
U AND I INVESTMENT PORTFOLIO LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

U AND I INVESTMENT PORTFOLIO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

The Directors of U and I Investment Portfolio Limited (the "Company") present their report and the financial statements for the year ended 31 March 2022. The financial information presented for the comparative period is for the period from 4 August 2020 to 31 March 2022.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity, review of the business and future developments

The Company's principal activity is that of an investment holding company. No changes to the Company's principal activity are anticipated in the foreseeable future.

Going concern

The Directors have determined that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Land Securities Group PLC. The Directors' going concern assessment covers the period to 31 July 2024 and confirmation has been received that Land Securities Group PLC will support the Company until at least this date. It is understood that this support will remain in place until revoked and there is no expectation this will occur in the foreseeable future. The Company's ability to meet its future liabilities is therefore dependent on the financial performance, position and liquidity of the Group as a whole. At a Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities, as well as forecast covenant compliance. Stress testing has been carried out to ensure the Group has sufficient cash resources to continue in operation for the period to 31 July 2024. This stress testing modelled a scenario with materially reduced levels of cash receipts over the next 12 months. Based on these considerations, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2022.

U AND I INVESTMENT PORTFOLIO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31ST MARCH 2022**

Results and dividends

The loss for the year, after taxation, amounted to £Nil (period ended 31 March 2021: £3,584,031).

The Directors do not recommend the payment of a dividend for the year ended 31 March 2022 (period ended 31 March 2021: £Nil).

Directors

The Directors who served during the year and up to the date of signing this report unless otherwise stated were:

R Upton (resigned 30 April 2022)
M S Weiner (resigned 31 May 2021)
M O Shepherd (resigned 19 June 2021)
J G Christmas (appointed 27 May 2021, resigned 31 March 2022)
M J Hood (appointed 17 June 2021)
U and I Director 1 Limited (appointed 5 October 2022)

U and I Director 2 Limited (appointed 5 October 2022)

Indemnity

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

Small companies exemption

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Strategic report

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

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

L McCaveny, for and on behalf of U and I Company Secretaries Limited
Secretary

Date: 3 July 2023

U AND I INVESTMENT PORTFOLIO LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Impairment of investments in subsidiaries		(14,700,469)	(3,584,031)
Result/(Loss) before tax		(14,700,469)	(3,584,031)
Tax on result/(loss)	4	-	-
Result/(Loss) for the year/period		(14,700,469)	(3,584,031)
Capital contribution		3,287,666	-
Other comprehensive income for the year/period		3,287,666	-
Total comprehensive income/(expense) for the year/period		(11,412,803)	(3,584,031)

There were no recognised gains and losses for the year ended 31 March 2022 or the period ended 31 March 2021 other than those included in the statement of comprehensive income.

All amounts relate to continuing operations.

The notes on pages 6 to 13 form part of these financial statements.

U AND I INVESTMENT PORTFOLIO LIMITED
REGISTERED NUMBER: 12790552

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Investment in subsidiary undertakings	5	2	6,412,811
		<u>2</u>	<u>6,412,811</u>
Current assets			
Amounts owed by group undertakings	6	2	2
		<u>2</u>	<u>2</u>
Amounts owed to Group undertakings	7	(4,999,996)	(3)
		<u>(4,999,994)</u>	<u>(1)</u>
Net current liabilities		<u>(4,999,994)</u>	<u>(1)</u>
Net assets		<u>(4,999,992)</u>	<u>6,412,810</u>
Capital and reserves			
Share capital	8	8	7
Share premium account		9,996,834	9,996,834
Capital contribution reserve		3,287,666	-
Accumulated losses		(18,284,500)	(3,584,031)
		<u>(4,999,992)</u>	<u>6,412,810</u>
Total equity		<u>(4,999,992)</u>	<u>6,412,810</u>

For the year ended 31st March 2022 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

C Lund, for and on behalf of U and I Director 2 Limited
Director

Date: 3 July 2023

The notes on pages 6 to 13 form part of these financial statements.

U AND I INVESTMENT PORTFOLIO LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Share capital £	Share premium account £	Capital contribution reserve £	Accumulated losses £	Total equity £
At 7 August 2020	-	-	-	-	-
Comprehensive loss for the period					
Loss for the period	-	-	-	(3,584,031)	(3,584,031)
Total comprehensive loss for the period	-	-	-	(3,584,031)	(3,584,031)
Shares issued during the period	7	9,996,834	-	-	9,996,841
Total transactions with owners	7	9,996,834	-	-	9,996,841
At 1st April 2021	7	9,996,834	-	(3,584,031)	6,412,810
Comprehensive loss for the year					
Loss for the year	-	-	-	(14,700,469)	(14,700,469)
Capital contribution	-	-	3,287,666	-	3,287,666
Total comprehensive income for the year	-	-	3,287,666	(14,700,469)	(11,412,803)
Shares issued during the year	1	-	-	-	1
At 31st March 2022	8	9,996,834	3,287,666	(18,284,500)	(4,999,992)

The notes on pages 6 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

1. General information

U and I Investment Portfolio Limited (the "Company") is a private limited company and is incorporated, domiciled and registered in England and Wales (Registered number: 12790552). The nature of the Company's operations is set out in the Directors' Report on page 1. The address of its registered office is 100 Victoria Street, London, SW1E 5JL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS102') and the Companies Act 2006. The financial statements are prepared under the historical cost convention.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2022. The financial statements are prepared in Pounds Sterling (£).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Land Securities PLC as at 31 March 2022 and these financial statements may be obtained from its registered office at 100 Victoria Street, London, SW1E 5JL.

