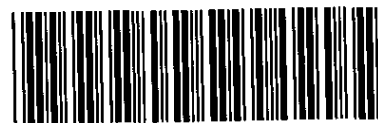


**LIBERTY LIVING INVESTMENTS GP1 LIMITED**  
**Company Number 09375866**

**Report and Unaudited Financial Statements**  
**For the 16-month period ended 31 December 2020**

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# **LIBERTY LIVING INVESTMENTS GP1 LIMITED**

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**For the 16-month period ended 31 December 2020**

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## **LIBERTY LIVING INVESTMENTS GP1 LIMITED**

### **STRATEGIC REPORT**

**For the 16-month period ended 31 December 2020**

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### **STRATEGIC REPORT**

This strategic report has been prepared for Liberty Living Investments GP1 Limited ('the Company') for the period ended 31 December 2020. The Directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

### **PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS**

The principal activity of the Company is to act as general partner to Liberty Living Investments 1 Limited Partnership which invests in and operates student accommodation property. The Directors do not foresee a change in principal activity in the near future.

#### **Acquisition of the Liberty Living Group**

On the 28 November 2019 The Unite Group plc ("Unite") acquired the Liberty Living Group plc an intermediate parent of the company from Liberty Living Holdings Inc.

Since the date of acquisition there has been an integration period to align the company's accounting policies and process with that of Unite.

### **REVIEW OF THE BUSINESS**

The Directors report a loss of £nil (2019: £3,000 loss). Net assets are £56,000 (2019: £65,000).

A dividend of £9,000 was paid during the period (2019: £nil) to holders of ordinary B shares.

#### **Key performance indicators**

The directors of The Unite Group Plc monitor the Group's business along two activity lines, Operations and property. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Liberty Living Investments GP1 Limited. The development, performance and position of the Group's results, which includes the company, are discussed on pages 4 to 80 of the Group's 2020 Annual Report which does not form part of this report.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the company and its subsidiaries are as follows:

#### **Market risk**

The continuation of COVID-19 as a global pandemic, and changes to Government policy (such as HE funding and immigration), may affect student numbers and behaviour. In addition, Brexit may impact the number of EU students coming to study in the UK. These risks could affect demand and hence affect future profitability and the asset values of the obligor group.

These risks have been mitigated as follows:

**STRATEGIC REPORT (CONTINUED)**

**For the 16 month period ended 31 December 2020**

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**COVID-19**

The company's ultimate parent undertaking, The Unite Group plc ("Unite"), has taken steps to mitigate any such potential reductions. Risk mitigated primarily through suspending dividends, conserving cash, drawing bank facilities and reducing costs wherever possible whilst ensuring safety remained paramount. Worked directly with the Government and public health authorities on Covid-19 as well as with Universities on their dynamic operating plans for the 2020/21 and 2021/22 academic years. High and medium- tariff Universities have demonstrated the most resilience through Covid-19 and this supports our strategy to align with these Universities through our acquisitions, disposals and development activity.

Data from the Universities and Colleges Admissions Service, (UCAS), showed an 8.5% increase in the number of applicants for the 2021/22 academic year, with significant growth in non-EU student numbers. The 18-year-old population is expected to return to growth along with record participation rates which is supportive of a return to full occupancy and positive rental growth for 2021/22. Universities, along with accommodation has remained open throughout the latest lockdown with student return expected after the Easter holidays; around 65% of checked in students have already returned to Unite group buildings with more expected following the relaxation of international travel restrictions.

The majority of income is accounted for by High and Mid-ranked Universities where Unite has long-standing relationships. Unite will maintain a close dialogue with its University partners as their accommodation requirements for 2021/22 become clearer. In the event beds are not taken up by Universities, the Unite group is ready to shift its sales focus to a direct-let basis where it is already targeting students living in houses of multiple Occupancy

**Brexit and Government Policy**

From 1 January 2021, EU students planning to study in the UK will be required to apply for a student visa unless exempt due to pre-settled status or Irish nationality. EU students starting their courses in 2020/21 or before will continue to benefit from home fee status and have access to tuition fee loans for the duration of their courses. EU undergraduate students starting courses from 2021/22 will no longer benefit from home fee status, meaning tuition fees are expected to rise by more than 50% on average from £9,250 to the higher rates paid on average by non-EU students. EU students will also no longer have access to a tuition fee loan.

UCAS applications for 2021/22 report a 40% reduction in applications from EU undergraduates following the loss of home fee status and access to tuition fee loans post-Brexit. If this reduction is sustained over the coming years, it would equate to a reduction of around 3% of total students by 2023.

