

Registered number: 09347053

**1 SPINNINGFIELDS INVESTMENTS TWO LTD  
DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

WEDNESDAY



LD4 \*L7F9OEMW\* #332  
26/09/2018  
COMPANIES HOUSE

**1 Spinningfields Investments Two Ltd**  
**Directors' Report and Financial Statements**  
**For the year ended 31 December 2017**

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**1 Spinningfields Investments Two Ltd**  
**Company Information**  
**For the year ended 31 December 2017**

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<b>Directors</b>	Mr F P Graham-Watson Mr M J Ingall Mr J Raine Mr S Gorasia
<b>Company Number</b>	09347053
<b>Registered Office</b>	c/o Allied London No.1 Spinningfields Level 12 1 Hardman Square Manchester M3 3EB
<b>Auditors</b>	BDO LLP 55 Baker Street London W1U 7EU

**1 Spinningfields Investments Two Ltd**  
**Company No. 09347053**  
**Directors' Report For the year ended 31 December 2017**

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The directors present their report and the financial statements for the year ended 31 December 2017.

**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 year. 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.

**Review of Business**

During the year the company sold its entire investment in 1 Spinningfields Unit Trust (formally Allied London 1 Spinningfields Unit Trust) for £348,259.

**Dividends**

Dividends of £98,258 were paid to the ordinary shareholders (2016: £nil)

**Directors**

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

Mr F P Graham-Watson	
Mr M J Ingall	
Mr S P Lyell	Resigned 13 March 2018
Mr A J Campbell	Resigned 13 March 2018
Mr J Raine	Appointed 10 October 2017
Mr S Gorasia	Appointed 10 October 2017

**Small Company Rules**

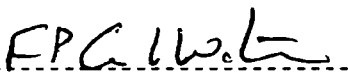
This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

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Mr F P Graham-Watson  
Director

Date 25 / 9 / 2018

**1 Spinningfields Investments Two Ltd**  
**Auditor's Report**  
**For the year ended December 2017**

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**Independent Auditor's Report to Members of 1 Spinningfields Investments Two Ltd**

**Opinion**

We have audited the financial statements of 1 Spinningfields Investments Two Ltd ("the Company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 31 December 2017 and of its profit 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 Directors 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 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.

**1 Spinningfields Investments Two Ltd**  
**Auditor's Report (continued)**  
**For the year ended December 2017**

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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 Director's report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Director's report and 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 at the Financial Reporting Council's website at: <https://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.

  
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Charles Ellis (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor

Date 25 September 2018

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 Ltd**  
**Statement of Comprehensive Income**  
**For The Year Ended 31 December 2017**

	Notes	2017 £	2016 £
Gain on sale of investments		98,258	-
<b>PROFIT BEFORE TAXATION FOR THE FINANCIAL YEAR</b>		<b>98,258</b>	<b>-</b>
Taxation	4	-	-
<b>PROFIT AFTER TAXATION FOR THE FINANCIAL YEAR</b>		<b>98,258</b>	<b>-</b>
Other comprehensive income		-	-
<b>COMPREHENSIVE PROFIT FOR THE FINANCIAL YEAR</b>		<b>98,258</b>	<b>-</b>

The notes on pages 8 to 11 form part of these financial statements

**1 Spinningfields Investments Two Ltd**  
**Statement of Changes in Equity**  
**For the year ended December 2017**

	Share Capital £	Profit & Loss Account £	Total £
As at 1 January 2016	<u>100</u>	<u>-</u>	<u>100</u>
<b>Comprehensive income for the year</b>			
Results for the year	-	-	-
	<u>100</u>	<u>-</u>	<u>100</u>
As at 31 December 2016			
As at 1 January 2017	100	-	100
<b>Comprehensive income for the year</b>			
Profit for the year	-	98,258	98,258
<b>Contributions by and distributions to owners</b>			
Dividends paid	-	(98,258)	(98,258)
As at 31 December 2017	<u>100</u>	<u>-</u>	<u>100</u>

The notes on pages 8 to 11 form part of these financial statements



**1 Spinningfields Investments Two Ltd**  
**Statement of Financial Position**  
**As at 31 December 2017**

Company No. 09347053

		2017	2016
	Notes	£	£
<b>FIXED ASSETS</b>			
Investments	5	-	250,001
		<u>-</u>	<u>250,001</u>
<b>CURRENT ASSETS</b>			
Debtors	6	100	200
		<u>100</u>	<u>200</u>
Creditors: Amounts Falling Due Within One Year	7	-	(250,101)
		<u>-</u>	<u>(250,101)</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>100</u>	<u>(249,901)</u>
<b>NET ASSETS</b>		<u>100</u>	<u>100</u>
Called up share capital	8	100	100
<b>SHAREHOLDERS' FUNDS</b>		<u>100</u>	<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. 25/9/2018

..... FP G. Watson .....

