

**Legal & General Partnership Holdings Limited**  
**Report and Accounts**  
**Year ended 31 December 2021**

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**Principal activity**

Legal & General Partnership Holdings Limited (the 'Company') is a wholly owned subsidiary of Legal & General Group Plc (the 'Parent') and is a company limited by shares. The principal activity of the Company is that of a holding company.

The Company operates in its country of incorporation, England and Wales. The Company's registered office is at One, Coleman Street, London, EC2R 5AA, United Kingdom and it is registered in England and Wales under company number 05046046 and domiciled in the United Kingdom.

**Business review**

The principal subsidiary undertakings of the Company, all of which are 100% owned are shown in the table below.

<b>Subsidiary name</b>	<b>Principal activity</b>
City & Urban Developments Limited	Holding company
Clevermover Limited	Ceased trading
Finovation Limited	Pension tracing and transfer service
Investment Discounts On Line Limited	Insurance agents and brokers
Legal & General Digital Solutions Limited	Technology services
Legal & General Financial Advice Limited	Provision of financial advice
Legal & General Home Finance Holding Company	Holding company
Legal & General Partnership Services Limited	Provision of services

During the year, the Company made a number of investments in existing subsidiaries and associates. Funds to invest were raised through share issues to the Parent. Details of the capital injections received from the Parent are outlined below:

<b>Date</b>	<b>Share issue to parent</b>	<b>Total investment</b>	<b>To facilitate investment in</b>
Feb 21 <sup>1</sup>	£5.0m	£5.0m	Legal & General Digital Solutions Limited
Apr 21 <sup>2</sup>	£2.4m	£2.4m	Current Health Limited
Jun 21 <sup>3</sup>	£3.3m	£3.3m	Finovation Limited
Aug 21 <sup>4</sup>	£1.5m	£1.5m	Smarr365 Finance Limited (convertible loan)
Oct 21 <sup>5</sup>	£4.5m	£4.5m	Legal & General Financial Advice Limited
Dec 21 <sup>6</sup>	£8.1m	£8.1m	Household Capital Pty Limited (convertible loan)

<sup>1</sup>The Company issued 500 shares to its parent for a consideration of £10,000 each to invest £5.0m in Legal & General Digital Solutions Limited.

<sup>2</sup>The Company issued 2,371 shares to its parent for a consideration of £1,000 each to invest £2.4m in Current Health Limited.

<sup>3</sup>The Company issued 3,300 shares to its parent for a consideration of £1,000 each to invest £3.3m in Finovation Limited.

<sup>4</sup>The Company issued 12,832 shares to its parent for a consideration of £116.9 each to invest in a £1.5m convertible loan issued by Smarr365 Finance Limited.

<sup>5</sup>The Company issued 1,000,000 shares to its parent for a consideration of £4.5 each to invest £4.5m in Legal & General Financial Advice Limited.

<sup>6</sup>The Company issued 7,500,376 shares to its parent for a consideration of £1.08 each to invest in a \$AUD15m convertible loan issued by Household Capital Pty Limited.

During the year the Company sold its investment in Current Health Limited, realising a gain of £24.5m.

The Company does not have direct employees since they are employed by a fellow subsidiary of Legal & General Group Plc.

**Principal risks and uncertainties**

The principal risk facing the Company is the performance of its investments in subsidiaries and associates and their ability to support the value of the investment and to remit dividends. The Company reviews the carrying value of its investments in subsidiaries and associates at each balance sheet date. For the year ended 31 December 2021, the Company has recognised a net impairment charge of £16.3m (2020: £5.5m).

2022 has seen a range of geopolitical risks come to the fore, with the potential for significant disruption to global economics activity. We are carefully monitoring the impacts for our businesses from a range of geopolitical scenarios and to ensure we remain financially and operationally resilient to adverse events.

**Financial key performance indicators**

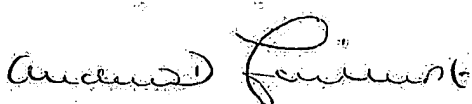
The Company has taken advantage of the exemption under paragraph 414(b) of the Companies Act 2006 and, as such, the disclosure of key performance indicators is not required.

**Issued share capital**

In the year 8,519,379 ordinary shares of £1 each fully paid were allotted to the Parent (2020: 2,542,888) for a total consideration of £24.8m (2020: £29.9m) in the following transactions:

- 2 February 2021, 500 shares with a par value of £1 per share for a consideration of £10,000 each
- 19 April 2021, 2,371 shares with a par value of £1 per share for a consideration of £1,000 each
- 16 June 2021, 3,300 shares with a par value of £1 per share for a consideration of £1,000 each
- 16 August 2021, 12,832 shares with a par value of £1 per share for a consideration of £116.9 each
- 29 October 2021, 1,000,000 shares with a par value of £1 per share for a consideration of £4.5 each
- 13 December 2021, 7,500,376 shares with a par value of £1 per share for a consideration of £1.08 each

By Order of the Board



A. D. Fairhurst  
**For and on behalf of Legal & General Co Sec Limited**  
Company Secretary  
14 September 2022



## Section 172(1) Statement & Stakeholder Engagement

Legal & General Partnership Holdings Limited  
Report and Accounts 2021

The Board of Legal & General Partnership Holdings Limited (the 'Company') consider that they have adhered to the requirements of section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making.