The Government has announced a new £100 million Turing Scheme for around 35,000 students to study and work abroad, which will replace the UK's participation in Erasmus+ starting from September 2021. The trade and cooperation agreement with the EU also enables the UK to continue to participate in the EU's Horizon 2020 Research and Innovation programmes.

Overall applications data for the 2021/22 academic year is very encouraging, with overall applications up 8.5%. UK applications are up by 12% and Non-EU applications increased by 17% YoY which reflects the group's decision to switch the focus of its sales and marketing efforts to the domestic and non-EU market.

## LIBERTY LIVING INVESTMENTS GP1 LIMITED

### STRATEGIC REPORT

For the 16-month period ended 31 December 2020

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#### **Financing risk**

The company and the obligor group continue to face the risk that expiring debt facilities cannot be replaced or only replaced at high cost. This could give rise to the forced sale of assets below value and reduced profitability. This risk is mitigated by proactively managing debt maturities at least 6-12 months before maturity and in parallel diversifying sources of finance to repay more expensive and less flexible borrowings. In addition, future cash commitments are controlled in line with the progress of disposals and refinancing.

Approved by the Board of Directors on 6<sup>th</sup> December 2021 and signed on its behalf by:

*D Faulkner*

D Faulkner  
Director

## **LIBERTY LIVING INVESTMENTS GP1 LIMITED**

### **DIRECTORS' REPORT**

**For the 16-month period ended 31 December 2020**

**Company number: 09375866**

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The Directors present their Report and the Unaudited financial statements for the period ended 31 December 2020.

### **PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS**

The principal activity of the Company and future developments are set out in the Strategic Report.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties are set out in the strategic report.

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The financial risk management objectives and policies are set out in the strategic report.

### **RESULTS AND DIVIDENDS**

The company made a loss for the period of £nil (2019: £3,000). Further details are provided in the Strategic Report.

A dividend of £9,000 was paid during the period (2019: £nil). The directors do not recommend the payment of a final dividend.

### **DIRECTORS**

The Directors of the Company set out below held office during the period and up to the date of signing the annual report and accounts:

T Jackson	(resigned 28 November 2019)
M Biagosch	(resigned 28 November 2019)
P Mullins	(resigned 28 November 2019)
D Faulkner	(appointed 28 November 2019)
J Lister	(appointed 28 November 2019)
C Szpojnarowicz	(appointed 28 November 2019)

At no time during the period or to date did any Director have any beneficial interest in the shares of the Company.

### **SECRETARY**

The Secretary set out below held office during the period and to the date of this report unless otherwise stated:

R Heslehurst	(resigned 26 March 2020)
C Szpojnarowicz	(appointed 26 March 2020)

### **REPORTING PERIOD**

The financial statements presented are for the 16 month period from 1 September 2019 to 31 December 2020. This change aligns the year-end of the Company to the group headed by The Unite Group plc.

**DIRECTORS' REPORT (CONTINUED)**

**For the 16-month period ended 31 December 2020**

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**DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 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.

Approved by the Board of Directors on 16<sup>th</sup> December 2021 and signed on its behalf by:

*D Faulkner*

D Faulkner  
Director

**LIBERTY LIVING INVESTMENTS GP1 LIMITED**

**PROFIT AND LOSS ACCOUNT**

**For the 16-month period ended 31 December 2020**

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		Period from 01 September 2019 to 31 December 2020 (Unaudited) £000	Year ended 31 August 2019 (Audited) £000
	Note		
Administrative expenses		-	(3)
<b>Operating loss and loss before tax</b>	3	-	(3)
Tax on loss	5	-	-
<b>Loss for the period</b>		-	(3)

All gains and losses arise from continuing activities.

The accompanying notes form an integral part of these financial statements.



**LIBERTY LIVING INVESTMENTS GP1 LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**For the 16-month period ended 31 December 2020**

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	<b>Period from 01 September 2019 to 31 December 2020 (Unaudited) £000</b>	<b>Year ended 31 August 2019 (Audited) £000</b>
<b>Loss for the period</b>	-	(3)
<b>Total comprehensive expense for the period attributable to equity shareholders of the Company</b>	-	(3)

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**LIBERTY LIVING INVESTMENTS GP1 LIMITED****BALANCE SHEET****As at 31 December 2020****Company Number 09375866**

