

Company Registration No.: 02805620 (England and Wales)

**ARC LP (UK) LIMITED
(FORMERLY ARLINGTON LP (UK) LIMITED)**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**



ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

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ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Directors and Advisors

| | |
|--------------------------|--|
| Directors | KL Maher (Appointed 5 Oct 2021) JP Stretton (Appointed 5 Oct 2021) DI Williamson (Appointed 16 Jun 2021) RBC Meller (Appointed 15 Sep 2021, Resigned 18 Oct 2021) M Celis (Resigned 16 Jun 2021) JWM Raven (Resigned 9 Sep 2021) |
| Company Secretary | CSC Corporate Services (UK) Limited (Appointed 16 Dec 2021) J Hughes (Resigned 4 Oct 2021) |
| Company number | 02805620 |
| Registered Office | 10th Floor 5 Churchill Place London, E14 5HU |
| Auditor | RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU |

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Directors' Report for the year ended 31 December 2021

The Directors present their report and financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is to invest in ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) and ARC Unit Trust (formerly Arlington Business Parks Unit Trust).

Going concern

At the time of approving the financial statements the Directors have a reasonable expectation that the Company has adequate resources to continue in operations existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Further detail of the measures taken by Directors and the going concern considerations made can be seen in the accounting policies included in the notes to the financial statements.

Director and Directors' interests

The Directors who held office during the year and up to the date of signature of the financial statements are as listed on page 1. None of the Directors had any interest at any time during the year in the shares of the Company.

Results and dividends

The loss for the year ending 31 December 2021 was £112,397 (2020: profit of £1,490,046). The Directors have not recommended a dividend payment for the year ended 31 December 2021 (2020: £11,915,605).

Events during the year

On 16 June 2021, the ARC Group (formerly Arlington Group) was acquired by funds ultimately controlled by Brookfield Asset Management Inc. listed on the Toronto and New York stock exchanges.

The Company repaid its loan with Arlington LuxCo SARL on the date of the acquisition, which does not impact on the presentation of these financial statements or reflect the balances at the year end.

Auditor

The auditor, RSM UK Audit LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors is unaware. Additionally, each Director has taken all the necessary steps that they ought to have taken as a Director in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

Strategic report

The Directors have chosen in accordance with section 414C (11) of the Companies Act 2006 to include in the Strategic Report matters otherwise required to be disclosed in the Directors' Report as the Directors consider these are of strategic importance to the Company, including principal risks and uncertainties and future developments.

By order of the board



Jim Stretton (Sep 27, 2022 12:49 GMT+1)

JP Stretton

Director

Date: 27/09/2022

Registered Office: 10th Floor, 5 Churchill Place, London E14 5HU

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Strategic Report for the year ended 31 December 2021

The Directors present their Strategic Report of the Company for the year ended 31 December 2021.

Business review for the year

The Company's share of its underlying investments increased in value by £639,842 in the year (2020: £3,021,878 increase). The Company recorded a loss for the year of £112,397 (2020: profit of £1,490,046).

Risks and uncertainties

The principal risk to the Company is the performance of its investments as these affect the values of both the distributions made to the Company and any impairment charges. Management performs regular assessments of the investments and the property assets within, as well as assessments of internal risk assessments and business strategies, to mitigate against external risks as far as possible. These assessments enable a long-term view of the business to be maintained.

Financial risk management policies and objectives

The Company has limited exposure to financial risks given its sole business activity is an investment ownership and does not trade directly outside the Arlington Group. Any operational or finance risks are regularly considered by the Directors and actively managed where appropriate.

By order of the board



Jim Stretton (Sep 27, 2022 12:49 GMT+1)

JP Stretton

Director

Date: 27/09/2022

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Directors' Responsibilities Statement for the year ended 31 December 2021

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including 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;
- 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

Independent auditor's report to the members of ARC LP (UK) Limited (formerly Arlington LP (UK) Limited)

Opinion

We have audited the financial statements of ARC LP (UK) Limited (formerly Arlington LP (UK) Limited) (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS 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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent auditor's report to the members of ARC LP (UK) Limited (formerly Arlington LP (UK) Limited) (Continued)

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 strategic and 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.