Mr F P Graham-Watson  
Director

The notes on pages 8 to 11 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 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 judgement 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 2017 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**

The investment in units in 1 Spinningfields Unit Trust (previously known as Allied London 1 Spinningfields Unit Trust) are accounted for at cost in accordance with Section 9 of FRS102 as the entire units are owned by the Company and its fellow group undertaking, 1 Spinningfields Investment Limited.

### **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 is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent Allied London Properties Limited. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### **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**

The company holds investments stated at cost less any provision for impairment. The directors have assessed the recoverability of investments made and economic benefit of the investments based on market conditions, economic forecasts and cashflow 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

### **1.9 Dividends**

Equity dividends are recognised when they become legally payable. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**1 Spinningfields Investments Two Ltd**  
**Notes to the Accounts (continued)**  
**For the year ended 31 December 2017**

**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:

	2017	2016
Directors	<u>6</u>	<u>5</u>

**4. Tax on Profit on Ordinary Activities**

	Tax Rate		2017	2016
	2017	2016	£	£
UK Corporation Tax	19.25%	20%	<u>-</u>	<u>-</u>
<b>Profit on ordinary activities before tax</b>			<b><u>98,258</u></b>	<b><u>-</u></b>
<b>Breakdown of Tax Charge is:</b>				
Tax on profit at 19.25% (UK standard rate) (2016: 20%)			18,915	-
<b>Effects of:</b>				
Group relief acquired at no cost			<u>(18,915)</u>	<u>-</u>
Total tax charge for the year			<u>-</u>	<u>-</u>

**5. Investments**

	Unlisted £
<b>Cost</b>	
As at 1 January 2017	250,001
Disposals	<u>(250,001)</u>
As at 31 December 2017	<u>-</u>
<b>Provision</b>	
As at 1 January 2017	-
As at 31 December 2017	<u>-</u>
<b>Net Book Value</b>	
As at 31 December 2017	<u>-</u>
As at 1 January 2017	<u>250,001</u>

During the year, the company sold its entire investment in 1 Spinningfields Unit Trust (previously known as Allied London 1 Spinningfields Unit Trust), a Jersey based unit trust.

**1 Spinningfields Investments Two Ltd**  
**Notes to the Accounts (continued)**  
**For year ended 31 December 2017**

**6. Debtors**

	2017 £	2016 £
<b>Due within one year</b>		
Amounts owed by group undertakings	100	200

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

**7. Creditors: Amounts Falling Due Within One Year**

	2017 £	2016 £
Amounts owed to group undertakings	-	250,100
Other creditors	-	1
	-	250,101

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

**8. Share Capital**

	Value £	Number	2017 £	2016 £
<b>Allotted, called up and fully paid</b>				
Ordinary shares	1,000	100	100	100

**9. Contingent Liabilities**

	2017 £	2016 £
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. The total amount guaranteed by the Company under these arrangements at the year-end amounted to	-	28,177,891

The bank loan was repaid on 26 October 2017

**10. Dividends Paid**

	2017 £	2016 £
Ordinary shares		
Interim paid of £983 (2016: £nil) per share	98,253	-

**11. 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 any transactions with entities included in the consolidated financial statements of Allied London Properties Limited and are 100% owned.

**Allied London 1 Spinningfields Unit Trust;**

The company was one of the two immediate beneficial owners of the trust until its disposal at 26 October 2017 (Units at 31 December 2016: 250,001).

On 26 October 2017, the company disposed of all 250,001 of its units for £348,259.

**1 Spinningfields Investments Two Ltd**  
**Notes to the Accounts (continued)**  
**For the year ended 31 December 2017**

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**12. Ultimate Controlling Party**

1 Spinningfields Holdco Ltd, 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.

**13. Financial Instruments**

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

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Financial assets		
Financial assets measured at amortised cost	100	200
	<hr/>	<hr/>
Financial liabilities		
Financial liabilities measured at amortised cost	-	250,101
	<hr/>	<hr/>

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

Financial liabilities measured at amortised cost comprise amounts due to group undertakings and other creditors.

**14. General Information**

1 Spinningfields Investments Two Ltd, registered number 09347053, is a limited by shares company incorporated in England & Wales. The Registered Office is c/o Allied London, No.1 Spinningfields, Level 12, 1 Hardman Square, Manchester, M3 3EB.