	<b>Note</b>	<b>31 December 2020 (Unaudited) £000</b>	<b>31 August 2019 (Audited) £000</b>
<b>Fixed assets</b>			
Investments	10	-	-
<b>Current assets</b>			
Cash at bank		-	-
Debtors: amounts due within one year	6	309	300
Debtors: amounts due greater than one year	6	-	17
		<b>309</b>	<b>317</b>
<b>Creditors: amounts falling due within one year</b>	7	<b>(180)</b>	<b>(179)</b>
<b>Net current assets</b>		<b>129</b>	<b>138</b>
<b>Total assets less current liabilities</b>		<b>129</b>	<b>138</b>
<b>Creditors: amount due after more than one year</b>	7	<b>(73)</b>	<b>(73)</b>
<b>Net assets</b>		<b>56</b>	<b>65</b>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Share premium account		-	-
Profit and loss reserve		54	63
<b>Equity shareholders' funds</b>		<b>56</b>	<b>65</b>

The accompanying notes form an integral part of these Financial Statements.

For the period ended 31 December 2020 the company was entitled to exemption from audit under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved by the board of directors and authorised for issue on 16<sup>th</sup> December 2021. They were signed on its behalf by:

*D Faulkner*

D Faulkner  
Director

## LIBERTY LIVING INVESTMENTS GP1 LIMITED

## STATEMENT OF CHANGES IN EQUITY

For the 16-month period ended 31 December 2020

	Called Up Share capital	Share Premium account	Profit and loss account	Total
	£000	£000	£000	£000
At 31 August 2018 (Audited)	2	-	66	68
Loss for the year	-	-	(3)	(3)
Total comprehensive expense	-	-	(3)	(3)
At 31 August 2019 (Audited)	2	-	63	65
Result for the period	-	-	-	-
Total comprehensive expense	-	-	-	-
Dividends paid (note 6)	-	-	(9)	(9)
<b>At 31 December 2020 (Unaudited)</b>	<b>2</b>	<b>-</b>	<b>54</b>	<b>56</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**For the 16-month period ended 31 December 2020**

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**1. ACCOUNTING POLICIES**

These financial statements are prepared in accordance with accounting standards applicable in the United Kingdom and are denominated in pounds sterling (£). They have all been applied consistently throughout the period and to the preceding year. The particular accounting policies adopted are described below. The financial statements have been prepared on a going concern basis.

**General information and basis of accounting**

Liberty Living Investments GP1 Limited ('the Company') is a private company limited by shares under the Companies Act 2006 and registered in England and Wales. The address of the registered office is South Quay, Temple Back, Bristol, BS1 6FL. The nature of the Company's operation and its principal activities are set out in the Directors' report.

The financial statements have been prepared under the going concern basis, historical cost convention, and in accordance with Financial Reporting Standard 102 ('FRS 102') issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company is included in the consolidated financial statements of The Unite Group Plc which may be obtained at South Quay, Temple Back, Bristol, United Kingdom, BS1 6FL. The Company meets the definition of a qualifying entity under FRS 102 and therefore has taken advantage of the disclosure exemptions in relation to financial instruments, the presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

These financial statements present information for the 16 month period to 31 December 2020, following the change in accounting reference date to align with the new group. The comparatives present information for the 12 month period to 31 August 2019, and accordingly the comparatives presented in the profit and loss account and statement of changes in equity are not entirely comparable to the current period.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements therefore present information about the undertaking as an individual undertaking and not about the Group.

**Administrative expenses**

Administrative expenses are recognised on an accruals basis.

**Taxation**

As a REIT, the Group's UK property rental profits and gains on disposal of UK investment properties are exempt from UK tax with the exception of certain non-core income streams. The Company pays UK corporation tax on any profits arising from non-core income streams.

The tax charge for the period is recognised in the profit and loss account and the statement of comprehensive income, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. Current tax, being UK corporation tax on any non-core income streams, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## ACCOUNTING POLICIES (CONTINUED)

### Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries, except where the group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Investments in Subsidiaries

Investments in Subsidiaries are stated at cost less provision for any impairment in value which is considered by the Company to be permanent.

### Financial instruments

The Company's financial instruments comprise cash at bank and in hand and bank overdrafts, other debtors and creditors and intercompany balances. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

### Financial assets and liabilities

All financial assets and liabilities are initially measured at fair value and subsequently measured at amortised cost. Financial assets are generally derecognised when the contractual rights to the cash flows from the financial asset expire or are settled. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss. A non-financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**ACCOUNTING POLICIES (CONTINUED)**

**Going Concern**

The Company is part of The Unite Group plc ('Unite') from which it receives working capital funding. Unite has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. In determining the Company's Going Concern assessment the Directors have, therefore, considered the wider Unite Group's future performance.

