

Company Registration No. 07780077

Metric LP Income Plus Limited

Unaudited Financial Statements

For the year ended 31 March 2020

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Metric LP Income Plus Limited

Unaudited financial statements for the year ended 31 March 2020

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Metric LP Income Plus Limited

Unaudited financial statements for the year ended 31 March 2020

Company information

Directors

Martin McGann
Andrew Jones
Valentine Beresford
Mark Stirling

Company Secretary

Jadzia Duzniak

Registered Office

1 Curzon Street
London
W1J 5HB

Metric LP Income Plus Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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; 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 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.

Metric LP Income Plus Limited

Profit and loss account Year ended 31 March 2020

| | Notes | Year ended 31 March 2020 £ | Year ended 31 March 2019 £ |
|--------------------------|-------|-------------------------------------|-------------------------------------|
| Distributions received | | 4,061,322 | 4,542,752 |
| Finance costs | 3 | (17,963) | (1,337,961) |
| Profit before tax | | 4,043,359 | 3,204,791 |
| Tax | 4 | - | - |
| Profit after tax | | 4,043,359 | 3,204,791 |

All activities during the current and prior year are derived from continuing operations.

There are no other items of comprehensive income or expense in the current or prior year and therefore no statement of comprehensive income is shown.

The notes on pages 7 to 11 form part of these financial statements.

Metric LP Income Plus Limited

Balance Sheet As at 31 March 2020

| | Notes | 31 March 2020 £ | 31 March 2019 £ |
|-------------------------------------|-------|-----------------------|-----------------------|
| Non-current assets | | | |
| Investment in joint venture | 5 | 1,828,602 | 1,828,571 |
| Loans advanced to joint venture | 5 | 48,694,139 | 51,734,170 |
| Total non-current assets | | 50,522,741 | 53,562,741 |
| Total assets | | 50,522,741 | 53,562,741 |
| Non-current liabilities | | | |
| Amounts owing to Group undertakings | 6 | (1,134,404) | (2,004,441) |
| Total non-current liabilities | | (1,134,404) | (2,004,441) |
| Total liabilities | | (1,134,404) | (2,004,441) |
| Net assets | | 49,388,337 | 51,558,300 |
| Equity | | | |
| Share capital | 7 | 51,740,719 | 51,740,719 |
| Retained loss | | (2,352,382) | (182,419) |
| Total equity | | 49,388,337 | 51,558,300 |

For the financial year ending 31 March 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Metric LP Income Plus Limited (registered number 07780077) were approved by the Board of Directors and authorised for issue on 23 July 2020 and signed on its behalf by:

Martin McGann

Martin McGann
Director

The notes on pages 7 to 11 form part of these financial statements.

Metric LP Income Plus Limited

Directors' report

The directors present their report with the unaudited financial statements for the year ended 31 March 2020. The Company qualifies as a small company under section 382 of the Companies Act 2006 and accordingly has not produced a Strategic Report. **This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption.**

Business review and principal activities

The Company is a limited partner to the Metric Income Plus Limited Partnership. The Company has a 50% economic interest in the Metric Income Plus Limited Partnership.

The accounts have been prepared on a going concern basis. The Company is in a net asset position but has net current liabilities. **The Company's immediate parent, Metric Property Investments Limited, has confirmed its continuing financial support by way of an intercompany loan to be provided as and when required.** Metric Property Investments Limited is in turn financially supported by its parent undertaking, LondonMetric Property Plc. On the basis of this the directors consider the Company is in a position to meet its liabilities as they fall due for the foreseeable future.

The Company is a wholly owned subsidiary of Metric Property Investments Limited which is a wholly owned subsidiary of LondonMetric Property Plc.

Results and dividends

The results for the Company show a pre-tax profit of £4,043,359 (2018/19: profit £3,204,791). Dividends of £6,213,322 (2018/19: £3,052,710) were paid during the year. The Company has net assets of £49,388,337 (2018/19: £51,558,300) and amounts owing to group companies of £1,134,404 (2018/19: £2,004,441).

Directors

The present directors of the Company all of whom served throughout the year and subsequently, unless otherwise stated, are as shown on page 1.

None of the directors has a service agreement with the Company and they are not entitled to any compensation on termination of appointment or sale of the Company by the LondonMetric Property Plc group ("the Group").

The Group has arranged insurance cover in respect of legal action against its directors, which include the directors of the Company.

