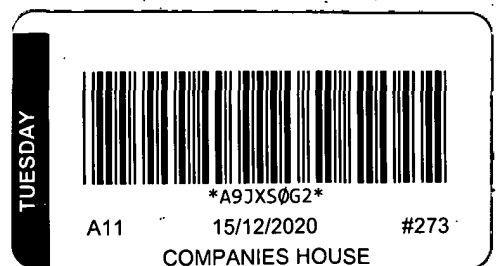


Registered number: 03580188

# LEISURE PARKS II LIMITED

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



## LEISURE PARKS II LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors of Leisure Parks II Limited (the 'Company') present their report and the audited financial statements for the year ended 31 March 2020.

#### Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the audited 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 audited financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited 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 to enable them to ensure that the audited 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.

#### Principal activity, review of the business and future developments

The Company has continued its business of investment holding in the United Kingdom. No changes in the Company's principal activity are anticipated in the foreseeable future.

#### Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Land Securities Group PLC. The directors have received confirmation that Land Securities Group PLC will support the Company for at least one year after these financial statements are approved and signed. The Company's ability to meet its future liabilities is therefore dependent on the financial performance and position of the Group as a whole. The directors have carried out a review, including consideration of appropriate forecasts, which indicate that the Company will have adequate resources to continue to trade for the foreseeable future based on the ongoing liquidity of the Group. At a Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities, as well as forecast covenant compliance. Further stress testing involving downside scenarios has been carried out to ensure the Group has sufficient cash resources to continue in operation for at least the next 12 months from the date of signing these financial statements, considering the deterioration in cash collections as a result of Covid-19. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

#### Results for the year and dividend

The results are set out in the Statement of Comprehensive Income on page 5.

The directors do not recommend the payment of a dividend for the year ended 31 March 2020 (2019: £Nil).

#### Directors

The directors who held office during the year and up to the date of this report were:

E Miles  
R C Futter  
D R Khiroya  
A M Christian-West (resigned 7 February 2020)

#### Indemnity

The Company has made qualifying third-party indemnity provisions for the benefit of the respective director which were in place throughout the year and which remain in place at the date of this report.

#### Small companies exemption

The Directors' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

## LEISURE PARKS II LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

#### Strategic report

The Company has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a Strategic Report.

#### Statement of disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's 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.

Registered Office  
100 Victoria Street  
London  
SW1E 5JL

This report was approved by the Board and signed on its behalf.



M Smout, for and on behalf of LS Company Secretaries Limited  
Company Secretary

Date: 20 August 2020

Registered and domiciled in England and Wales  
Registered number: 03580188

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEISURE PARKS II LIMITED**

### **Opinion**

We have audited the financial statements of Leisure Parks II Limited (the 'Company') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 10, 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 FRS 101 'Reduced Disclosure Framework (United Kingdom Accepted Accounting Practice)'.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

### **Emphasis of matter**

We draw attention to note 1 of the financial statements which describes the appropriateness of preparing the financial statements on the going concern basis due to the continued financial support of the ultimate parent company. Our opinion is not modified in respect of this matter.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The 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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEISURE PARKS II LIMITED (CONTINUED)**

### **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; or
- the directors were not entitled to take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

Claire Johnson (Senior statutory auditor)

For and on behalf of  
Ernst & Young LLP, Statutory Auditor

London  
Date: 21 August 2020

# LEISURE PARKS II LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Dividends received		1,345	874
<b>Profit before tax</b>		<b>1,345</b>	<b>874</b>
Tax on profit		(1)	(12)
<b>Profit for the financial year</b>		<b>1,344</b>	<b>862</b>
<b>Other comprehensive income:</b>			
Fair value reduction of other investments	6	-	(44)
<b>Total comprehensive income for the year</b>		<b>1,344</b>	<b>818</b>

All amounts are derived from continuing activities.