2.3 Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary of Land Securities Group PLC, a Company incorporated in England and Wales whose consolidated financial statements are publicly available.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

2. Accounting policies (continued)

2.4 Going concern

The Directors have determined that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Land Securities Group PLC. The Directors' going concern assessment covers the period to 31 July 2024 and confirmation has been received that Land Securities Group PLC will support the Company until at least this date. It is understood that this support will remain in place until revoked and there is no expectation this will occur in the foreseeable future. The Company's ability to meet its future liabilities is therefore dependent on the financial performance, position and liquidity of the Group as a whole. At a Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities, as well as forecast covenant compliance. Stress testing has been carried out to ensure the Group has sufficient cash resources to continue in operation for the period to 31 July 2024. This stress testing modelled a scenario with materially reduced levels of cash receipts over the next 12 months. Based on these considerations, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2022.

2.5 Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost in the Company's Balance Sheet, less any provision for impairment in value (see 2.7).

2.6 Share capital

Ordinary shares are classified as equity.

2.7 Impairment

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

2. Accounting policies (continued)

2.8 Income taxation

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

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

2.9 Amounts owed to Group undertakings

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

2.10 Amounts owed by group undertakings

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

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

2.11 Changes in accounting policies and standards

The accounting policies used in these financial statements have been amended where relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year. There have been no new accounting standards, amendments or interpretations during the year that have a material impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

3. Management and administrative expenses

(a) Management services

The Company had no employees during the period. Management services were provided to the Company throughout the year by U and I Group Limited, a fellow subsidiary undertaking, charges for which amount to £Nil (period ended 31 March 2021: £Nil)

(b) Directors' remuneration

The Company's directors' emoluments are borne by U and I Group Limited. The Directors of the Company, who as key management personnel of the Company, received no emoluments from U and I Group Limited for their services to the Company.

(c) Auditor remuneration

The Company's auditor's remuneration is borne by LS Development Holdings Limited. The proportion of the remuneration which relates to the Company amounts to £8,595 (period ended 31 March 2021: £Nil). No non-audit services were provided to the Company during the year/period.

4. Tax on loss

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Current tax on losses for the year/period	-	-
	-	-
Total income tax charge in the Statement of Comprehensive Income	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

4. Tax on loss (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is the same as (8 month period ended 31 March 2021: higher than) the standard rate of corporation tax in the UK of 19% (8 month period ended 31 March 2021: 19%). The differences are explained below:

	Year ended 31 March 2022 £	Period ended 31 March 2021 £
Loss before tax	<u>(14,700,469)</u>	<u>(3,584,031)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (8 month period ended 31 March 2021: 19%)	(2,793,089)	(680,966)
Effects of:		
Impairment of investment in subsidiaries	2,793,089	680,966
Total tax charge for the year/period	<u>-</u>	<u>-</u>

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

U AND I INVESTMENT PORTFOLIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022

5. Investments

	Investments in subsidiary undertakings £
Cost or valuation	
At 1 April 2021	9,996,842
Additions	8,287,660
	<hr/>
At 31st March 2022	18,284,502
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Impairment	
At 1 April 2021	3,584,031
Charge for the period	(14,700,469)
	<hr/>
At 31st March 2022	(18,284,500)
	<hr/>
Net book value	
At 31st March 2022	<hr/> <hr/> 2

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
U and I IPA Limited	100 Victoria Street, London, SW1E 5JL	Ordinary	100 %
U and I IPC Limited	100 Victoria Street, London, SW1E 5JL	Ordinary	100 %

During the year, the Company contributed a further £3,287,667 to its investment in U and I IPA Limited.

The total cost of investment in subsidiary undertakings is £18,284,502 (2021: £9,996,842). The total provision for impairment of investment in subsidiary undertakings is £14,700,469 (2021: £3,584,031).

The directors believe that the carrying value of the investment is supported by the fair value of the subsidiary undertakings.

U AND I INVESTMENT PORTFOLIO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

6. Amounts owed by group undertakings

	2022	2021
	£	£
Amounts owed by group undertakings	2	2
	2	2

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

7. Amounts owed to group undertakings

	2022	2021
	£	£
Amounts owed to Group undertakings	4,999,996	3
	4,999,996	3

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

8. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
8 (2021: 7) ordinary shares shares of £1.00 each	8	7

On 22 October 2020, the Company issued 7 ordinary shares of £1 each at par. All amounts have been paid. U and I IPB Limited is owned by U and I IPA Limited. As a result, the Company has recognised a capital contribution of £3,287,666 representing the difference between the fair value and consideration.

U AND I INVESTMENT PORTFOLIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

9. Controlling party

The immediate parent company is U and I Group Limited (U and i Group PLC).

On 14 December 2021, LS Development Holdings Limited acquired 100% of the share capital in U and I Group Limited (formerly U and I Group PLC). With effect from this date and as at 31 March 2022, the ultimate parent company and controlling party of U and I Investment Portfolio Limited was Land Securities Group PLC.

Consolidated financial statements for the year ended 31 March 2022 for Land Securities Group PLC can be obtained from the Company Secretary, at the registered office of the ultimate parent company, 100 Victoria Street, London, SW1E 5JL and from the Group website at www.landsec.com. This is the largest and smallest Group to include these accounts in its consolidated financial statements.

All companies are incorporated in Great Britain and registered in England and Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.