### General

The Legal & General Group Plc (the 'Group') promotes the highest standards of governance and ensures that these standards cascade throughout the Group and its subsidiaries. Guiding principles are in place for the relationship between the Group Board and the Boards of the Group's principal subsidiaries. This framework promotes full and effective interaction across all levels of the Group to support the delivery of strategy and business objectives within a framework of best corporate governance practice. A full description of the Group's governance arrangements can be found in the Group Annual Report and Accounts.

Corporate governance underpins how we conduct ourselves as a Board, our culture, values, behaviours and how we do business. As a Board we are conscious of the impact that our business and decisions have on our direct stakeholders as well as our wider societal impact.

As part of the director induction process, directors are briefed on their duties, including their duty under s.172 of the Act. The directors are entitled to request from the Company all such information they may reasonably require in order to be able to perform their duties as directors, including professional advice from either the Company Secretary or from an independent advisor at the Company's expense. On-going training is provided to the directors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as directors.

### S.172(1) Statement & Stakeholder Engagement

As part of the wider Group, taking into account the relative size and principal activities of the Company, and also the centralised nature of the Group, in certain situations the Board may consider it reasonable for decision making to be handled by the Group Board.

The Company's principal activity is that of an intermediate holding company. As such, its Principal Decisions are limited to approval of the statutory accounts and any dividend payment (where appropriate). It has limited direct external stakeholders and, therefore, the Board consider it appropriate that the majority of stakeholder engagement and decision making is undertaken at Group level, as follows:

Stakeholders Their importance to us	Approach to Stakeholder Engagement
<b>Shareholders</b>  Our shareholders are vital to the future success of our business, providing funds which aid business growth and the generation of sustainable returns.	Our ultimate shareholder is Legal & General Group Plc, whose shareholders are institutional and individual investors who own Legal & General shares or bonds.  Performance metrics and updates are provided by the Board to our parent company, with subsidiary performance cascaded up the Group. Value is generated for shareholders by supporting the overall Group to deliver on the business plan.
<b>Customers</b>  Listening to our customers helps us to better understand their needs and provide suitable and reliable products and services.	Our teams are dedicated to making sure we constantly refine what we do – making customers feel confident that we're delivering our promises to them in everything we do.  The Group's designated Customer Champion reports to the Group Board on a quarterly basis.
<b>Workforce</b>  Engaging with our people enables us to create an inclusive company culture and a positive working environment.	In 2019 the Group moved from a traditional annual employee survey to a 'Voice Survey' of more frequent digital listening, giving real-time employee feedback and allowing us to create a better dialogue with the workforce. The surveys also provided insight into our employees wellbeing and cultural changes. Following these surveys, action plans at Group, divisional and local level are put into place. At Group level there is a Designated Workforce Director on the Board.  These methods of engagement ensure that we continue to foster an inclusive and supportive working environment for our employees, thus ensuring the sustainability of the company in the long term.

## Section 172(1) Statement & Stakeholder Engagement (continued)

Legal & General Partnership Holdings Limited  
Report and Accounts 2021

Stakeholders Their importance to us	Approach to Stakeholder Engagement
<p><b>Suppliers</b></p> <p>Interaction with our suppliers and treating our suppliers fairly allows us to drive high standards and reduce risk in our supply chain whilst also benefitting from cost efficiencies and generating positive outcomes for the environment and wider society.</p>	<p>As a Group we hold regular meetings with our key suppliers ensuring risks are proactively managed and they are up to date on latest developments and best practice. We strive to work with like-minded businesses, requiring suppliers to comply with our Supplier Code of Conduct. This safeguards the relationship and establishes standards that ensure suppliers operate ethically, are environmentally responsible and that their workers are treated with respect and dignity.</p>
<p><b>Community / wider society</b></p> <p>Contributing positively to wider society enables us to create stronger communities and have a positive environmental impact.</p>	<p>Our purpose is to improve the lives of our customers, build a better society for the long term and create value for our shareholders. This inspires us to use our long term assets in an economically and socially useful way to benefit everyone in our communities. Our approach to inclusive capitalism takes our belief in responsible behaviour and extends it into investing in communities and cities to change people's lives for the better.</p> <p>The Group's full Corporate Responsibility Report can be found here: <a href="https://www.legalandgeneralgroup.com/csr/csr-reports/">https://www.legalandgeneralgroup.com/csr/csr-reports/</a></p> <p>The Group has a Group Corporate Responsibility &amp; Ethics ("GCRE") Committee, which has responsibility and oversight of such matters. The Group Board approve the GCRE Policy on an annual basis and this is implemented across the Group.</p>

Further information on how the Legal & General Plc Group Board have engaged with stakeholders can be found in the Group s.172(1) Statement, which can be found here: [legalandgeneralgroup.com/investors/results-reports-and-presentations/](https://www.legalandgeneralgroup.com/investors/results-reports-and-presentations/)

## Directors' Report (continued)

Legal & General Partnership Holdings Limited  
Report and Accounts 2021

The directors present their Directors' Report together with the audited financial statements of Legal & General Partnership Holdings Limited (the 'Company') for the year ended 31 December 2021.