**LEISURE PARKS II LIMITED**  
**REGISTERED NUMBER: 03580188**

**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

	Notes	2020 £	2019 £
<b>Non-current assets</b>			
Other investments	6	15,759	15,759
		<u>15,759</u>	<u>15,759</u>
<b>Current assets</b>			
Amounts due from Group undertakings	7	100	100
		<u>100</u>	<u>100</u>
<b>Current liabilities</b>			
Amounts owed to Group undertakings	8	(16,605)	(17,949)
		<u>(16,605)</u>	<u>(17,949)</u>
<b>Net liabilities</b>		<u>(746)</u>	<u>(2,090)</u>
<b>Capital and reserves</b>			
Share capital	9	100	100
Retained loss		(846)	(2,190)
<b>Total equity</b>		<u>(746)</u>	<u>(2,090)</u>

The financial statements on pages 5 to 11 were approved by the Board of Directors and were signed on its behalf by:

*Ron Lill Fitter*

R C Futter  
Director

Date: 20 August 2020

**LEISURE PARKS II LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	Share capital £	Retained loss £	Total equity £
<b>At 1 April 2018</b>	<b>100</b>	<b>(3,008)</b>	<b>(2,908)</b>
Profit for the financial year	-	862	862
Fair value reduction of other investments	-	(44)	(44)
<b>At 31 March 2019</b>	<b>100</b>	<b>(2,190)</b>	<b>(2,090)</b>
Profit for the financial year	-	1,344	1,344
<b>At 31 March 2020</b>	<b>100</b>	<b>(846)</b>	<b>(746)</b>



## LEISURE PARKS II LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 1. Accounting policies

##### 1.1 Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The financial statements are prepared under the historical cost convention.

Leisure Parks II Limited (the 'Company') is a private company limited by shares and is incorporated, domiciled and registered in England and Wales (Registered number: 03580188). The nature of the Company's operations is set out in the Directors Report on page 1. The results of the Company are included in the consolidated financial statements of Land Securities Group PLC which are available from the Company's registered office at 100 Victoria Street, London, SW1E 5JL.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2020. The financial statements are prepared in Pounds Sterling (£).

##### 1.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The equivalent disclosures relating to IFRS 7, IFRS 13 & IAS 36 are included in the consolidated financial statements of Land Securities Group PLC, in which the entity is consolidated.

##### 1.3 Other investments

Other investments are financial assets held at fair value. Changes to fair value are recorded within Other Comprehensive Income.

##### 1.4 Provisions

A provision is recognised in the Balance Sheet when the Company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where relevant, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

##### 1.5 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Land Securities Group PLC. The directors have received confirmation that Land Securities Group PLC will support the Company for at least one year after these financial statements are approved and signed. The Company's ability to meet its future liabilities is therefore dependent on the financial performance and position of the Group as a whole. The directors have carried out a review, including consideration of appropriate forecasts, which indicate that the Company will have adequate resources to continue to trade for the foreseeable future based on the ongoing liquidity of the Group. At a Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities, as well as forecast covenant compliance. Further stress testing involving downside scenarios has been carried out to ensure the Group has sufficient cash resources to continue in operation for at least the next 12 months from the date of signing these financial statements, considering the deterioration in cash collections as a result of Covid-19. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2020.

##### 1.6 Expenses

Property and contract expenditure is expensed as incurred.

## LEISURE PARKS II LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 1. Accounting policies (continued)

##### 1.7 Income taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years. Deferred tax is provided in full using the Balance Sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than on a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

##### 1.8 Dividends

Final dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

Dividend income is recognised when the Company's right to receive payment is established.

##### 1.9 Intercompany loans

###### Amounts owed to Group undertakings

Amounts owed to Group undertakings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts owed to Group undertakings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the Statement of Comprehensive Income over the period of the loan, using the effective interest method.

###### Amounts due from Group undertakings

Amounts due from Group undertakings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts due from Group undertakings are stated at amortised cost and, where relevant, adjusted for the time value of money. The Company assesses on a forward-looking basis, the expected credit losses associated with its amounts due from Group undertakings. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the amounts due. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses, the Company takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty, which is a fellow subsidiary undertaking of Land Securities Group PLC.

#### 2. Changes in accounting policies and standards

The accounting policies used in these financial statements are consistent with those applied in the last annual financial statements, as amended where relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year, the impact of which is outlined below.

##### Changes in accounting policy

The Company adopted IFRS 16 Leases on 1 April 2019. There has been no net impact on Total Comprehensive Income or on the Company's balance sheet.

##### Amendments to IFRS

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Company none of which are expected to have a material impact on the financial statements of the Company.

#### 3. Significant accounting judgements and estimates

The Company's significant accounting policies are stated in note 1 above. Not all of these significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements. These judgements involve assumptions or estimates in respect of future events. Actual results may differ from these estimates.

