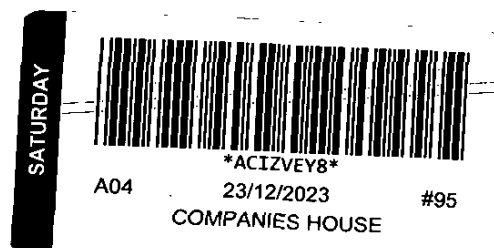


Registered number: 03585923

LS WEST INDIA QUAY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023



LS WEST INDIA QUAY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors of LS West India Quay Limited (the 'Company') present their report and the unaudited financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

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 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 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 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; and
- 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 to 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.

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 have determined 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 (together with its subsidiaries referred to as the 'Group'). The directors' going concern assessment covers the period to 31 December 2024 and confirmation has been received that Land Securities Group PLC will support the Company until this date, so long as the Company remains a subsidiary of Land Securities Group PLC. If the Company was sold within the next 12 months from 31 December 2023, confirmation has been received that Land Securities Group PLC would ensure the Company remains in a position to continue as a going concern at the point of sale. The Company's ability to meet its future liabilities is therefore dependent on the financial performance, position and liquidity of the Group as a whole. At the 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. Stress testing has been carried out to ensure the Group has sufficient cash resources to continue in operation for the period to 31 December 2024. This stress testing modelled a scenario with materially reduced levels of cash receipts over the next 12 months. Based on these considerations, 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 2023.

Results for the year and dividend

The results are set out in the Statement of Comprehensive Income on page 3.

The directors do not recommend the payment of a dividend for the year ended 31 March 2023 (2022: ENil).

Directors

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

Land Securities Management Services Limited
LS Director Limited
R J Loveland (resigned 27 May 2022)
R Bangar (appointed 16 June 2023, resigned 19 October 2023)
D S Rabin (appointed 27 May 2022, resigned 16 June 2023)
L McCaveny (appointed 19 October 2023)

Indemnity

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

LS WEST INDIA QUAY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

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.

Strategic report

The Company has taken advantage of the exemption under section 414B of the Companies Act 2006 not to prepare a Strategic Report.

Registered Office
100 Victoria Street
London
SW1E 5JL

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

DocuSigned by:

Maria Smout

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

Date: December 22, 2023

Registered and domiciled in England and Wales
Registered number: 03585923

LS WEST INDIA QUAY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000	2022 £000
Dividend income		1,420	1,520
Impairment (charge)/reversal on investment in joint venture	7	(5,388)	204
Operating (loss)/ profit		(3,968)	1,724
Interest expense	5	(132)	(157)
(Loss)/Profit before tax		(4,100)	1,567
Taxation	6	-	-
(Loss)/Profit and total comprehensive (loss)/income for the financial year		(4,100)	1,567

There were no recognised gains or losses for 2023 or 2022 other than those included in the Statement of Comprehensive Income.

All amounts are derived from continuing activities.

LS WEST INDIA QUAY LIMITED
Registered number: 03585923

BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £000	2022 £000
Non-current assets			
Investment in a joint venture	7	23,718	29,106
		<u>23,718</u>	<u>29,106</u>
Current assets			
Amounts due from joint venture	8	862	587
		<u>862</u>	<u>587</u>
Current liabilities			
Amounts owed to Group undertakings	9	(2,775)	(3,788)
		<u>(2,775)</u>	<u>(3,788)</u>
Net assets		<u>21,805</u>	<u>25,905</u>
Capital and reserves			
Share capital	10	25,000	25,000
Retained (loss)/earnings		(3,195)	905
Total equity		<u>21,805</u>	<u>25,905</u>

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

The financial statements on pages 3 to 10 were approved by the board of directors and were signed on its behalf by:

DocuSigned by:


E Gilbe, for and on behalf of LS Director Limited

Date: December 22, 2023

LS WEST INDIA QUAY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital	Retained (loss)/earnings	Total equity
	£000	£000	£000
At 1 April 2021	25,000	(662)	24,338
Total comprehensive income for the financial year	-	1,567	1,567
At 31 March 2022	25,000	905	25,905
Total comprehensive loss for the financial year	-	(4,100)	(4,100)
At 31 March 2023	25,000	(3,195)	21,805

LS WEST INDIA QUAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

LS West India Quay Limited (the 'Company') is a private company limited by shares and is incorporated, domiciled and registered in England and Wales (Registered number: 03585923). 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 2023. The financial statements are prepared in Pounds Sterling (£) and are rounded to the nearest thousand pounds (£000) unless otherwise stated.

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; and
 - paragraphs 76 and 79(d) of IAS 40 Investment Property
- 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 and IAS 36 are included in the consolidated financial statements of Land Securities Group PLC, in which the entity is consolidated.

1.3 Investment in a joint venture

Investment in a joint venture is carried at cost, less any repayment of joint venture capital and provision for impairment in value (see 1.7).

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 Share capital

Ordinary shares are classified as equity.