### Future developments

The directors intend for the Company to continue carrying out activities appropriate for a financial services holding company for the foreseeable future.

On 10 February 2022, the Company acquired 51,320 series A shares in Tumelo Limited for a total consideration of £2.0m. The Company also invested in a £2.5m convertible loan issued by Tumelo Limited. The Company funded these investments by issuing 51,320 ordinary shares of £1 each allotted to Legal & General Group Plc (the 'Parent') for a total consideration of £4.5m.

On 14 March 2022 the Company acquired 15,711 ordinary shares in Smartr365 Finance Limited for a total consideration of £2.7m. The Company funded this investment by issuing 15,711 ordinary shares of £1 each allotted to the Parent for a total consideration of £2.7m. The Company also converted its £1.5m convertible loan with Smartr365 Finance Limited into 13,326 ordinary shares.

On 28 March 2022 the Company invested in a £5.1m convertible loan issued by Salary Direct Holdings Limited. The Company funded this investment by issuing 306,175 ordinary shares of £1 each allotted to the Parent for a total consideration of £5.1m.

On 29 April 2022, the Company acquired 10,111,734 preference shares in Onto Holdings Limited for a total consideration of £20.0m. The Company funded this investment by issuing 10,111,734 ordinary shares of £1 each allotted to the Parent for a total consideration of £20.0m.

### Results for the year and dividend

The results of the Company are set out on page 12. The directors do not recommend the payment of a final dividend (2020: £nil). An interim dividend of £11.5m (2020: £8.0m) was paid on 21 December 2021.

### Going concern

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern for the foreseeable future have been identified by the directors. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the reasons set out in Note 1C.

### Financial instruments

Legal & General companies use financial instruments to manage certain financial risks. The Company's exposure to financial risk through its financial assets and liabilities is not considered to be material to the assessment of the Company's assets, liabilities, financial position, and the comprehensive income of the Company.

### Directors

The directors of the Company, who were in office during the year and up to the date of signing the financial statements, are shown below:

B. L. Hickman  
A. Kail (appointed 25 March 2021, resigned 22 March 2022)  
C. J. Knight (resigned 25 March 2021)  
G. O'Neill  
W. J. Pieterse (appointed 22 June 2022)  
Sir Nigel Wilson

### Directors' insurance

The ultimate parent company, Legal & General Group Plc, maintains an appropriate level of Directors' and Officers' liability insurance, which is reviewed annually.

### Directors' indemnities (§236 of the Companies Act 2006)

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision, as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### Charitable donations

The Company did not make any charitable donations during the year (2020: £nil).

### Political contributions

The Company did not make any political contributions during the year (2020: £nil).

**Modern slavery**

The Group and its global subsidiaries recognise that companies have an obligation to ensure that their business and supporting supply chains are slavery free. Legal & General's full slavery statement can be found at [legalandgeneralgroup.com](https://www.legalandgeneralgroup.com).

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 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 estimates that are reasonable, relevant and reliable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Disclosure of information to auditors**

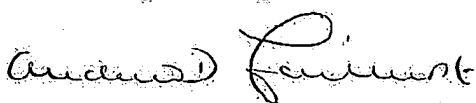
Each of the directors, who held office at the date the Directors' Report is approved, confirms that:

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

**Independent auditors**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By Order of the Board



A. D. Fairhurst  
**For and on behalf of Legal & General Co Sec Limited**  
Company Secretary  
14 September 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEGAL & GENERAL PARTNERSHIP HOLDINGS LIMITED****Opinion**

We have audited the financial statements of Legal & General Partnership Holdings Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the summary of significant 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 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework
- 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 statements 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 above conclusions are not a guarantee that the Company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect***Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors and inspection of policy documentation as to L&G Group Plc's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.
- reading board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates such as impairment of investment in subsidiaries and associates. On this audit we do not believe there is a fraud risk related to revenue recognition because there is no management judgement involved in the recognition and measurement of the transaction price of material revenue streams.

We did not identify any additional fraud risks.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEGAL & GENERAL PARTNERSHIP HOLDINGS LIMITED (CONTINUED)**

We performed procedures including:

- agreeing all material accounting entries in the period to supporting documentation.
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic Report and 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 Strategic Report and 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.