In response to Covid-19, the Unite Directors considered a range of scenarios for future performance, with a focus on forecast liquidity and ICR covenant performance. The Unite Directors' Base Case scenario is informed by their reasoned opinion that UK Universities will remain open throughout the review period. All higher education students were allowed to return to in-person teaching from mid-May and the Government has confirmed that there will be no restrictions on in-person teaching and learning in universities from 16 August. As a result, Universities are expected to welcome students for the 2021/22 academic year and there will be continued demand for rented student accommodation from both UK and international students. The greater level of uncertainty around international students' behaviour and their ability to travel to the UK could lead to a reduction in demand from this customer group. The Unite Directors are satisfied that the Group has sufficient liquidity and will maintain covenant compliance over the next 12 months.

To support the Unite Directors' going concern assessment, a 'Reverse Stress Test' was performed to determine the level of performance at which adopting the going concern basis of preparation may not be appropriate. This involved assessing the minimum amount of income required to ensure lender covenants would not be breached. Within the tightest covenant, income could fall significantly below Base Case before there would be a breach. The Directors are satisfied that the possibility of such an outcome is sufficiently remote that adopting the going concern basis of preparation is appropriate.

As at the date of this report, the global outlook as a result of Covid-19 continues to be uncertain and the range of potential outcomes is wide ranging and unknown. In particular, should the impact on trading conditions be more prolonged or severe than currently forecast by the Directors, namely if there is a further sustained national lockdown that results in Universities not opening physically and students either not arriving at University or returning home, the Unite Group's going concern status may be dependent on its ability to seek interest cover covenant waivers from its lenders. The Unite Directors consider that this eventuality to be remote.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

No material items of judgement and uncertainty have been identified relating to these financial statements. There are no material items of estimation uncertainty.

**3. OPERATING LOSS**

The company's financial statements were not audited in 2020. In 2019 £8,000 was borne by a related group company for the audit of Liberty Living Investments GP1 Limited

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the 16-month period ended 31 December 2020**

**4. STAFF COSTS**

	Period from 01 September 2019 to 31 December 2020 (Unaudited) £000	Year ended 31 August 2019 (Audited) £000
Salary and wages	1,499	2,765
Pension costs	54	108
Social security costs	139	236
Total salary and wage costs	<u>1,692</u>	<u>3,109</u>
 Average monthly number of staff - Operations	 <u>56</u>	 <u>117</u>

The costs of the Operations staff employed by the Company's are included in the above figures and are borne by Liberty Living Investments 1 Limited Partnership.

**Directors**

Directors' remuneration was borne by another group company in both periods. Directors have not performed any qualifying services for this entity during the period.

## NOTES TO THE FINANCIAL STATEMENTS

For the 16-month period ended 31 December 2020

## 5. TAX ON LOSS

The tax credit comprises:

	Period from 01 September 2019 to 31 December 2020 (Unaudited) £000	Year ended 31 August 2019 (Audited) £000
<b>Current tax on loss</b>		
Adjustments in respect of prior years	-	(3)
<b>Total current tax</b>	-	(3)
<b>Deferred tax</b>		
Adjustment in respect of prior years	-	3
<b>Total deferred tax</b>	-	3
<b>Total tax credit on loss</b>	-	-

The Finance Bill 2021 includes provisions to increase the main rate of corporation tax to 25% with effect from 1 April 2023. This is not expected to have a material impact on the company's tax charge.

**Analysis of the tax credit**

The taxation charge that would arise at the standard rate of UK corporation tax is reconciled to the actual tax charge below. The reconciliation below has been calculated at the main rate of corporation tax of 19% (2019: 19%)

	Period from 01 September 2019 to 31 December 2020 (Unaudited) £000	Year ended 31 August 2019 (Audited) £000
Loss before tax	-	(3)
Tax at the UK corporation tax rate of 19.00% (2019: 19.00%)	-	(1)
Factors affecting the tax credit:		
Expenditure not tax deductible	-	1
Movement in short term timing differences not provided	-	(7)
Non taxable REIT income	-	(4)
Rate difference on deferred tax	-	(1)
Partnership profit share allocation	-	12
Prior period adjustments	-	-
<b>Total tax credit for the period</b>	-	-



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the 16-month period ended 31 December 2020**

**6. DIVIDENDS PAID**

	Period from 01 September 2019 to 31 December 2020 (Unaudited) £000	Year ended 31 August 2019 (Audited) £000
Dividends paid	9	-
	<u>9</u>	<u>-</u>

During the period the company paid a dividend of £8,977 (£897.70 per share) to the holders of the ordinary B shares.

