

00420575

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020



MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Contents

	Page
Company Information	1
Directors' Report	2 - 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report to the Members of MEPC (1946) Limited	5 - 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 15

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Company Information

Registered office

Sixth Floor
150 Cheapside
London
EC2V 6ET

Directors

K Wilman
C Judd (resigned 31 December 2020)
M Torode (resigned 23 August 2019)
J Lisbey (appointed 23 August 2019 and resigned February 2020)
D Duncan (appointed 28 February 2020)
A Stokoe (appointed 1 January 2021)

Company Secretary

Hermes Secretariat Limited

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Registered number

00420575

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Directors' Report

Financial statements

The directors present their report and the audited financial statements for the year to 30 June 2020. This Directors' Report has been prepared in accordance with the special exemptions relating to small companies under s415 of the Companies Act 2006 and therefore taking exemption from the requirement to prepare a strategic report.

Directors

The directors who served throughout the year and subsequently are as stated in Company Information.

Principal activity and review of the business

The principal activity of MEPC (1946) Limited (the "Company") is to act as the holding company for other group entities. The principal activity of other group entities is investment in real estate.

The results for the year are set out in the profit and loss account on page 7.

The profit before tax for the financial year was £24,860,000 (2019: £24,770,000) and the directors consider this to be the key performance indicator for the Company.

The programme to reduce the number of unrequired dormant subsidiaries in existence within the group is ongoing, but otherwise, the directors foresee no material change in the scope or nature of the Company's activities in the next year.

The investment in MEPC Limited was sold on 15 January 2020. Louisville Investments Limited, MEPC Milton Park Limited and MEPC UK Limited were dissolved on 1 November 2019. All four entities were subsidiaries of the Company.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The directors have considered the cash requirements of the Company for at least 12 months from the date of approval of the financial statements. In this forecast the directors have taken account of the implications of the outbreak of COVID-19 which would impact the investment income. The directors have modelled a severe but plausible downside scenario in respect to the Company's cash inflows and incorporating mitigating actions such as reduction of administrative expenses on its cash outflows. The results of this forecast indicate that in this scenario the Company's cash needs are still within the available financial resources of the Company.

Principal risks and uncertainties

The directors have considered the impact on the financial statements of market risk, currency risk, interest rate risk, credit risk and liquidity risk. It has been determined that any adverse changes in the market to the parameters that determine the effects of these financial risks will have a minimal impact on the financial performance and position of the Company.

Results and dividends

The results for the year are set out in the Profit and Loss Account on page 7. The turnover for the year was £nil (2019: £nil) and the profit for the year was £24,860,000 (2019: £24,903,000). Interim dividends totalling £6,347,000 have been paid in the year (2019: £16,000,000).

Events after the Balance Sheet date

There have been no subsequent events since the Balance Sheet date.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Directors' Report

Financial statements

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of 418 of the Companies Act 2006.

Political contributions

The Company did not make any political donations or incur any political expenditure during the year (2019: £nil).

Auditor

KPMG LLP has been appointed as auditor and will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

This report was approved by the Board of Directors and signed on its behalf by:

DocuSigned by:

Diane Duncan

E4F8A03F4227428...

D Duncan
Director
MEPC (1946) Limited
Sixth Floor
150 Cheapside
London
EC2V 6ET

16 June 2021

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
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 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;
- 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 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, 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.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Independent Auditor's Report to the Members of MEPC (1946) Limited

Opinion

We have audited the financial statements of MEPC (1946) Limited ("the company") for the year ended 30 June 2020 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statement is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Independent Auditor's Report to the Members of MEPC (1946) Limited (continued)

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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.

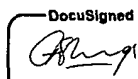
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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:

7C39FD5CF6C14FE...

