

**1 SPINNINGFIELDS INVESTMENTS TWO LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE PERIOD 9 DECEMBER 2014 TO 31 DECEMBER 2015**

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1 Spinningfields Investments Two Limited
Directors' Report and Financial Statements
For the Period 9 December 2014 to 31 December 2015

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1 Spinningfields Investments Two Limited
Company Information
For the Period 9 December 2014 to 31 December 2015

Directors	Mr F P Graham-Watson Mr M J Ingall Mr S P Lyell Mr A J Campbell
Secretary	Mr A J Campbell
Company Number	09347053
Registered Office	HQ Building 2 Atherton Street Manchester M3 3GS
Auditors	BDO LLP 55 Baker Street London W1U 7EU

1 Spinningfields Investments Two Limited
Company No. 09347053
Directors' Report For the Period 9 December 2014 to 31 December 2015

The directors present their report and the financial statements for the period from incorporation on 9 December 2014 to 31 December 2015.

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 company's principal activity is that of an investment company.

The company was incorporated on 9 December 2014.

Directors

The directors who held office during the period were as follows:

Mr F P Graham-Watson	APPOINTED	09/12/2014
Mr M J Ingall		
Mr S P Lyell	APPOINTED	09/12/2014
Mr A J Campbell	APPOINTED	09/12/2014

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.

By order of the board



30 June 2016
Mr A J Campbell
Director

1 Spinningfields Investments Two Limited
Auditor's Report
For the Period 9 December 2014 to 31 December 2015

Independent Auditor's Report to the Members of 1 Spinningfields Investments Two Limited

We have audited the financial statements of 1 Spinningfields Investments Two Limited for the period from incorporation on 9 December 2014 to 31 December 2015 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2015 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

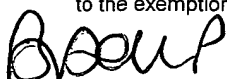
Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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 or 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 requirement to prepare a strategic report.



Alexander Tapp (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory
Auditor

30 June 2016
BDO LLP
55 Baker Street
London
W1U 7EU

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

1 Spinningfields Investments Two Limited
Statement of Comprehensive Income and Statement of Changes in Equity
For the Period 9 December 2014 to 31 December 2015

The company has not traded during the period. During the period, the company received no income and incurred no expenditure and therefore made neither profit nor loss. As a result, no Statement of Comprehensive Income is presented.

	Share Capital £	Profit & Loss Account £	Total £
Shares issued on incorporation on 09 December 2014	100	-	100
Total comprehensive income	-	-	-
As at 31 December 2015	<u>100</u>	<u>-</u>	<u>100</u>

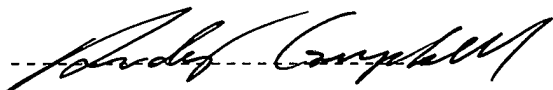
1 Spinningfields Investments Two Limited
Statement of Financial Position
For the Period 9 December 2014 to 31 December 2015

Company No. 09347053

		31 December 2015	
	Notes	£	£
FIXED ASSETS			
Investments	4		250,001
			<u>250,001</u>
CURRENT ASSETS			
Debtors	5	100	
		<u>100</u>	
Creditors: Amounts Falling Due Within One Year	6	(250,001)	
NET CURRENT LIABILITIES			<u>(249,901)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100</u>
NET ASSETS			<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	7		100
SHAREHOLDERS' FUNDS			<u>100</u>

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 30 June 2016.



Mr A J Campbell
Director

The notes on pages 6 to 9 form part of these financial statements

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

FRS 102 is mandatory for accounting periods beginning on or after 1 January 2015, but may be applied early to periods ending on or after 31 December 2012. The company has taken the option to apply the standard early and these are the first set of financial statements prepared under FRS 102.

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.

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

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 31st 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 is itself a wholly-owned subsidiary whose immediate parent company is established under the law of an EEA state.

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

In preparing these financial statements, the directors consider that there are no significant judgements in applying the accounting policies. Nor are there any key sources of uncertainty.

1.8 Revenue

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

1 Spinningfields Investments Two Limited
Notes to the Accounts (continued)
For the Period 9 December 2014 to 31 December 2015

1.9 Going Concern

The directors have considered the financial position of the company in preparing these financial statements and note that it has net liabilities at 31 December 2015.

The directors have obtained a letter of support from Allied London Properties Limited indicating its 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. In addition, Allied London Properties Limited has confirmed its current intention to support the company from within the Allied London Properties Limited group for the period until 30 June 2017. 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 accounts on a going concern basis.

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.

3. Average number of employees

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

	Period to 31 December 2015
Directors	<u>4</u>

4. Investments

	Unlisted £
Cost	
As at 9 December 2014	-
Additions	250,001
As at 31 December 2015	<u>250,001</u>
Provision	
As at 9 December 2014	-
As at 31 December 2015	<u>-</u>
Net Book Value	
As at 31 December 2015	<u>250,001</u>
As at 9 December 2014	<u>-</u>

During the year, the company made an investment of £250,001 within Allied London 1 Spinningfields Unit Trust.

1 Spinningfields Investments Two Limited
Notes to the Accounts (continued)
For the Period 9 December 2014 to 31 December 2015

5. Debtors

	31 December 2015 £
Due within one year	
Amounts owed by group undertakings	100

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

6. Creditors: Amounts Falling Due Within One Year

	31 December 2015 £
Amounts owed to group undertakings	250,001

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

7. Share Capital

	Value £	Number	31 December 2015 £
Allotted, called up and fully paid			
Ordinary shares	1.000	100	100

8. Contingent Liabilities

	31 December 2015 £
The company is a guarantor of loans taken out by other group companies. These loans are also secured over the assets of other group companies.	953,107

9. Related Party Transactions

Allied London 1 Spinningfields Unit Trust

The company is one of the two immediate beneficial owners of the trust, holding 250,001 units at the year-end date.

On 19 December 2014 1 initial unit was issued to 1 Spinningfields Investments Two Limited at £1 per unit.

On 02 April 2015 a further 250,000 units were issued to 1 Spinningfields Investments Two Limited at £1 per unit.

At the year-end date, the company owed Allied London 1 Spinningfields Unit Trust £1 with respect to unpaid units.

The company has taken advantage of the exemption allowed by Financial Reporting Standard 102, "Related party disclosures", Section 33.1A not to disclose any transactions with entities included in the consolidated financial statements of Allied London Properties Limited and are 100% owned.

10. Ultimate Controlling Party

1 Spinningfields Holdco Limited, a company registered in England and Wales is the immediate parent company. 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 cash and cash equivalents, loans, trade and other receivables, and trade and other payables are not materially different to their carrying value.

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

	2015
	£
Financial assets	
Financial assets measured at amortised cost	100
	<hr/>
Financial liabilities	
Financial liabilities measured at amortised cost	250,001
	<hr/>

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, accrued income, amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors, amounts due to group undertakings.

12. General Information

1 Spinningfields Investments Two Limited, registered number 09347053, is a limited by shares company incorporated in England & Wales. The Registered Office is HQ Building, 2 Atherton Street, Manchester, M3 3GS.