**7. DEBTORS**

	31 December 2020 (Unaudited) £000	31 August 2019 (Audited) £000
Amounts owed from Group related undertakings	309	300
<b>Debtors amounts due within one year</b>	<u>309</u>	<u>300</u>

The amounts owed by fellow group undertakings are interest free, repayable on demand and unsecured.

	31 December 2020 (Unaudited) £000	31 August 2019 (Audited) £000
Deferred tax	-	17
<b>Debtors amounts due after one year</b>	<u>-</u>	<u>17</u>

# LIBERTY LIVING INVESTMENTS GP1 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the 16-month period ended 31 December 2020

### 8. CREDITORS

	<b>31 December 2020 (Unaudited) £000</b>	<b>31 August 2019 (Audited) £000</b>
Amounts owed to Group related parties	<b>180</b>	177
Taxes and social security	<b>-</b>	2
<b>Creditors: amounts due within one year</b>	<b>180</b>	179

	<b>31 December 2020 (Unaudited) £000</b>	<b>31 August 2019 (Audited) £000</b>
Other Creditors	<b>73</b>	73
<b>Creditors: amounts due after one year</b>	<b>73</b>	73

The amounts owed to group related undertakings are repayable on demand, interest free and unsecured.

Other creditors includes non-redeemable preference shares (see note 9 for details).

### 9. SHARE CAPITAL

*Allotted, called up and fully paid*

	<b>£</b>	<b>Number of shares</b>
Class A Ordinary shares £1 at 31 August 2019 & 31 December 2020	<b>1,992</b>	<b>1,992</b>
	<b>£</b>	<b>Number of shares</b>
Class B Ordinary shares £1 at 31 August 2019 & 31 December 2020	<b>10</b>	<b>10</b>
	<b>£</b>	<b>Number of shares</b>
Class C non-redeemable preference shares £1 at 31 August 2019 & 31 December 2020	<b>18</b>	<b>18</b>

Class A ordinary shares do not have any voting rights over the appointment of Directors, while Class B ordinary shares have all the voting rights over the appointment of Directors, although their ownership rights are limited to their nominal value. Class C shares are non-redeemable and rank pari passu in all respects with the ordinary B shares save that the ordinary C shares carry a right to receive £10 pounds (£18) in aggregate on a winding up or return of capital and no entitlement to appoint directors.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the 16-month period ended 31 December 2020

**10. RESERVES**Called up share capital

Called up share capital reserves contains the nominal value of the shares issued.

Share premium

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss reserves

Profit and loss reserves represents cumulative profits and losses, net of distributions and other adjustments.

**11. CONTROLLING PARTIES**

The Company's immediate parent company is Liberty Living (HE) Holdings Limited, a company incorporated and registered in England and Wales.

The company's ultimate parent undertaking is The Unite Group plc. The largest and smallest group in which the results of the company are consolidated is that headed by The Unite Group plc. The consolidated accounts of the this company are available to the public and can be obtained from the registered office, South Quay, Temple Back, Bristol, BS1 6FL.

**12. INVESTMENTS IN SUBSIDIARIES**

The Company's fully owned direct subsidiaries through interests in ordinary shares, all incorporated in the United Kingdom (unless otherwise stated), are as follows:

Company name	Principal activity	Registered office
Liberty Living Investments Nominee 1 Limited	Nominee company	South Quay, Temple Back, Bristol, BS1 6FL
Liberty Plaza (Newcastle) Limited*	Operate student accommodation	Trident Chambers, Wickhams Cay P.O. Box 146, Road Town, Tortola, British Virgin Islands

\* Company registered in the British Virgin Islands

The Company is also the General Partner of Liberty Living Investments 1 Limited Partnership.

**13. OTHER FINANCIAL COMMITMENTS**

On 28 November 2017, Liberty Living Finance plc had issued two £300m bond tranches with maturities of seven and twelve years respectively. The Company, along with other Group related undertakings, has irrevocably and unconditionally, jointly and severally, guaranteed to meet the obligations of Liberty Living Finance plc with respect to the amounts borrowed in the event Liberty Living Finance plc fails to meet its obligations when they fall due.

The Company became guarantor of the £450m Unite Group plc Facilities Agreement in September 2021 and remains a guarantor of the Unite Bonds, and certain Unite subsidiaries remain as guarantors of the Liberty Living (HE) Holdings Group bonds. On 27 May 2021 the Company became a guarantor of a note purchase agreement issued by The Unite Group plc for £150m, maturing on 27 May 2031. This new borrowing helped refinance the repayment of bank facilities that Unite Group plc repaid in September 2021, facilities that had also been guaranteed by the Company.