### **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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 7, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEGAL & GENERAL PARTNERSHIP HOLDINGS LIMITED  
(CONTINUED)**

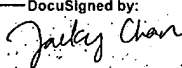
**Auditor's responsibilities**

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](http://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:  
  
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**Jacky Chan (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
KPMG LLP  
15 Canada Square  
E14 5GL  
14 September 2022

**Statement of Comprehensive Income**

For the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
<b>Income</b>			
Income from shares in group undertakings	1H	11,500.0	8,000.0
Other income	1M/5	24,470.0	-
<b>Total income</b>		<b>35,970.0</b>	<b>8,000.0</b>
<b>Expenses</b>			
Administrative expenses		(21.2)	(82.2)
Impairment loss recognised in respect of investments	1E/9/10	(17,030.6)	(5,539.4)
<b>Total expenses</b>		<b>(17,051.8)</b>	<b>(5,621.6)</b>
<b>Profit before interest and tax</b>		<b>18,918.2</b>	<b>2,378.4</b>
Finance income		119.0	-
Finance expenses		(63.5)	-
<b>Finance income - net</b>	1N/6	<b>55.5</b>	<b>-</b>
<b>Profit before income tax</b>		<b>18,973.7</b>	<b>2,378.4</b>
Income tax (charge) / credit	1K/7	(18.6)	1.8
<b>Profit and total comprehensive income for the financial year</b>		<b>18,955.1</b>	<b>2,380.2</b>

There were no gains or losses in the period other than those included in the above Statement of Comprehensive Income.

The accompanying notes form part of these financial statements.

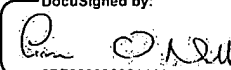
**Balance Sheet**

As at 31 December 2021

	Notes	2021 £'000	2020 £'000
<b>Non-current assets</b>			
Investment in subsidiaries	1E/9	76,535.9	74,633.2
Investment in associates	1E/10	62,211.5	73,225.5
Financial investments	1F/11	533.4	484.0
		<b>139,280.8</b>	148,342.7
<b>Current assets</b>			
Financial investments	1F/11	9,618.1	-
Trade and other receivables	12	34,829.5	3,122.2
Cash and cash equivalents	1L/13	5,974.1	6,000.0
<b>Total assets</b>		<b>189,702.5</b>	157,464.9
<b>Current liabilities</b>			
Trade and other payables	14	6,008.5	6,009.6
<b>Total liabilities</b>		<b>6,008.5</b>	6,009.6
<b>Net assets</b>		<b>183,694.0</b>	151,455.3
<b>Equity</b>			
Share capital	15	17,390.1	8,870.7
Share premium account		85,786.0	69,521.8
Capital contributions		77,516.9	77,516.9
Retained earnings		3,001.0	(4,454.1)
<b>Total equity</b>		<b>183,694.0</b>	151,455.3

The notes on pages 14 to 21 are an integral part of these financial statements.

The financial statements on pages 11 to 13 were authorised by the board of directors on 14 September 2022 and were signed on their behalf by

DocuSigned by:  
  
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G. O'Neill  
Director

**Statement of Changes in Equity**

	Share capital £'000	Share premium account £'000	Capital contributions £'000	Retained earnings £'000	Total equity £'000
<b>For the year ended 31 December 2021</b>					
As at 1 January	8,870.7	69,521.8	77,516.9	(4,454.1)	151,455.3
Total comprehensive income for the year	-	-	-	18,955.1	18,955.1
Dividends	-	-	-	(11,500.0)	(11,500.0)
Share issue	8,519.4	16,264.2	-	-	24,783.6
<b>As at 31 December 2021</b>	<b>17,390.1</b>	<b>85,786.0</b>	<b>77,516.9</b>	<b>3,001.0</b>	<b>183,694.0</b>
<b>For the year ended 31 December 2020</b>					
As at 1 January	6,327.8	42,138.9	65,116.9	6,165.7	119,749.3
Total comprehensive income for the year	-	-	-	2,380.2	2,380.2
Dividends	-	-	-	(8,000.0)	(8,000.0)
Share issue	2,542.9	27,382.9	-	-	29,925.8
Capital contributions	-	-	7,400.0	-	7,400.0
Reclassification of historic capital contributions <sup>1</sup>	-	-	5,000.0	(5,000.0)	-
<b>As at 31 December 2020</b>	<b>8,870.7</b>	<b>69,521.8</b>	<b>77,516.9</b>	<b>(4,454.1)</b>	<b>151,455.3</b>

<sup>1</sup>During 2020 there was a reclassification of £5.0m to recognise capital contributions from 2008 (£4.0m) and 2009 (£1.0m) that had been previously reported within the retained earnings reserve.

The accompanying notes form part of these financial statements.

## 1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### A. Basis of preparation

The financial statements of Legal & General Partnership Holdings Limited (the 'Company') have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS101). The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through income statement, and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraph 38 of IAS 1, 'Presentation of financial instruments comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows)
  - 16 (a statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The Company has adopted the amendment to the Companies Act Regulations and the UK GAAP reduced disclosure framework (FRS101), published by the Financial Reporting Council on 28 March 2018, allowing companies to adapt the format of the primary financial statements in line with the presentation requirements of IAS 1.

