

**ALLIED LONDON FIRE STATION HOLDCO TWO LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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Allied London Fire Station Holdco Two Limited
Directors' Report and Financial Statements
For The Year Ended 31 December 2021

Contents

	Page
Company Information	1
Directors' Report	2
Independent Auditor's Report	3—4
Income Statement	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8—10

Allied London Fire Station Holdco Two Limited
Company Information
For The Year Ended 31 December 2021

Directors

Mr Michael Ingall
Mr Frederick Graham-Watson
Mr Suresh Gorasia
Mr Jonathan Raine

Company Number

10002600

Registered Office

C/O Allied London
Suite 1, Bonded Warehouse
18 Lower Byrom Street
Manchester
Greater Manchester
M3 4AP

Auditors

BDO LLP
3 Hardman Street
Manchester
M3 3AT

Allied London Fire Station Holdco Two Limited
Company No. 10002600
Directors' Report For The Year Ended 31 December 2021

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

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure of Information to Auditors

The directors of the company who held office at the date of approval of this annual report confirm that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Principal Activity

The principal activity continues to be that of a holding company.

Review of Business

The company has not traded during the year or the preceding financial year and therefore made neither profit nor loss.

Directors

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

Mr Michael Ingall
Mr Frederick Graham-Watson
Mr Suresh Gorasia
Mr Jonathan Raine

Small Company Rules

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.

On behalf of the board



Mr Suresh Gorasia
Director

Date:

**Allied London Fire Station Holdco Two Limited
Auditor's Report
For The Year Ended 31 December 2021**

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ALLIED LONDON FIRE STATION HOLDCO TWO LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Allied London Fire Station Holdco Two Limited (the 'Company') for the year ended 31 December 2021 which comprises Statement 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Material uncertainty related to going concern

We draw attention to note 1.2 to the financial statements, which states the wider group's debt facilities are on a rolling basis, repayable on demand and are required to be refinanced. As stated in note 1.2, the lenders of these facilities holds a charge over the company and these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 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. 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.

Other Companies Act 2006 reporting

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.

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 by the Company, 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 Directors' report and from the requirement to prepare a Strategic report.

Allied London Fire Station Holdco Two Limited
Auditor's Report (continued)
For The Year Ended 31 December 2021

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the accounting policies and the UK Companies Act 2006; and industry related such as compliance with health and safety and advertising standards legislation. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to recoverability of its debtors.
- Identifying and testing journal entries, in particular any journal entries posted with specific unusual narrative, material journal entries, and review of journals posted containing round numbers;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of minutes of Board meetings throughout the year;
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

DocuSigned by:

Graham Ellis

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Graham Ellis (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor

Manchester, UK
22 December 2022

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

Allied London Fire Station Holdco Two Limited
Income Statement
For The Year Ended 31 December 2021

The company has not traded during the year or the preceding financial year. During these years, the company received no income and incurred no expenditure and therefore made neither profit nor loss.


The notes on pages 8 to 10 form part of these financial statements.

Allied London Fire Station Holdco Two Limited
Statement of Financial Position
As at 31 December 2021

Company No. 10002600	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Investments	4		100		100
			<u>100</u>		<u>100</u>
CURRENT ASSETS					
Debtors	5	40,553,334		32,183,844	
		<u>40,553,334</u>		<u>32,183,844</u>	
Creditors: Amounts Falling Due Within One Year	6	(40,553,334)		(32,183,844)	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100</u>		<u>100</u>
NET ASSETS			<u>100</u>		<u>100</u>
CAPITAL AND RESERVES					
Called up share capital	7		100		100
SHAREHOLDERS' FUNDS			<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.

On behalf of the board



Mr Suresh Gorasia
 Director

The notes on pages 8 to 10 form part of these financial statements.

Allied London Fire Station Holdco Two Limited
Statement of Changes in Equity
For The Year Ended 31 December 2021

	Share Capital
	£
As at 1 January 2020	100
As at 31 December 2020 and 1 January 2021	100
As at 31 December 2021	100

The notes on pages 8 to 10 form part of these financial statements.

Allied London Fire Station Holdco Two Limited
Notes to the Financial Statements
For The Year Ended 31 December 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and 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 1.3).

