

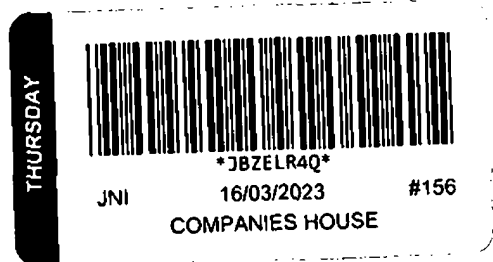


## Gyle Holdings (2) Ltd

Directors' report and financial statements

Year ended 31 December 2021

*Registered number: 10563127*



## Gyle Holdings (2) Ltd

### Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' and other information	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report to the members of Gyle Holdings (2) Ltd	5
Profit and loss account and other comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes forming part of the financial statements	12



## Gyle Holdings (2) Ltd

### Directors and other information

**Directors**

J Slater  
W Powell

**Registered office**

C/O Apam Ltd  
4th Floor, 84 Grosvenor Street  
London  
United Kingdom  
W1K 3JZ

**Auditor**

KPMG  
Chartered Accountants  
The Soloist Building  
1 Lanyon Place  
Belfast  
BT1 3LP

**Principal bankers**

JP Morgan  
1 Knightsbridge  
London, SW1X 7LX  
United Kingdom

**Solicitors**

White & Case LLP  
5 Old Broad Street  
London  
EC2N 1DW

**Registered number**

10563127

## Gyle Holdings (2) Ltd

### Directors' report

The directors present their directors' report and the financial statements of Gyle Holdings (2) Ltd ("the Company") for the year ended 31 December 2021.

#### Business review

The principal activity of the Company is the holding of the investment in Gyle Shopping Centre Unit Trust, an entity registered in Jersey.

Subsequent to the year end, the entire issued share capital of Gyle Holding Limited transferred to Gyle JVCO Limited. Gyle JVCO Limited is a private limited company (registration number 14011327), beneficially owned in equal proportions by BAWAG Group AG and Morgan Stanley.

Following the transfer of ownership of the company, Gyle JVCO Limited is assessing the optimal structure of the group. The operation of the main asset, Gyle Shopping Centre remains unaffected. As the future structure of the group remains uncertain, with the sale of Gyle Shopping Centre or a restructuring exercise possible in the foreseeable future, Gyle Holdings (2) Ltd may cease its operations in the foreseeable future. These financial statements have therefore been prepared on a non-going concern basis for that reason.

#### Results for the year

Details of results are set out on page 9.

#### Dividends

No dividends on ordinary shares were paid during the prior period and current year.

#### Political and charitable donations

The Company made no disclosable political or charitable donations during the prior period and current year.

#### Directors and their interests

The names of the persons who, at any time during the financial year, were directors are set out below:

J Slater  
W Powell

The directors at 31 December 2021 did not have any beneficial interests in the Company's issued ordinary share capital.

#### Small companies' exemption

In preparing the directors' report, the directors have taken the small companies' exemption under Section 414(B) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 not to prepare a strategic report for presentation with these financial statements.

#### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

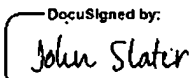
## Gyle Holdings (2) Ltd

### Directors' report *(continued)*

#### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor, KPMG, Chartered Accountants, will be deemed to be re-appointed and will therefore continue in office.

On behalf of the board

DocuSigned by:  
  
32D3C7C95765430...  
John Slater  
Director

15 March 2023

## Gyle Holdings (2) Ltd

### Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board

DocuSigned by:  
  
32D3C7C95785430...  
John Slater  
Director

15 March 2023



KPMG  
Audit  
The Soloist Building  
1 Lanyon Place  
Belfast BT1 3LP  
Northern Ireland

## Independent auditor's report to the members of Gyle Holdings (2) Limited

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Gyle Holdings (2) Limited ('the Company') for the year ended 31 December 2021 set out on pages 9 to 22, which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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.

#### **Emphasis of matter – non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

#### **Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.



## Independent auditor's report to the members of Gyle Holdings (2) Limited (continued)

### Report on the audit of the financial statements (continued)

#### Detecting irregularities including fraud (continued)

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.





## **Independent auditor's report to the members of Gyle Holdings (2) Limited** *(continued)*

### **Report on the audit of the financial statements** *(continued)*

#### **Opinions on other matters prescribed by the Companies Act 2006**

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### **Respective responsibilities and restrictions on use**

##### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**Independent auditor's report to the members of Gyle Holdings (2) Limited**  
(continued)

**Respective responsibilities and restrictions on use (continued)**

***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, other irregularities, or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

***The purpose of our audit work and to whom we owe our responsibilities***

Our 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.