### B. Accounting estimates and judgements

The preparation of financial statements includes the use of estimates and assumptions which affect items reported in the Balance Sheet and Statement of Comprehensive Income. Although these estimates are based on management's best knowledge of current circumstances and future events and actions, actual results may differ from those estimates, possibly significantly. For the Company, this is relevant for the carrying value of loans, investments in subsidiaries and investment in associates. The basis of accounting for these areas, and judgements used in determining them, are outlined in Note 1E, 1F, 1G, and 1K.

### C. Going concern

As the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, the Company continues to adopt the going concern basis in preparing its financial statements.

The directors have made an assessment of the Company's going concern, considering the current performance of both the Company and Legal & General Group Plc (the 'Group') and the Company's outlook for a period of at least, but not limited to, 12 months from the date of approval of these financial statements. This assessment takes into account the current and future impact from potential economic and market downturns, including the global impacts of the events between Russia and Ukraine, using the information available up to the date of issue of the Company's financial statements.

Having reassessed the principal risks and uncertainties, both financial and operational, in light of the current economic climate, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for a period of, but not limited to, 12 months from the date of approval of the financial statements and therefore have considered it appropriate to adopt the going concern basis of accounting when preparing the financial statements.

### D. Consolidation

The Company is a wholly owned subsidiary of Legal & General Group Plc. It is included in the consolidated financial statements of Legal & General Group Plc, which are publicly available. Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

**1. Summary of significant accounting policies (continued)****E. Investments in subsidiaries and associates**

Investments in subsidiaries and associates are carried at cost less, where appropriate, allowances for impairment. Investments in subsidiaries and associates are assessed annually for indicators of impairment. Where indicators of impairment exist, the carrying value of the investment is compared against its recoverable amount, which is the higher of the fair value less cost to sell or the value in use, with any resulting impairment recorded in the Statement of Comprehensive Income.

Investments in subsidiary undertakings are recognised from the date of gaining control up to the date of disposal or the date of losing control. Investments in associates are recognised from the date of gaining significant influence up to the date of disposal or the date of losing significant influence.

Upon loss of significant influence over an associate, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence, and the fair value of the retained investment and any proceeds from disposal, is recognised in the Statement of Comprehensive Income.

**F. Financial assets**

On initial recognition, financial assets are measured at fair value. Subsequently, they can be measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification depends on two criteria:

- (i) the business model within which financial assets are managed; and
- (ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

A debt instrument is measured at amortised cost if it meets the following conditions:

- (i) it is held within a business model that has an objective to hold financial assets to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset result in cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

A debt security is measured at FVOCI if it meets the following conditions:

- (i) it is held for collection of contractual cash flows and for selling the financial assets; and
- (ii) the asset's cash flows represent solely payments of principal and interest.

Financial assets which fail the SPPI test, such as equity securities, are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Additionally, equity instruments which the Company intends to hold for the foreseeable future can be irrevocably elected to be classified upon initial recognition or transition at FVOCI, with no recycling of gains or losses to profit or loss on derecognition.

Trade receivables and amounts due from group undertakings are initially measured at fair value plus acquisition costs, and subsequently measured at amortised cost using the effective interest method. Financial investments in equity securities and convertible loans, which fail the SPPI test, are measured at FVTPL.

**G. Impairment**

For financial assets held at amortised cost, the Company reviews the carrying value of its assets at each balance sheet date. For such assets, the Company determines forward looking expected credit losses ('ECL'), based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company measures loss allowance at an amount equal to lifetime ECLs, except for debt securities that are determined to have low credit risk at the reporting date and other debt securities for which credit risk has not increased significantly since initial recognition. In these cases, ECLs are based on the 12-month ECL, which is the ECL that results from a possible default up to 12 months after the reporting date. The Company uses relevant quantitative and qualitative information and analysis based on historical experience, and informed credit assessment including forward-looking information in order to evaluate the credit-worthiness of each security at each reporting date, to determine whether a significant increase in credit risk since origination occurred. Should this be the case, the allowance will be based on the lifetime ECL.

ECLs are calculated by considering the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The PD is determined by reference to third party information on available companies, or using qualitative information available to the Company, and depends on whether a financial asset requires determination of a 12-month ECL or lifetime ECL. The LGD is determined with reference to any exposure reducing instruments such as collateral or liquid assets that the counterparty may have. The EAD is determined as the amount of the loan balance outstanding at the reporting date.

**H. Income from shares in group undertakings**

Income from shares in group undertakings may include dividends receivable from subsidiary companies. Interim dividends are recognised when received and final dividends are recognised when approved by the subsidiary boards.

**1. Summary of significant accounting policies (continued)****I. Income from shares in associates**

Income from shares in associates may include dividends from investments in associates. Interim dividends are recognised when received and final dividends are recognised when approved by the associate boards.

