979)	(2,131,606)
Profit for the year	251,627	190,870
		Loans to group undertakings £
At 1 October 2017		2,997,004
Repayment in year		(42,830)
At 30 September 2018		2,954,174

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Amounts owed by group undertakings	1	1

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Other loans (see note 9)	43,783	42,829
Amounts owed to group undertakings	1	1
	43,784	42,830

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Other loans (see note 9)	2,910,391	2,954,175
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans due in more than five years	2,686,079	2,733,426

Other creditors are subordinated debts, due to the immediate parent company Assemble Community Partnership Limited. The subordinated debts, bear interest at a rate of 12.5% per annum and the loan is repaid on a six monthly basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

9. **LOANS**

An analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year or on demand:		
Other loans	<u>43,783</u>	<u>42,829</u>
Amounts falling due between one and two years:		
Other loans due between one and two years	<u>52,424</u>	<u>43,783</u>
Amounts falling due between two and five years:		
Other loans due between two and five years	<u>171,888</u>	<u>176,966</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans due in more than five years	<u>2,686,079</u>	<u>2,733,426</u>

10. **FINANCIAL INSTRUMENTS**

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

	2018 £	2017 £
Financial assets		
Financial assets measured at amortised cost	<u>1</u>	<u>1</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,954,175</u>	<u>2,997,004</u>

Financial assets measured at amortised cost comprise amounts owed to group undertakings

Financial liabilities measured at amortised cost comprise other loans and amounts owed from group undertakings.

11. **PROVISIONS FOR LIABILITIES**

	2018 £	2017 £
Deferred tax	<u>732,000</u>	<u>733,000</u>
		Deferred tax
		£
Balance at 1 October 2017		<u>733,000</u>
Credit to profit and loss		<u>(1,000)</u>
Balance at 30 September 2018		<u>732,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

12. CALLED UP SHARE CAPITAL

Allotted and issued: Number:	Class:	Nominal value:	2018 £	2017 £
1	Ordinary	£1	1	1

Called up share capital - this represents the nominal value of shares that have been issued.

13. RESERVES

	Retained earnings £	Fair value reserve £	Totals £
At 1 October 2017	-	3,580,024	3,580,024
Deficit for the year	(8,300)		(8,300)
Fair value transfer	8,300	(8,300)	-
At 30 September 2018	-	3,571,724	3,571,724

Fair value reserve - included all fair value adjustments in respect of subsidiary holdings and associated movements on deferred tax.

14. RELATED PARTY DISCLOSURES

Assemble Fundco 2 Limited

During the year, the company received interest of £373,354 (2017: £378,553) from Assemble Fundco 2 Limited on subordinated loans provided. At the balance sheet date, the amounts receivable on the loans, included in fixed asset investments, was £2,954,174 (2017: £2,997,004). At the balance sheet date, the company owed £1 (2017: £1) to Assemble Fundco 2 Limited, in respect of unpaid capital.

Assemble Community Partnership Limited

During the year, the company paid interest of £373,354 (2017: £378,553) on subordinated loans to Assemble Community Partnership Limited. At the balance sheet date, loans of £2,954,174 (2017: £2,997,004) were outstanding, repayable in instalments. At the balance sheet date, the company was owed £1 (2017: £1) by Assemble Community Partnership Limited, in respect of unpaid share capital.

15. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Assemble Community Partnership Limited, a company registered in England and Wales.

The results of the company are included in the consolidated financial statements of Guildhouse Holdings Limited. Assemble Community Partnership Limited is a subsidiary of Guildhouse UK (PPP) Limited, which is a wholly owned subsidiary of Guildhouse UK Limited, which is a wholly owned subsidiary of Guildhouse Holdings Limited.