16 March 2023

John Poole (*Senior Statutory Auditor*)  
for and on behalf of KPMG, Statutory Auditor  
Chartered Accountants  
The Soloist Building  
1 Lanyon Place  
Belfast  
BT1 3LP

## Gyle Holdings (2) Ltd

### Profit and loss account and other comprehensive income for the year ended 31 December 2021

		Year ended 31 December 2021 £	18 month period ended 31 December 2020 £
	Note		
Turnover		-	-
Cost of Sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		(20,428,503)	(26,522)
		<hr/>	<hr/>
Operating loss		(20,428,503)	(26,522)
Interest receivable	2	-	76,088
Interest payable	2	(7,750)	-
		<hr/>	<hr/>
(Loss)/profit		(20,436,253)	49,566
Tax on (loss)/profit	4	(10,941)	(1,860)
		<hr/>	<hr/>
(Loss)/profit for the financial year/period		(20,447,194)	47,706
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive (loss)/income for the year/period		(20,447,194)	47,706
		<hr/>	<hr/>

The statement of profit and loss and other comprehensive income has been prepared on the basis that all operations are discontinuing operations.

The accompanying notes on pages 12 to 22 form an integral part of the financial statements.

## Gyle Holdings (2) Ltd

### Balance sheet

as at 31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Financial assets	5	-	-
		<hr/>	<hr/>
		-	-
<b>Current assets</b>			
Debtors: due within one year	6	1	20,452,939
Cash at bank and in hand	7	-	4,498
		<hr/>	<hr/>
		1	20,457,437
<b>Creditors: amounts falling due within one year</b>	8	(34,173,545)	(34,183,787)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(34,173,544)	(13,726,350)
		<hr/>	<hr/>
<b>Net liabilities</b>		(34,173,544)	(13,726,350)
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Capital contribution reserve		52,899,435	52,899,435
Profit and loss account		(87,072,980)	(66,625,786)
		<hr/>	<hr/>
<b>Shareholders' deficit</b>		(34,173,544)	(13,726,350)
		<hr/>	<hr/>

The accompanying notes on pages 12 to 22 form an integral part of the financial statements.

These financial statements were approved by the board of directors on 15 March 2023 and were signed on its behalf by:

DocuSigned by:

*John Slater*  
32D3C7C95785430...  
John Slater  
Director

Company registered number: 10563127

## Gyle Holdings (2) Ltd

### Statement of changes in equity for the year ended 31 December 2021

	Called up share capital £	Capital contribution reserve £	Profit and loss account £	Total equity £
<b>Balance at 1 July 2019</b>	1	52,899,435	(66,673,492)	(13,774,056)
<b>Total comprehensive income for the period</b>				
Profit or loss	-	-	47,706	47,706
<b>Balance at 31 December 2020</b>	1	52,899,435	(66,625,786)	(13,726,350)
<b>Total comprehensive income for the year</b>				
Profit or loss	-	-	(20,447,194)	(20,447,194)
<b>Balance at 31 December 2021</b>	1	52,899,435	(87,072,980)	(34,173,544)

The accompanying notes on pages 12 to 22 form an integral part of the financial statements.

## Gyle Holdings (2) Ltd

### Notes

*forming part of the financial statements*

#### 1 Accounting policies

Gyle Holdings (2) Ltd ("the Company") is a private company incorporated, domiciled and registered in the UK. The registered number is 10563127 and the registered address is C/O APAM Ltd., 4<sup>th</sup> Floor, 84 Grosvenor Street, London, England, W1K 3JZ.

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling.

The Company's parent undertaking, Gyle Holding Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Gyle Holding Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from C/O APAM Ltd., 4<sup>th</sup> Floor, 84 Grosvenor Street, London, England, W1K 3JZ. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.
- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Due to the change in ownership in the prior year and to bring the Company into alignment with the ultimate parent and its affiliates ("the group"), the prior year end was changed from 30 June to 31 December in the prior year to make it coterminous with the group. The comparative amounts presented in the financial statements (including the related notes) are therefore not entirely comparable.

#### Measurement convention

The financial statements are prepared on the historical cost convention. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.1 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and Capital contribution reserve account exclude amounts in relation to those shares.

##### 1.2 Going concern

Subsequent to the year end, the entire issued share capital of Gyle Holding Limited transferred to Gyle JVCO Limited. Gyle JVCO Limited is a private limited company (registration number 14011327), beneficially owned in equal proportions by BAWAG Group AG and Morgan Stanley.