Craig Steven-Jennings (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London E14 5GL

16 June 2021

MEPC (1946) Limited
Directors' Report and Financial Statements
Profit and Loss Account
For the year ended 30 June 2020

	Notes	2020 £'000	2019 £'000
Dividends from subsidiary investments		5,500	19,000
Administrative expenses		(122)	(236)
Interest income	4	5,829	5,878
Operating profit	2	<u>11,207</u>	<u>24,642</u>
Other income		14	190
Gain/(loss) on disposal of investments and inter-company balances		13,639	(62)
Profit before taxation		<u>24,860</u>	<u>24,770</u>
Tax on profit on ordinary activities	5	-	133
Profit for the year		<u>24,860</u>	<u>24,903</u>

All activities derive from continuing operations.

There were no recognised gains and losses for the year other than those included in the Profit and Loss Account, and as a result no Statement of Other Comprehensive Income has been prepared.

Notes 1 to 15 form part of these financial statements.

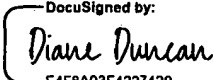
MEPC (1946) Limited
Directors' Report and Financial Statements
Balance Sheet
As at 30 June 2020

	Notes	2020 £'000	2019 £'000
<i>Non-current assets</i>			
Investments	7	643	643
Loan to parent entity	9	264,169	258,349
		<u>264,812</u>	<u>258,992</u>
<i>Current assets</i>			
Debtors: amounts falling due within one year	8	8,387	355
Cash at bank and in hand		6,025	3,696
		<u>14,412</u>	<u>4,051</u>
<i>Current liabilities</i>			
Creditors: amounts falling due within one year	10	(646)	(2,978)
		<u>(646)</u>	<u>(2,978)</u>
Net current assets		<u>13,766</u>	<u>1,073</u>
Net assets		<u>278,578</u>	<u>260,065</u>
<i>Capital and reserves</i>			
Called up share capital	11	130,359	130,359
Share premium account	11	78,073	78,073
Profit and loss account		70,146	51,633
Shareholders' funds		<u>278,578</u>	<u>260,065</u>

Company number: 00420575

Notes 1 to 15 form part of these financial statements.

The financial statements are prepared in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities). The financial statements were approved by the Board of Directors and were authorised for issue on 16 June 2021 and signed on their behalf by:

DocuSigned by:

 E4F8A03F4227429...
D Duncan
Director
MEPC (1946) Limited

16 June 2021

MEPC (1946) Limited
Directors' Report and Financial Statements
Statement of Changes in Equity
For the year ended 30 June 2020

	Called up Share Capital £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total £'000
Balance at 1 July 2018	130,359	78,073	42,730	251,162
Total profit for the year	-	-	24,903	24,903
Dividend paid	-	-	(16,000)	(16,000)
Balance at 1 July 2019	<u>130,359</u>	<u>78,073</u>	<u>51,633</u>	<u>260,065</u>
Total profit for the year	-	-	24,860	24,860
Dividend paid	-	-	(6,347)	(6,347)
Balance at 30 June 2020	<u>130,359</u>	<u>78,073</u>	<u>70,146</u>	<u>278,578</u>

Notes 1 to 15 form part of these financial statements.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and the prior year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council as applicable to small entities.

The functional and presentational currency of the Company is considered to be pounds sterling as this is the currency of the primary economic environment in which the Company operates.

The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on pages 2 - 3.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The directors have considered the cash requirements of the Company for at least 12 months from the date of approval of the financial statements. In this forecast the directors have taken account of the implications of the outbreak of COVID-19 which would impact the investment income. The directors have modelled a severe but plausible downside scenario in respect to the Company's cash inflows and incorporating mitigating actions such as reduction of administrative expenses on its cash outflows. The results of this forecast indicate that in this scenario the Company's cash needs are still within the available financial resources of the Company.

Consolidation exemption

Group accounts incorporating the financial statements of subsidiary undertakings are not prepared as the company is a wholly owned subsidiary of a company registered in England and Wales. Advantage has been taken of the exemption as defined in Section 1A of FRS 102 from preparing consolidated accounts as the group is consolidated by Leconport Estates and its consolidated accounts are available at Sixth Floor, 150 Cheapside, London EC2V 6ET.