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. Going Concern Disclosure

Management has undertaken a thorough group going concern review which has included forecasts from 12 months from signing date of the financial statements to ensure the company will continue to be able to meet its liabilities for the next year from the signing date of the accounts. The directors have assessed the financial performance and note that as at 31 December 2021 the company had positive net assets of £100 (2020: £100). Current assets and current liabilities comprise amounts due from, and amounts owed to group companies, with amounts owed being payable on receipt of a corresponding group company debtor balance.

Intermediate parent company, Allied London Fire Station Holdco One Limited, is party to a loan facility amounting to £37.1m, excluding interest, of which £31.9m has been drawn down at the year-end. The loan was refinanced in June 2022 and continues to be provided on a rolling basis and is repayable on demand. The lender holds a legal charge over Allied London Fire Station Holdco Two Limited.

Following the refinancing in June 2022, the directors of Allied London Fire Station Holdco One Limited are confident that Allied London Fire Station Holdco One Limited has adequate resources to continue in operational existence for at least 12 months from the date of approval of those financial statements. For these reasons, the directors of Allied London Fire Station Holdco Two Limited continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Nevertheless, as the loan remains repayable on demand, the company's assets could be called on under the legal charge of the lender if the current facility is called on for repayment. Therefore, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

1.3. Significant judgements and estimations

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 company has established internal controls designed to effectively assess and centrally review inventory carrying values and ensure the appropriateness of the estimates made.

1.4. 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.

Allied London Fire Station Holdco Two Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

1.5. Taxation
Deferred Taxation

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position 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. Investments

Investments in subsidiaries are measured at cost less any accumulated impairment.

1.7. Preparation of Consolidated Financial Statements

The company has taken advantage of the exemption allowed by Financial Reporting Standard 102, "Consolidated and separate financial statements", Section 9.3A not to prepare consolidated accounts on the basis that the company and the group qualify as small as permitted by sections 384 and 399 (2A) of Companies Act 2006.

2. Operating Profit

Audit fees were borne by the company's subsidiary, Allied London Fire Station Opco Limited.

The company had no employees during the period 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:

	2021	2020
Directors	4	4
	<u>4</u>	<u>4</u>

Allied London Fire Station Holdco Two Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

4. Investments

	Unlisted £
Cost	
As at 1 January 2021	100
As at 31 December 2021	<u>100</u>
Provision	
As at 1 January 2021	-
As at 31 December 2021	<u>-</u>
Net Book Value	
As at 31 December 2021	<u>100</u>
As at 1 January 2021	<u>100</u>

The company owns the entire issued share capital of Allied London Fire Station Limited, the principal activity of which is that of a property investment company. The company is registered in England & Wales with its Registered Office being C/O Allied London, Suite 1, Bonded Warehouse, 18 Lower Byrom Street, Manchester, Greater Manchester, M3 4AP.

5. Debtors

	2021 £	2020 £
Due within one year		
Amounts owed by group undertakings	40,553,334	32,183,844
	<u>40,553,334</u>	<u>32,183,844</u>

All amounts shown under debtors fall due for payment within one year.

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

6. Creditors: Amounts Falling Due Within One Year

	2021 £	2020 £
Amounts owed to group undertakings	40,553,334	32,183,844
	<u>40,553,334</u>	<u>32,183,844</u>

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

7. Share Capital

	2021	2020
Allotted, Called up and fully paid	100	100

8. Financial Instruments

The company considers that the fair value of cash and cash equivalents, loans, trade and other receivables, and trade and other payables are not materially different to their carrying value. There are no financial instruments held at fair value through profit and loss.

9. 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 details of related party transactions with entities that are 100% owned members of the same group. There are no other related party transactions other than as disclosed.

10. Ultimate Controlling Party

The company's immediate parent is Allied London Fire Station Holdco One Limited, a company registered in England & Wales. The ultimate controlling party is Allied London Firestation Holding Company Limited, a company registered in England & Wales.

11. General Information

Allied London Fire Station Holdco Two Limited is a private company, limited by shares, incorporated in England & Wales, registered number 10002600. The registered office is C/O Allied London, Suite 1, Bonded Warehouse, 18 Lower Byrom Street, Manchester, Greater Manchester, M3 4AP.