Following the transfer of ownership of the company, Gyle JVCO Limited is assessing the optimal structure of the group. The operation of the main asset, Gyle Shopping Centre remains unaffected. As the future structure of the group remains uncertain, with the sale of Gyle Shopping Centre or a restructuring exercise possible in the foreseeable future, Gyle Holdings (2) Ltd may cease its operations in the foreseeable future. These financial statements have therefore been prepared on a non-going concern basis for that reason.

##### 1.3 Basic financial instruments

###### **Trade and other debtors/creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at the present value of future payment discounted at a market rate of interest. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

###### **Interest-bearing borrowings classified as basic financial instruments**

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

###### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits.

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.4 Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment. A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.5 Expenses

###### *Interest payable*

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

##### 1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associates, branch, joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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.



## Gyle Holdings (2) Ltd

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.7 Impairment excluding stocks and deferred tax assets

###### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

###### *Non-financial assets*

The carrying amounts of the Company's non-financial assets, other than investment property, stocks, and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.8 Provision for wind-up

As explain above, these financial statements have been prepared on a non-going concern basis. No costs have been provided for in respect of potential costs which may be incurred following the decision to wind up the company.

##### 1.9 Accounting estimates and judgements

##### Key sources of estimation uncertainty

The preparation of the Company's financial information under FRS 102 requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The directors consider that there are no estimates or judgements likely to have a significant effect on the amounts recognised in the financial statements.

#### 2 Interest receivable

	Year ended 31 December 2021 £	18 month period ended 31 December 2020 £
Interest receivable measured at amortised cost	-	76,088

#### Interest payable

	Year ended 31 December 2021 £	18 month period ended 31 December 2020 £
Interest payable measured at amortised cost	7,750	-

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 3 Expenses and auditor's remuneration

	Year ended 31 December 2021 £	18 month period ended 31 December 2020 £
<i>The profit on ordinary activities is stated after charging:</i>		
Impairment loss on subsidiary undertakings	-	-
Impairment charge on amounts due from other group undertakings	20,405,741	-
Other administrative expenses	22,762	26,522
	<u>20,428,503</u>	<u>26,522</u>
<i>Auditor's remuneration</i>		
Audit of these financial statements	6,000	7,500
Amounts receivable by the Company's auditor and its associates in respect of:		
Fees for non-audit services	3,000	3,000
	<u>3,000</u>	<u>3,000</u>

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 4 Tax charge on profit on ordinary activities

	Year ended 31 December 2021 £	18 month period ended 31 December 2020 £
<i>Current tax</i>		
Current tax on income for the year/period	-	1,860
Adjustments in respect of prior periods	10,941	-
	<hr/>	<hr/>
<b>Total current tax charge/(credit)</b>	<b>10,941</b>	<b>1,860</b>
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Change in tax rate	-	-
	<hr/>	<hr/>
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Reconciliation of effective tax rate</b>		
	Year ended 31 December 2021 £	18 month- period ended 31 December 2020 £
Profit/(loss) for the year	(20,447,194)	47,706
Total tax (expense)	(10,941)	(1,860)
	<hr/>	<hr/>
Profit/(loss) excluding tax	(20,436,253)	49,566
Tax using the UK corporation tax rate of 19% (2020: 19%)	(3,882,888)	(9,418)
<i>Effects of:</i>		
Non-deductible expenses	3,859,419	-
Group relief received	1,587	7,558
Adjustments in respect of prior periods	10,941	-
	<hr/>	<hr/>
<b>Total tax charge for year/period</b>	<b>(10,941)</b>	<b>(1,860)</b>
	<hr/>	<hr/>

#### Factors which may affect future tax charges

On 24 May 2021, the UK Finance Act 2021 was substantively enacted, increasing the rate to 25% effective from April 2023. The change to the main rate of corporation tax was substantively enacted by the balance sheet date and therefore included in these financial statements. The company expects the future effective tax rates to be broadly in line with the main UK corporation tax rate.

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 5 Financial assets

	Investment in subsidiaries £	Loans to group companies £	Total £
<b>Cost</b>			
At beginning of year	-	-	-
Revaluation	-	-	-
Fair value adjustment	-	-	-
Reclassification	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At end of year</b>	<hr/>	<hr/>	<hr/>

None of the shares of the above subsidiary undertakings are listed. In the opinion of the directors the shares in and loans to the Company's subsidiary and other group undertakings are worth at least the amounts at which they are stated in the balance sheet.

The principal undertakings in which the Company's interest at the year-end is more than 20% are as follows:

	Aggregate of capital and reserves	Profit or (loss) for the year	Registered office	Nature of business	Class of shares held	Ownership
Gyle 1 Limited	1	1,247	C/O APAM Ltd., 4 <sup>th</sup> Floor, 84 Grosvenor Street, London, England, W1K 3JZ	Investment	Ordinary	100%
Gyle 2 Limited	1	(12,795,874)	C/O APAM Ltd., 4 <sup>th</sup> Floor, 84 Grosvenor Street, London, England, W1K 3JZ	Investment	Ordinary	100%

Investment property is measured at fair value. Investments in subsidiaries are held at cost less impairment.