**J. Dividend recognition**

A dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are authorised and thus are no longer at the discretion of the Company.

**K. Current tax**

Current tax comprises tax payable and receivable on current year profits, adjusted for non-tax deductible or non-taxable items, and any adjustments to tax payable in respect of previous periods. Current tax is recognised in the Statement of Comprehensive Income unless it relates to items which are recognised directly in equity.

**L. Cash and cash equivalents**

Cash and cash equivalents represents deposits held at call with banks. The Company's cash balance is made up of a government grant which is being held in trust for Innovate UK.

**M. Other income**

Other income includes gains on equity investments measured at FVTPL.

**N. Finance income and expenses**

Finance income and expenses are recognised on an accruals basis.

**O. Foreign currency translation****(i) Functional and presentational currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**2. Auditor's remuneration**

The Company paid audit fees of £16,000 (2020: £15,000). The auditor received £nil fees (2020: £nil) for non-audit services on the Company's behalf.

**3. Employees**

The Company does not have direct employees since they are employed by a fellow subsidiary of Legal & General Group Plc, Legal & General Resources Limited (2020: none).

**4. Directors' emoluments**

	2021 £'000	2020 £'000
Short-term employment benefits	99.0	159.3
<b>Aggregate emoluments</b>	<b>99.0</b>	<b>159.3</b>

No director had any material interest in any contract or arrangement in relation to the business of the Company in 2021 (2020: none).

No retirement benefits accrued for the directors under the defined benefit scheme during 2021 (2020: none).

**5. Other income**

	2021 £'000	2020 £'000
Gain on financial assets measured at FVTPL	24,470.0	-
<b>Total other income</b>	<b>24,470.0</b>	<b>-</b>

During the year the Company lost significant influence over its investment in associate, Current Health Limited (Note 10). Subsequently, the equity investment was measured at fair value through profit or loss before being sold in September 2021. Other income also includes a related £537.0k foreign exchange gain.

**6. Finance income - net**

	2021 £'000	2020 £'000
Interest receivable on amounts due from group undertakings (loan)	0.5	-
Interest receivable on convertible loans	118.5	-
<b>Finance income</b>	<b>119.0</b>	<b>-</b>
Foreign exchange loss	(63.5)	-
<b>Finance expenses</b>	<b>(63.5)</b>	<b>-</b>
<b>Finance income – net</b>	<b>55.5</b>	<b>-</b>

**7. Income tax expense**

	2021 £'000	2020 £'000
<b>Current tax</b>		
Current tax for the year	18.6	(1.8)
<b>Total current tax</b>	<b>18.6</b>	<b>(1.8)</b>

The tax attributable to equity holders differs from the tax calculated at the standard UK corporation tax rate as follows:

	2021 £'000	2020 £'000
<b>Profit before tax</b>	<b>18,973.7</b>	<b>2,378.4</b>
Tax at 19% (2020: 19%)	3,605.0	451.9
<b>Effects of:</b>		
Difference between taxable and accounting investment gains/losses	12.1	-
Difference between taxable and accounting realised (gains) / losses	(4,649.3)	1,066.3
Expenses not deductible for tax purposes	3,235.8	-
Income not subject to tax	(2,185.0)	(1,520.0)
<b>Total tax charge / (credit)</b>	<b>18.6</b>	<b>(1.8)</b>

Finance Act 2021 increased the rate of corporation tax from 19% to 25% from 1 April 2023. The prevailing rate of UK corporation tax for the year therefore remained at 19%.

**8. Dividends**

	Per share 2021 £	Total 2021 £'000	Per share 2020 £	Total 2020 £'000
<b>Ordinary share dividends paid in the year</b>				
-Interim dividend	0.66	11,500.0	0.90	8,000.0
<b>Total dividends paid in year</b>	<b>0.66</b>	<b>11,500.0</b>	<b>0.90</b>	<b>8,000.0</b>

**9. Investment in subsidiaries**

	2021 £'000	2020 £'000
Cost as at 1 January	74,633.2	67,435.3
Additions in the year <sup>1,2,3</sup>	12,800.0	7,200.1
Allowances for impairment	(10,897.3)	(2.2)
<b>As at 31 December</b>	<b>76,535.9</b>	<b>74,633.2</b>

<sup>1</sup>On 2 February 2021 the Company acquired 500 ordinary shares in Legal & General Digital Solutions Limited for a total consideration of £5.0m.

<sup>2</sup>On 16 June 2021 the Company acquired 3,842,571 ordinary shares in Finovation Limited for a total consideration of £3.3m.

<sup>3</sup>On 29 October 2021 the Company acquired 1,000,000 ordinary shares in Legal & General Financial Advice Limited for a total consideration of £4.5m.

Impairment assessments were undertaken in relation to the subsidiaries by comparing their recoverable amounts with their carrying value. As a result of this assessment, the Company recognised an impairment charge of £10.9m (2020: £2.2m) across subsidiaries Legal & General Digital Solutions Limited, Finovation Limited and Clevermover Limited. The recoverable amount of these entities was £1.6m, £0.3m and £0.7m respectively.