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 directors' 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent auditor's report to the members of Arlington LP (UK) (formerly Arlington LP (UK) Limited) Limited (Continued)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

Mayulee Pinkerton

Mayulee Pinkerton CA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

Date: 29/09/22

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Statement of Comprehensive Income for the year ended 31 December 2021

| | Note | 12 months to 31 December 2021 £ | 12 months to 31 December 2020 £ |
|--|----------|--|--|
| Write back of impairment of fixed asset investments | | 639,842 | 3,021,878 |
| Administrative expenses | | (5,530) | (16,762) |
| Interest payable and similar charges | | (746,709) | (1,514,970) |
| (Loss)/Profit on ordinary activities before tax | 2 | (112,397) | 1,490,146 |
| Tax on ordinary activities | 4 | - | (100) |
| (loss)/Profit for the financial year | | (112,397) | 1,490,046 |

All amounts relate to continuing activities.

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Statement of Financial Position at 31 December 2021

| | Note | 31 December 2021 £ | 31 December 2020 £ |
|--|------|--------------------------|--------------------------|
| Fixed Assets | | | |
| Investments | 5 | 22,466,513 | 21,826,671 |
| Current Assets | | | |
| Debtors | 6 | 27,000,000 | 27,000,000 |
| Creditors: amounts falling due within one year | 7 | (81,250) | (75,720) |
| Net Current Assets | | 26,918,750 | 26,924,280 |
| Creditors: amounts falling due after one year | 7 | (21,147,067) | (20,400,358) |
| Net Assets | | 28,238,196 | 28,350,593 |
| Capital and Reserves | | | |
| Called up share capital | 8 | 5,931,402 | 5,931,402 |
| Profit and loss reserve | 9 | 22,306,794 | 22,419,191 |
| Shareholders' Funds | | 28,238,196 | 28,350,593 |

Notes on pages 11 to 15 form part of these financial statements.

The financial statements on pages 8 to 15 were approved by the Board of Directors on 27 September 2022 and were signed on its behalf by:

Jim Stretton
 Jim Stretton (Sep 27, 2022 12:49 GMT+1)
 Director
 Date: 27/09/2022

Company Registration No: 02805620

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Statement of Changes in Equity for the year ended 31 December 2021

| | Called up share capital £ | Profit and loss reserve £ | Shareholders' funds £ |
|------------------------------------|---------------------------------|---------------------------------|-----------------------------|
| At 1 January 2020 | 5,931,402 | 32,844,749 | 38,776,151 |
| Profit for the year | - | 1,490,046 | 1,490,046 |
| Recapitalisation | - | (11,915,605) | (11,915,605) |
| Total movement for the year | - | (10,425,558) | (10,425,559) |
| At 31 December 2020 | 5,931,402 | 22,419,191 | 28,350,593 |
| Loss for the year | - | (112,397) | (112,397) |
| Total movement for the year | - | (112,397) | (112,397) |
| At 31 December 2021 | 5,931,402 | 22,306,794 | 28,238,196 |

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Notes to the Financial Statements for the year ended 31 December 2021

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Company information

ARC LP (UK) Limited (formerly Arlington LP (UK) Limited) is a private company limited by shares and is registered and incorporated in England and Wales. The principal activity of the Company is to invest in ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) and ARC Unit Trust (formerly Arlington Business Parks Unit Trust) and its registered office address is 10th Floor, 5 Churchill Place, London E14 5HU.

Basis of preparation

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized companies and Groups (Accounts and Reports) Regulations 2008.

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reporting period

These financial statements are presented for the 12 months period to 31 December 2021.

Going concern

The Company is a holding company and does not trade. As per the Directors Report the principal activity of the Company is to hold an investment in ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) and ARC Unit Trust (formerly Arlington Business Parks Unit Trust) and therefore act as a holding company for those entities. In making the going concern assessment for the Company, the Directors have considered the going concern position of the Company and ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership). As at 31 December 2021, the Company had net assets of £28,238,196 (2020: £28,350,593). The Company had net current assets of £26,918,750 (2020: £26,924,280). No material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) financial statements for the year to 31 December 2021 have been prepared on a going concern basis at the time of approving the financial statements. In making this assessment, Directors have considered the possible impact of the continuing Coronavirus (Covid-19) global pandemic on the group operations and the current financial position and financial forecasts of the Partnership. The Directors have a reasonable expectation that the Partnership and therefore Arlington LP (UK) Limited (formerly Arlington LP (UK) Limited) has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure exemptions

The Company has taken advantage of the consolidation exemption under FRS 102 as ARC LP (UK) Limited (formerly Arlington LP (UK) Limited) was consolidated into funds ultimately controlled by Brookfield Asset Management Inc. listed on the Toronto and New York stock exchanges.