Cash flow statement

The Company has taken advantage of exemptions available under Section 1A of FRS 102 not to present a cash flow statement and related notes as it meets the definition of a small entity as set out in Section 1A of FRS 102.

Trade and other receivables

Trade and other receivables, including the loan to parent company disclosed in note 9, are recognised initially at transaction value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses.

A provision for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are specifically identified. Other debtors are recognised at fair value.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

1 Accounting policies (continued)

Trade and other payables

Trade and other payables are recognised initially at transaction value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method.

Investments

Investments in subsidiary are held at cost less provision for impairment.

Investments in subsidiaries are carried on the balance sheet at cost less estimated provision for impairment which is reviewed annually by reference to net asset values of the subsidiaries and the effect of disposals or liquidations of subsidiary companies during the year.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation arises on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Operating profit

This is stated after charging auditor's remuneration for statutory services of £16,790 (2019: £15,695). As of 30 June 2020, there are no non-audit services provided by the Company's auditors.

Auditor's remuneration of £5,980 (2019: £5,590) was paid on behalf of The Metropolitan Railway Surplus Lands Company.

3 Employees and directors

There was no directors' remuneration paid in the current year (2019: £nil). At the year end no retirement benefits were accrued for any directors (2019: £nil) under defined contribution schemes or under defined benefit schemes.

The Company had no employees during the current and prior year.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

4 Interest income	Year ended 30 June 2020 £'000	Year ended 30 June 2019 £'000
Bank interest	10	3
Interest income on loans to immediate parent company	5,819	5,875
	<u>5,829</u>	<u>5,878</u>

5 Taxation	Year ended 30 June 2020 £'000	Year ended 30 June 2019 £'000
Taxation in profit and loss account;		
United Kingdom corporation tax at 19% (2019: 19%)	-	133
Total current taxation	<u>-</u>	<u>133</u>

Factors affecting tax charge for year;

The tax charge in the year is higher than the standard rate of corporation tax in the UK.

Profit on ordinary activities before taxation	<u>24,860</u>	<u>24,770</u>
Profit on ordinary activities before taxation multiplied by tax at the UK standard rate of 19% (2019: 19%)	4,723	4,706
Effects of:		
Expenses not deductible for tax purposes	2	16
Income not taxable for tax purposes	(3,636)	(3,647)
Effects of group relief/ other reliefs	(139)	(125)
Use of losses for which no deferred tax recognised	(950)	1,100
Capital losses	-	(2,050)
Prior year adjustment	-	(133)
Current tax charge for the year	<u>-</u>	<u>(133)</u>

The standard rate of corporation tax in the UK for the year ended 30 June 2020 was 19%. Following the budget announcement on 3 March 2021, the standard rate is due to increase from 19% to 25% from 1 April 2023. This increase in rate has not been substantively enacted at 30 June 2020 and therefore it did not affect the calculation for this period.

6 Deferred tax

The company has unrecognised deferred tax assets in 2020. The company had an unrecognised deferred tax asset of £26,649,312 relating to losses carried forward since 2011 and before (2019: £26,528,304).

The criteria for recognising the deferred tax asset has not been met, and consequently, the amount has accumulated over the previous years.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

7 Investments

Cost	£'000
At 1 July 2019	20,057
Disposals in the year	(19,327)
As at 30 June 2020	<u>730</u>
Provision for impairment	
At 1 July 2019	(19,414)
Movement in provision in the year	19,327
At 30 June 2020	<u>(87)</u>
Net book value at 1 July 2019	<u>643</u>
Net book value at 30 June 2020	<u>643</u>

The subsidiary entities (all registered in England and Wales) owned by MEPC (1946) Limited are:

% Holding of ordinary shares	
30 June 2020	30 June 2019

The following three subsidiaries were dissolved on 1 November 2019:

Louisville Investments Limited	100.00%	100.00%
MEPC Milton Park Limited	100.00%	100.00%
MEPC UK Limited	100.00%	100.00%

The following subsidiary was sold on 15 January 2020:

MEPC Limited	100.00%	100.00%
--------------	---------	---------

The following three subsidiaries were held as at 30 June 2020:

The London County Freehold And Leasehold Properties Ltd*	100.00%	100.00%
Hermes Asset Management Limited*	100.00%	100.00%
The Metropolitan Railway Surplus Lands Company*	100.00%	100.00%

*The registered office of all entities is Sixth Floor, 150 Cheapside, London, EC2V 6ET.