The directors believe that the carrying value of the investments is supported by their underlying net assets or their ability to generate future earnings. In respect of Investment Discounts On Line Limited ('IDOL') the calculation of the value in use is sensitive to assumptions associated with the ability to generate future earnings, such as the amount and timing of future earnings forecast by management, as well as the discount rate. If there was no growth after 5 years from the year end, the value in use is still £23.8m in excess valuation of the carrying value. The discount factor used as at 31 December 2021 was 19% and even if this was increased to 45%, this change alone would not result in an impairment.

Further details in relation to the Company's investments in subsidiaries are included in Note 17.

**10. Investment in associates**

	2021 £'000	2020 £'000
Cost as at 1 January	73,225.5	45,399.6
Additions in the year <sup>1</sup>	2,339.6	33,362.9
Reclassification to financial asset <sup>2</sup>	(6,496.4)	-
Disposals in the year <sup>3</sup>	(723.9)	-
Allowances for impairment <sup>4</sup>	(6,394.2)	(5,537.0)
Reversal of impairment <sup>3</sup>	260.9	-
<b>As at 31 December</b>	<b>62,211.5</b>	<b>73,225.5</b>

<sup>1</sup>During the year the Company purchased 59,426,903 shares in Current Health Limited for a total consideration of £2.3m.

<sup>2</sup>During the year the Company lost significant influence over its investment in Current Health Limited. The financial asset was subsequently reclassified and measured at fair value through profit or loss (Note 5).

<sup>3</sup>During the year the Company disposed of its 20.0% shareholding in Caresourcer Limited held at £0.7m by way of a share buyback, which resulted in the reversal of previously recognised impairment losses of £260.9k

**10. Investment in associates (continued)**

Given recent performance and the outlook ahead, the Company has recognised an impairment charge of £6.1m in respect of two of its associates.

The value in use and recoverable amount of these associates was £5.3m for Congenica Limited and £3.4m for Household Capital Pty Limited, using discount rates of 19% and 25%. The directors believe that the carrying value of the investments is supported by their underlying net assets or their ability to generate future earnings.

The calculation of the value in use of the investments is particularly sensitive to assumptions associated with the ability to generate future earnings, such as the amount and timing of future earnings forecast by management, as well as the discount rate. For example, in respect of Congenica Limited and Household Capital Pty Limited, a reduction of 20% in the forecast future earnings would result in a combined additional impairment of £1.9m. Similarly, an increase of 5% in the respective discount rates would result in a combined additional impairment of £2.4m.

Further details in relation to the Company's investments in associates are included in Note 18.

**11. Financial investments**

	2021 £'000	2020 £'000
<b>Non-current assets</b>		
Convertible loans	533.4	484.0
<b>Current assets</b>		
Convertible loans	9,618.1	-
<b>Total financial investments</b>	<b>10,151.5</b>	<b>484.0</b>

Convertible loans are measured at FVTPL as they fail the SPPI test.

During the year, the Company issued a convertible loan of \$AUD15m (£8.1m) to Household Capital Pty Limited, an associate company. The loan bears interest at 6% per annum and has a maturity period of 12 months.

The Company issued convertible loans to Smartr365 Finance Limited, an associate company, of £0.5m during the prior year and £1.5m during the current year. The loans bear interest at 6% per annum and have a maturity period of 36 months each. On 14 March 2022 the Company converted its £1.5m convertible loan with Smartr365 Finance Limited into 13,326 ordinary shares.

**12. Trade and other receivables**

	2021 £'000	2020 £'000
Amounts due from group undertakings (loan)	31,690.8	-
Amounts due from group undertakings (non-loan)	3,138.7	3,120.5
Income tax recoverable	-	1.8
<b>Total trade and other receivables</b>	<b>34,829.5</b>	<b>3,122.3</b>

Amounts due from group undertakings (loan) are unsecured, interest bearing and repayable on demand.

Amounts due from group undertakings (non-loan) are unsecured, interest free and repayable on demand.

**13. Cash and cash equivalents**

	2021 £'000	2020 £'000
<b>Cash and cash equivalents</b>	<b>5,974.1</b>	<b>6,000.0</b>

**14. Trade and other payables**

	2021 £'000	2020 £'000
Accruals	15.7	9.6
Payables and other financial liabilities	5,974.2	6,000.0
Income tax	18.6	-
<b>Total trade and other payables</b>	<b>6,008.5</b>	<b>6,009.6</b>

During the prior year the Company received a £6.0m government grant which is being held in trust for Innovate UK. The Company must allocate the money by the deployment date of 31 March 2023. £25.8k was deployed during the year (2020: £nil). All other trade and other payables are expected to be settled within 12 months.