##### (a) Amounts due from Group undertakings

The Company is required to judge when there is sufficient objective evidence to require the impairment of amounts due from Group undertakings. It does this by assessing on a forward-looking basis, the expected credit losses associated with its amounts due from Group undertakings. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the amounts due. In determining the expected credit losses, the Company takes into account any future expectations of likely default events based on the level of capitalisation of the counterparty, which is a fellow subsidiary undertaking of Land Securities Group PLC.

## LEISURE PARKS II LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### (b) Impairment in carrying value of subsidiary undertakings

The Company is required to judge when there is sufficient objective evidence to require the impairment of investments in subsidiaries. It does this by assessing the net asset value of each subsidiary undertaking as at year end. A provision for impairment is made if the net asset value of the subsidiary undertaking is lower than the carrying amount of the investment recorded by the Company.

#### 4. Management and administrative expenses

##### (a) Management services

The Company had no employees during the year (2019: None). Management services were provided to the Company throughout the year by X-Leisure Limited, which is a Group undertaking, charges for which amount to £Nil (2019: £Nil).

##### (b) Directors' remuneration

The directors of the Company received no emoluments from X-Leisure Limited for their services to the Company (2019: £Nil).

##### (c) Auditor remuneration

The Group auditor's remuneration is borne by The X-Leisure Limited Partnership. The proportion of the remuneration which relates to the Company amounts to £2,000 (2019: £1,700). The auditor received no remuneration for non-audit services provided to the Company during the year (2019: None).

#### 5. Income tax

	2020 £	2019 £
<b>Corporation tax</b>		
Amounts payable in respect of group relief	1	2
Adjustments in respect of prior years group relief	-	10
<b>Total income tax charge in the Statement of Comprehensive Income</b>	<b>1</b>	<b>12</b>

##### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit before tax	1,345	874
Profit before tax multiplied by UK corporation tax rate	256	166
<b>Effects of:</b>		
Non-taxable income	(256)	(166)
Adjustment in respect of prior years	-	10
Share of taxable result from other investments	1	2
<b>Total tax charge in the Statement of Comprehensive Income (as above)</b>	<b>1</b>	<b>12</b>

Land Securities Group PLC is a Real Estate Investment Trust (REIT). As a result the Company does not pay UK corporation tax on the profits and gains from qualifying rental business in the UK provided it meets certain conditions. Non-qualifying profits and gains of the Company continue to be subject to corporation tax as normal.

# LEISURE PARKS II LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 6. Other investments

	2020 £	2019 £
At the beginning of the year	15,759	15,803
Fair value reduction	-	(44)
<b>At 31 March</b>	<b>15,759</b>	<b>15,759</b>

The directors believe that the carrying value of the investments are supported by their underlying net assets.

The Company holds a 0.08% share in Xscape Milton Keynes Property Unit Trust, an entity incorporated in Jersey.

The Company is not deemed to control Xscape Milton Keynes Property Unit Trust as its powers of control are limited.

### 7. Amounts due from Group undertakings

	2020 £	2019 £
Amounts due from Group undertakings - fellow subsidiaries	100	100
<b>Total amounts due from Group undertakings</b>	<b>100</b>	<b>100</b>

The unsecured amounts due from Group undertakings are interest free and repayable on demand with no fixed repayment date.

### 8. Amounts owed to Group undertakings

	2020 £	2019 £
Amounts owed to Group undertakings - fellow subsidiaries	16,605	17,949
<b>Total amounts owed to Group undertakings</b>	<b>16,605</b>	<b>17,949</b>

The unsecured amounts owed to Group undertakings are interest free and repayable on demand with no fixed repayment date.

### 9. Ordinary share capital

	Authorised and issued		Allotted and fully paid	
	2020 Number	2019 Number	2020 £	2019 £
Class A shares of £0.10 each	651	651	65	65
Class B shares of £0.10 each	149	149	15	15
Class C shares of £0.10 each	200	200	20	20
	<b>1,000</b>	<b>1,000</b>	<b>100</b>	<b>100</b>

There is no difference in voting rights, rights to dividends and rights on the winding up of the Company for each share class.

### 10. Parent company

The immediate parent company is The X-Leisure (General Partner) Limited.

The ultimate parent company and controlling party at 31 March 2020 was Land Securities Group PLC, which is registered in England and Wales. This is the largest parent company of the Group to consolidate these financial statements.

Consolidated financial statements for the year ended 31 March 2020 for Land Securities Group PLC can be obtained from the Company Secretary at the registered office of the ultimate parent company, 100 Victoria Street, London, SW1E 5JL. This is the largest and smallest Group to include these accounts in its consolidated financial statements.