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

8 Debtors: amounts falling due within one year	2020	2019
	£'000	£'000
Amounts due from group undertakings (see note 12)	154	154
Other debtors	8,233	201
	<u>8,387</u>	<u>355</u>

Debtors are initially recognised at transaction value and the carrying value is considered to be the same as fair value.

9 Loan to parent entity	2020	2019
	£'000	£'000
Amounts due from group undertakings (see note 12)	264,169	258,349
	<u>264,169</u>	<u>258,349</u>

Amounts due from group undertakings constitutes a loan to the immediate parent company, Leconport Estates. The balance represents the utilisation of a £300m facility with interest receivable at Libor + 1.5% per annum. This facility was extended on 9 February 2021 and is not due for repayment before 31 December 2021.

Debtors are initially recognised at transaction value and the carrying value is considered to be the same as fair value.

10 Creditors: amounts falling due within one year	2020	2019
	£'000	£'000
Amounts due to subsidiary undertakings (see note 12)	629	2,962
Corporation tax	-	-
Other creditors	17	16
	<u>646</u>	<u>2,978</u>

Creditors are initially recognised at transaction value and the carrying value is considered to be the same as fair value.

Amounts due to subsidiary undertakings are non interest bearing, no security is provided in respect of the amounts due and all amounts are repayable on demand.

11 Called up share capital	2020	2019
	£'000	£'000
Allotted, called up and fully paid:		
430,759,951 Ordinary shares of £0.3026 each	<u>130,359</u>	<u>130,359</u>

At 30 June 2020 there were 430,759,951 (2019: 430,759,951) ordinary shares in issue.

At 30 June 2020 the Share Premium Account was valued at £78,073,000 (2019: £78,073,000).

MEPC (1946) Limited
Directors' Report and Financial Statements
For the year ended 30 June 2020
Notes to the financial statements

12 Related parties

	2020	2019
	£'000	£'000
The following amounts were due to the Company:		
Leconport Estates, immediate parent undertaking	264,169	258,349
BT Pension Scheme, ultimate controlling party	15	15
Caduceus Estates Limited, parent undertaking	<u>139</u>	<u>139</u>

The following amounts were due from MEPC (1946) Limited:

Other subsidiary undertakings	<u>629</u>	<u>2,962</u>
-------------------------------	------------	--------------

With the exception of the balance due from Leconport Estates (see note 9), the balances noted above are provided unsecured, non-interest bearing and payable on demand.

13 Ultimate parent company and controlling party

The directors regard Leconport Estates to be the Company's immediate parent, and the parent of the smallest group of which the Company is a member to prepare group financial statements.

The directors regard the BT Pension Scheme (a UK pension scheme with scheme registration number 100850030) as the Company's ultimate parent controlling party. It is the parent of the largest group of which the Company is a member to prepare group financial statements.

The address of Leconport Estates is Sixth Floor, 150 Cheapside, London, EC2V 6ET. The address of the BT Pension Scheme is One America Square, 17 Crosswall, London, EC3N 2LB where copies of the BT Pension Scheme's financial statements are available.

14 Market consideration - Brexit

The United Kingdom officially left the European Union on 31 January 2020 ("Brexit"). A trade and cooperation agreement was reached on 24 December 2020 surrounding trade interactions between the United Kingdom and European Union. All new relevant rules and regulations apply effective from 1 January 2021.

It is currently not practicable to forecast with certainty how the value of, or the cash flows arising from, assumptions involved in the Company's assets might be affected by Brexit. Consequently, it is currently not possible to accurately quantify the possible effect of Brexit on the Company.

15 Subsequent events

There have been no subsequent events since the Balance Sheet date.