**15. Share capital**

For the year ended 31 December 2021	2021 Number of shares	2021 £'000	2020 Number of shares	2020 £'000
<b>Issued share capital</b>				
Fully paid ordinary shares of £1 each	17,390,097	17,390.1	8,870,718	8,870.7

During the year 8,519,379 ordinary were issued for cash. The nominal value of these shares was £8,519,379 and the consideration received was £24.8m.

**16. Ultimate parent undertaking**

The immediate parent undertaking is Legal & General Group Plc. The controlling party and ultimate parent company, of the smallest and largest group to consolidate these financial statements, is Legal & General Group Plc, a company incorporated in England and Wales. These financial statements therefore provide information about the Company as an individual undertaking. Copies of the financial statements of the ultimate holding company, Legal & General Group Plc, are available on the Group website, [legalandgeneralgroup.com](http://legalandgeneralgroup.com) or from the Company Secretary at the registered office, One Coleman Street, London, EC2R 5AA, United Kingdom.

**17. Subsidiary undertakings**

The subsidiary undertakings of Legal & General Partnership Holdings Limited are listed below. Each undertaking operates mainly in its country of incorporation and has only one class of issued ordinary shares, unless stated otherwise.

<b>Held directly by the Company</b>	<b>Nature of business</b>	<b>Incorporated in</b>
City & Urban Developments Limited	Holding company	England and Wales
Clevermover Limited	Ceased trading	England and Wales
Finovation Limited	Pension tracing and transfer service	Ireland <sup>1</sup>
Investment Discounts On Line Limited	Insurance agent and brokers	England and Wales
Legal & General Digital Solutions Limited	Technology services	England and Wales
Legal & General Financial Advice Limited	Provision of financial advice	England and Wales
Legal & General Home Finance Holding Company Limited	Holding company	England and Wales
Legal & General Partnership Services Limited	Provision of services	England and Wales
<b>Held indirectly through subsidiary undertakings</b>	<b>Nature of business</b>	<b>Incorporated in</b>
Finovation UK Limited	Ceased trading	England and Wales
Legal & General Home Finance Administration Services Limited	Provision of services	England and Wales
Legal & General Home Finance Limited	Mortgage finance company	England and Wales
Legal & General Surveying Services Limited	Provision of services	England and Wales

**17. Subsidiary undertakings (continued)**

All subsidiaries are 100% owned, have a 31 December financial year end and the registered office is One Coleman Street, London, EC2R 5AA, United Kingdom unless otherwise noted.

<sup>1</sup>70 Sir John Rogerson Quay, Dublin 2, D02 XK09, Ireland.

**18. Associate undertakings**

The associate undertakings of Legal & General Partnership Holdings Limited are listed below. Each undertaking operates mainly in its country of incorporation and has only one class of issued ordinary shares, unless stated otherwise.

<b>Held directly by the Company</b>	<b>Incorporated in</b>	<b>% equity shares held</b>
Smartr365 Finance Limited	England and Wales <sup>1</sup>	40.7
Salary Direct Holdings Limited	Jersey <sup>2</sup>	48.0
Household Capital Pty Limited	Australia <sup>3</sup>	20.0
Congenica Limited	England and Wales <sup>4</sup>	7.5

<sup>1</sup> 1 Queen Caroline Street, Hammersmith, London, W6 9YN, United Kingdom

<sup>2</sup> 35-37 New Street, St Helier, JE2 3RA, Jersey

<sup>3</sup> Level 12/1 Nicholson Street, East Melbourne VIC3000, Australia

<sup>4</sup> Biodata Innovation Centre, Wellcome Genome Campus, Hinxton, Cambridge, CB10 1DR, United Kingdom

**19. Post balance sheet events**

On 10 February 2022, the Company acquired 51,320 series A Shares in Tumelo Limited for a total consideration of £2.0m. The Company also invested in a £2.5m convertible loan issued by Tumelo Limited. The Company funded this investment in Tumelo Limited by issuing 51,320 ordinary shares of £1 each allotted to the Parent for a total consideration of £4.5m.

On 14 March 2022 the Company acquired 15,711 ordinary shares in Smartr365 Finance Limited for a total consideration of £2.7m. The Company funded this investment in Smartr365 Finance Limited by issuing 15,771 ordinary shares of £1 each allotted to the Parent for a total consideration of £2.7m. The Company also converted its £1.5m convertible loan with Smartr365 Finance Limited into 13,326 ordinary shares.

On 28 March 2022 the Company invested in a £5.1m convertible loan issued by Salary Direct Holdings Limited. The Company funded this investment in Salary Direct Holdings Limited by issuing 306,175 ordinary shares of £1 each allotted to the Parent for a total consideration of £5.1m.

On 29 April 2022, the Company acquired 10,111,734 preference shares in Onto Holdings Limited for a total consideration of £20.0m. The Company funded this investment in Onto Holdings Limited by issuing 10,111,734 ordinary shares of £1 each allotted to the Parent for a total consideration of £20.0m.

Subsequent to the balance sheet date, there has not been any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to significantly affect the operations of the Company, the result of those operations, or the state of affairs, in future financial years.