1.6 Going concern

The directors have determined 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 (together with its subsidiaries referred to as the 'Group'). The directors' going concern assessment covers the period to 31 December 2024 and confirmation has been received that Land Securities Group PLC will support the Company until this date, so long as the Company remains a subsidiary of Land Securities Group PLC. If the Company was sold within the next 12 months from 31 December 2023, confirmation has been received that Land Securities Group PLC would ensure the Company remains in a position to continue as a going concern at the point of sale. The Company's ability to meet its future liabilities is therefore dependent on the financial performance, position and liquidity of the Group as a whole. At the 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. Stress testing has been carried out to ensure the Group has sufficient cash resources to continue in operation for the period to 31 December 2024. This stress testing modelled a scenario with materially reduced levels of cash receipts over the next 12 months. Based on these considerations, 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 2023.

LS WEST INDIA QUAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

1.7 Impairment

The carrying amounts of the Company's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below). An impairment loss is recognised in the Statement of Comprehensive Income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. The value in use is determined as the net present value of the future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the amount that would have been determined, net of applicable depreciation, if no impairment loss had been recognised.

1.8 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.

1.9 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.

1.10 Amounts due from joint ventures

Amounts due from joint ventures are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, amounts due from joint ventures 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 joint ventures. 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.

1.11 Dividend

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.

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. There have been no new accounting standards, amendments or interpretations during the year that have a material impact on the financial statements of the Company.

Amendments to accounting standards

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.

LS WEST INDIA QUAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 estimates involve assumptions or judgements in respect of future events. Actual results may differ from these estimates.

Estimates

(a) Amounts due from joint ventures

The Company is required to estimate the impairment of amounts due from joint ventures. It does this by assessing on a forward-looking basis, the expected credit losses associated with its amounts due from joint ventures. 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.

(b) Impairment of investment in a joint venture

The Company is required to estimate the impairment of investments in joint ventures. It does this by assessing the net asset value of each joint venture as at year end. A provision for impairment is made if the net asset value of the joint venture is lower than the carrying amount of the investment recorded by the Company. A reversal of impairment loss is made if the net asset value of the joint venture is higher 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 (2022: None). Management services were provided to the Company throughout the year by Land Securities Properties Limited, a fellow subsidiary undertaking, charges for which amount to £Nil (2022: £Nil).

(b) Directors' remuneration

The Group's directors' emoluments are borne by Land Securities Properties Limited. The directors of the Company, who are key management personnel of the Company, received no emoluments from Land Securities Properties Limited for their services to the Company (2022: £Nil).

5. Interest expense

	2023 £000	2022 £000
Interest on amounts owed to Group undertakings	132	157
Total interest expense	132	157

6. Taxation

	2023 £000	2022 £000
Corporation tax		
Income tax on (loss)/profit for the year	-	-
Total income tax on (loss)/profit in the Statement of Comprehensive Income	-	-

LS WEST INDIA QUAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of **19%** (2022: 19%). The differences are explained below:

	2023 £000	2022 £000
(Loss)/Profit before tax	(4,100)	1,567
(Loss)/Profit before tax multiplied by standard rate of corporation tax in the UK	(779)	298
Effects of:		
Non-taxable income	(270)	(328)
Expenses not deductible for tax purposes	1,049	30
Total tax charge in the Statement of Comprehensive Income (as above)	-	-

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.

7. Investment in a joint venture

	2023 £000	2022 £000
At beginning of the financial year	29,106	28,902
Impairment (charge)/reversal for the year	(5,388)	204
At 31 March	23,718	29,106

The total cost of investment in joint venture is **£29,985,000** (2022: £29,985,000). The total provision for impairment of investment in joint venture is **£6,267,000** (2022: £879,000).

The reversal of impairment charges in the prior year have been recognised as a result of the fair value of the net assets of the joint venture becoming higher than the net book value.

The directors believe that the carrying value of the investment is supported by the fair value of the net assets of the joint venture.

The Company owns 49.95% of West India Quay Unit Trust which is a joint venture and draws up accounts to 31 March. West India Quay Unit Trust is a joint venture between LS West India Quay Limited and Schroder UK Real Estate Fund, which owns and manages a shopping centre. The joint venture operates its business of property investment in the United Kingdom and is registered in Jersey.

8. Amounts due from joint venture

	2023 £000	2022 £000
Amounts due from West India Quay Unit Trust	862	587
Total amounts due from joint venture	862	587

The unsecured amounts due from joint ventures are interest free, repayable on demand with no fixed repayment date.

LS WEST INDIA QUAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Amounts owed to Group undertakings

	2023 £000	2022 £000
Amounts owed to Group undertakings - fellow subsidiary	2,775	3,788
	<u>2,775</u>	<u>3,788</u>

The unsecured amounts owed to Group undertakings are repayable on demand with no fixed repayment date. Interest is charged at **4.3%** (2022: 3.7%) per annum.

10. Share capital

	Authorised and issued		Allotted and fully paid	
	2023 Number	2022 Number	2023 £000	2022 £000
Ordinary shares of £1.00 each	25,000,000	25,000,000	25,000	25,000
	<u>25,000,000</u>	<u>25,000,000</u>	<u>25,000</u>	<u>25,000</u>

11. Parent company

The immediate parent company is Land Securities Portfolio Management Limited.

The ultimate parent company and controlling party at 31 March 2023 was Land Securities Group PLC, which is registered in England and Wales.

Consolidated financial statements for the year ended 31 March 2023 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, and from the Group website at www.landsec.com. This is the largest and smallest Group to include these financial statements in its consolidated financial statements.