Audit exemption taken for the year ended 31 March 2020

The Company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of the Act, as disclosed on pages 179 to 180 of LondonMetric Property Plc Annual Report and Accounts 2020. The ultimate holding company and controlling party is LondonMetric Property Plc.

On behalf of the Board



Martin McGann
Director

23 July 2020

Metric LP Income Plus Limited

Statement of changes in equity Year ended 31 March 2020

| | Share capital £ | Retained loss £ | Total equity £ |
|-------------------------|-----------------------|-----------------------|----------------------|
| At 1 April 2019 | 51,740,719 | (182,419) | 51,558,300 |
| Profit for the year | - | 4,043,359 | 4,043,359 |
| Dividends paid | - | (6,213,322) | (6,213,322) |
| At 31 March 2020 | 51,740,719 | (2,352,382) | 49,388,337 |

Year ended 31 March 2019

| | Share capital £ | Retained loss £ | Total equity £ |
|-------------------------|-----------------------|-----------------------|----------------------|
| At 1 April 2018 | 1 | (334,500) | (334,499) |
| Shares issued at par | 51,740,718 | - | 51,740,718 |
| Profit for the year | - | 3,204,791 | 3,204,791 |
| Dividends paid | - | (3,052,710) | (3,052,710) |
| At 31 March 2019 | 51,740,719 | (182,419) | 51,558,300 |

The notes on pages 7 to 11 form part of these financial statements.

Metric LP Income Plus Limited

Notes to the financial statements Year ended 31 March 2020

1. Significant accounting policies

a) General information

Metric LP Income Plus Limited is a private limited company incorporated in England under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the business review on page 2.

b) Statement of compliance

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement, financial instruments, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of LondonMetric Property Plc. The group accounts of LondonMetric Property Plc are available to the public and can be obtained as set out in note 8.

c) Going concern

The financial statements have been prepared on a going concern basis. This is discussed further in the Directors' report on page 2.

d) Basis of preparation

The functional and presentational currency of the Company is sterling. The financial statements are prepared on the historical cost basis.

The accounting policies have been applied consistently in all material respects.

Significant accounting estimates and judgements

The preparation of financial statements in conformity with FRS101 requires directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change is recognised over those periods.

e) Financial assets and financial liabilities

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual terms of the instrument.

Unless otherwise indicated, the carrying amounts of the financial assets and liabilities are a reasonable approximation of their fair values.

Metric LP Income Plus Limited

Notes to the financial statements (continued) **Year ended 31 March 2020**

1. Significant accounting policies (continued)

i) Financial assets

The Company classifies its financial assets at amortised cost only if the asset is held in a business model whose objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. All of the Company's financial assets fall within the financial assets at amortised cost classification.

Financial assets at amortised cost comprise trade and other receivables, intra-group loans and cash and cash equivalents. They are initially recognised at fair value, plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for expected credit losses. Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

ii) Financial liabilities

Financial liabilities include trade payables and other short-term monetary liabilities. Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

f) Finance income

Finance income includes interest receivable on funds invested, measured at the effective rate of interest on the underlying sum invested.

g) Finance costs

Net finance costs include interest payable on borrowings and finance costs amortised.

h) Dividends

Dividends on equity shares are recognised when they become legally payable. Dividends receivable are recognised when the right to receive payment is established.

i) Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, together with any adjustment in respect of previous years.

j) Investment in subsidiaries

Investments in subsidiaries are shown at cost less provision for impairment. An impairment review is carried out annually to assess the recoverable amount based on the net assets of the subsidiary companies.

2. Administration expenses

Employees

There were no employees directly employed by the Company in the current or prior year.

Audit fees

There are no audit fees payable for the current year. The auditor's remuneration for the prior year was borne by the ultimate parent company and the fees attributable to the audit were £1,300. No non-audit fees were payable by the Company to BDO LLP and its associates in the prior year.

Metric LP Income Plus Limited

Notes to the financial statements (continued) Year ended 31 March 2020

2. Administration expenses (continued)

Directors' remuneration

The directors received no remuneration in respect of their services to the Company during the current and prior year. All of the directors were also directors of LondonMetric Property Plc, the Company's ultimate holding company, for all or part of the current and prior year and their remuneration as directors is disclosed in the financial statements of that company.