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

1. Accounting policies (Continued)

As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the Company;
- (b) Disclosures in respect of financial instruments have not been presented; and
- (c) A reconciliation of the opening and closing number of shares on the Statement of Financial Position has not been presented.

Income recognition

Income from investments relates to distributions receivable from ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) which are recognised in profit or loss when declared.

Interest

Interest payable is expensed through the Statement of Comprehensive Income as incurred as an effective interest basis.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial instruments and Section 12 'Other Financial Instruments issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are off set with the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts due from group companies, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including amounts due to fellow group companies and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of proceeds received, net of direct issue costs.

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

1. Accounting policies (Continued)

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income

Accounting policies (Continued)

or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Investments

Fixed asset investments are held at cost less any provision for impairment. The Directors annually consider the impairment of each asset and assess its long-term recoverability.

Use of estimates

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the Statement of Comprehensive Income and Statement of Financial Position and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, actual results ultimately may differ from these estimates, possibly significantly. The estimates, assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects that year only, or in the year of revision and future periods if the revision affects current and future periods. Where estimates have been used details have been disclosed in the specific accounting policy note.

2. Profit on ordinary activities before tax

Audit fees are borne as follows:

| | 2021 | 2020 |
|---|-------|-------|
| | £ | £ |
| Fees for the statutory audit of the Company | 5,000 | 4,900 |

3. Directors' emoluments and Employees

The Company's Directors are paid by their respective employer's legal entities and no portion of these costs have been recharged to the Company. The Company did not have any employees in the current or prior years.

4. Taxation

The tax charge in the current year is based on the tax paid in relation to the previous period, once a tax return is calculated and submitted for the Company. The tax return can only be completed based on the final financial statements for the period in question.

- a) No tax charge is expected on ordinary activities in the current period, due to historic losses carried forward.
- b) A tax charge can arise due to group interest restrictions, group tax reliefs or carry forward loss restrictions.
- c) Any tax levied will be at the current corporation tax of 19% (2020: 19%).

ARC LP (UK) LIMITED (FORMERLY ARLINGTON LP (UK) LIMITED)

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

4. Taxation (Continued)

| | 2021 | 2020 |
|---------------------------|------|------|
| | £ | £ |
| Tax charge for the period | - | 100 |

No deferred tax assets have been recognised by the Company on the basis that there is uncertainty over the ability to recover the benefits of such an asset

5. Investments

| | £ |
|---|--------------------|
| Cost | |
| At 31 December 2021 | <u>24,036,884</u> |
| Impairment | |
| At 1 January 2021 | (2,210,214) |
| Write back of impairment | 639,843 |
| At 31 December 2021 | <u>(1,570,371)</u> |
| Net book value at 31 December 2021 | <u>22,466,513</u> |
| Net book value at 31 December 2020 | <u>21,826,671</u> |

Investment in partnership

The fixed asset investments represent a 3.243% (2020: 3.243%) direct investment and a 3.497% (2020: 3.497%) indirect investment, in ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership). The indirect holding is via a 3.614% (2020: 3.614%) holding in ARC Unit Trust (formerly Arlington Business Park Unit Trust).

At 31 December 2021 ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) had net assets of £333.3 million (2020: £323.9 million) and a profit of £9.5 million for the year (2020: £44.8 million).

The increased value of the Company's ownership of ARC 1 Limited Partnership (formerly Arlington Business Parks Partnership) has resulted in a further write back of asset impairment of £639,842 (2020: £3,021,878).

Subsidiary companies

The Company did not hold investments in any subsidiary companies at 31 December 2021.

6. Debtors

| | 2021 | 2020 |
|----------------------------------|-------------------|-------------------|
| | £ | £ |
| Amounts due from group companies | <u>27,000,000</u> | <u>27,000,000</u> |

Amounts due from group companies are unsecured and repayable on demand. For details see note 1: Related Parties.

7. Creditors

| | 2021 | 2020 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year | | |
| Amounts owed to group companies | 65,120 | 59,120 |
| Other creditors | 16,130 | 16,600 |
| | <u>81,250</u> | <u>75,720</u> |

Amounts due from group companies are unsecured and repayable on demand. For details see note 11: Related Parties.