#### 6 Debtors

	2021 £	2020 £
Trade debtors	-	-
Prepayments	-	-
Other amounts due from group undertakings (i)	-	20,452,938
Other debtors	-	-
Called up share capital not paid	1	1
	<hr/>	<hr/>
	1	20,452,939

(i) Loans and other amounts due from group undertakings are interest free and repayable in line with repayment schedule.

Debtors are stated net of a provision of impairment of £37,636,859 (2020: £17,231,118).

Debtors are held at amortised cost less impairment.

## Gyle Holdings (2) Ltd

### Notes (continued)

<b>7</b>	<b>Cash and cash equivalents</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	-	4,498
		<hr/>	<hr/>
<b>8</b>	<b>Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<i>Loans and other borrowings (note 9)</i>		
	Loans from related undertakings and related accrued interest (i)	34,134,614	34,134,614
	Loans from credit institutions and related accrued interest	-	-
		<hr/>	<hr/>
		<b>34,134,614</b>	<b>34,134,614</b>
		<hr/>	<hr/>
	<i>Other creditors</i>		
	Other creditors	-	5,355
	Taxation creditors (see below)	31,596	20,655
	Accruals and deferred income	-	23,163
	Other amounts owed to related undertakings	4,083	-
	Bank overdraft	3,252	-
		<hr/>	<hr/>
		<b>38,931</b>	<b>49,173</b>
		<hr/>	<hr/>
		<b>34,173,545</b>	<b>34,183,787</b>
		<hr/>	<hr/>
	<i>Taxation creditors</i>		
	VAT	129	-
	Corporation tax	31,467	20,655
		<hr/>	<hr/>
		<b>31,596</b>	<b>20,655</b>
		<hr/>	<hr/>

Creditors are held at amortised cost.

## Gyle Holdings (2) Ltd

### Notes (continued)

#### 9 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2021 £	2020 £
<b>Creditors:</b> amounts falling due within less than one year		
Secured bank loans (and related accrued interest)		-
Loans from related undertakings (and related accrued interest) (i)	34,134,614	34,134,614
	<u>34,134,614</u>	<u>34,134,614</u>
	<u>34,134,614</u>	<u>34,134,614</u>

#### Terms and debt repayment schedule

Company	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2021 £	2020 £
Gyle Holding Limited	£	Interest-free	Repayable on demand	Quarterly	34,134,614	34,134,614
					<u>34,134,614</u>	<u>34,134,614</u>

- (i) Loans and other amounts due from related undertakings are interest free and repayable in line with payment schedule.

## Gyle Holdings (2) Ltd

### Notes (continued)

10 Capital and reserves	2021 £	2020 £
<b>Allotted, called up and unpaid</b>		
1 ordinary shares of £1 each	1	1
	<hr/>	<hr/>
Shares classified in shareholders' equity	1	1
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

### 11 Parent undertaking and related party transactions

The Company is a subsidiary of Gyle Holding Limited a company incorporated in the UK. The Company was ultimately owned and controlled by investment funds affiliated with the Cerberus Group until August 2020. Following a change in ownership in August 2020, as at 31 December 2020 and 31 December 2021, the Company is ultimately owned and controlled by investment funds affiliated with the DRC Savills Investment Management Group. The largest group in which the results of the Company are consolidated is Gyle Holding Limited incorporated in the UK. The consolidated financial statements are available to the public and may be obtained from C/O Apam Ltd 4th Floor, 84 Grosvenor Street, London, United Kingdom, W1K 3JZ.

Details of transactions/balances with entities that are part of the Gyle Holding Limited group or investors of the group qualifying as related parties are not disclosed as the Company is exempt from such disclosures under Section 33.1A of FRS 102.

During the current year and prior period, the Company had no employees and £Nil staff costs. The directors received no remuneration during the year as their costs are borne by another company.

### 12 Commitments and contingencies

#### Bank facilities

The Company is a party to the bank facilities of Gyle Holding Limited and Gyle 2 Limited, which are supported by security and cross guarantees from certain group companies, including the Company.

### 13 Subsequent events

Subsequent to the year end, the entire issued share capital of Gyle Holding Limited transferred to Gyle JVCO Limited. Gyle JVCO Limited is a private limited company (registration number 14011327), beneficially owned in equal proportions by BAWAG Group AG and Morgan Stanley.