3. Finance costs

| | Year ended 31 March 2020 £ | Year ended 31 March 2019 £ |
|---|-------------------------------------|-------------------------------------|
| Interest payable on intercompany loan balance | 17,963 | 1,337,961 |

4. Tax

| | Year ended 31 March 2020 £ | Year ended 31 March 2019 £ |
|---|-------------------------------------|-------------------------------------|
| Current tax | | |
| Current tax on profit for the year | - | - |
| Total tax on ordinary activities | - | - |

Factors affecting tax for the year

The tax charge differs from the standard rate of corporation tax in the UK. The differences are explained below:

| | Year to 31 March 2020 £ | Year to 31 March 2019 £ |
|--|----------------------------------|----------------------------------|
| Profit on ordinary activities before tax | 4,043,359 | 3,204,791 |
| Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2018/19: 19%) | 768,238 | 608,911 |
| Effects of: REIT tax exemption | (768,238) | (608,911) |
| Total tax on ordinary activities | - | - |

Factors that may affect future tax charges

The Company is a member of a REIT group, as part of the LondonMetric Property Plc group. As a result, no UK corporation tax should be due on future income or capital gains in respect of investment properties within the REIT group.

Metric LP Income Plus Limited

Notes to the financial statements (continued) Year ended 31 March 2020

5. Investments and loans advanced to joint venture

| | Investment 31 March 2020 £ | Loans advanced 31 March 2020 £ | Investment 31 March 2019 £ | Loans advanced 31 March 2019 £ |
|-----------------|-------------------------------------|--|-------------------------------------|--|
| At 1 April | 1,828,571 | 51,734,170 | 1,827,739 | 46,650,002 |
| Equity advanced | 31 | - | 832 | - |
| Loans advanced | - | 309,969 | - | 8,314,168 |
| Loans repaid | - | (3,350,000) | - | (3,230,000) |
| At 31 March | <u>1,828,602</u> | <u>48,694,139</u> | <u>1,828,571</u> | <u>51,734,170</u> |

Investments are held at the lower of cost or net realisable value.

On 28 September 2017 the Company made a further £25,000,000 commitment, comprising of £2,500 of capital and £24,997,500 of loan, to the Metric Income Plus Limited Partnership, whose registered office is at 1 Curzon Street, London, W1J 5HB.

The Partnership's investment period expired on 28 September 2019 and an extension has not been documented. The Company has however agreed to continue to allocate capital where deemed appropriate within the current equity commitment. As at 31 March 2020, £18,615,000 remained undrawn (31 March 2019: £15,575,000). This commitment is subject to appropriate opportunities being sourced. The loans are non interest bearing and have no fixed repayment terms.

At 31 March 2020 the Company had the following direct investments:

| | Country of incorporation | Proportion of voting rights held (by way of partners equity held) | Nature of business |
|---|-----------------------------|--|------------------------|
| Metric Income Plus Limited Partnership | England | 50% | Property investment |

The above undertaking operates in its country of incorporation. Its registered address is 1 Curzon Street, London, W1J 5HB.

6. Amounts owing to Group undertakings

Intercompany loans have no fixed repayment terms and are interest bearing at the LondonMetric Property Plc group's weighted average cost of debt. Metric Property Investments Limited has agreed that it will not demand repayment of the intercompany loan balance within the next twelve months.

Metric LP Income Plus Limited

Notes to the financial statements (continued) Year ended 31 March 2020

7. Share capital

| | 31 March 2020 £ | 31 March 2019 £ |
|---|-----------------------|-----------------------|
| Allotted, called up and fully paid | | |
| 1 ordinary shares of £1 each | 51,740,719 | 51,740,719 |

The Company has one class of ordinary shares, which carry no right to fixed income.

In the prior year, 51,740,718 ordinary shares of £1 each were issued at par on 5 February 2019.

A dividend of 6,213,322 (12.01 pence per share) was paid on 18 December 2019.

In the prior year, a dividend of 3,052,710 (5.9 pence per share) was paid on 5 February 2019.

8. Controlling party information

The intermediate parent company is Metric Property Investments Limited and the ultimate parent company is LondonMetric Property Plc. The registered office for both companies is 1 Curzon Street, London W1J 5HB. LondonMetric Property Plc is the largest group of which the Company is a member to prepare group accounts. Copies of the consolidated accounts of LondonMetric Property Plc can be obtained from its registered office and its website www.londonmetric.com.