Uberior Ventures Limited

Annual report and financial statements for the year ended 31 December 2022

Registered office

The Mound
Edinburgh
United Kingdom
EH1 1YZ

Registered number

SC235067

Current directors

M S J Daly
N S Burnett

Company Secretary

D D Hennessey

Member of Lloyds Banking Group

Directors' report

For the year ended 31 December 2022

The directors present their Annual report and the audited financial statements of Uberior Ventures Limited ("the Company") for the year ended 31 December 2022.

General information

The Company is a limited company incorporated and domiciled in Scotland (registered number: SC235067).

The Company operates as a holding company for two group subsidiary companies and there has been no change in that activity during the year. Investment in subsidiary undertakings was held at £1,000 (2021: £1,000). The directors plan to liqudate the Company as soon as is possible and the investment in subsidiary undertakings will be moved to a fellow group subsidiary.

The Company is funded entirely by other companies within the Lloyds Banking Group ("the Group").

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and therefore does not include a Strategic report.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are managed within the framework established for the Group and are not managed separately for the Company. Further details of the Company's and Group's risk management policy are contained in note 12 to the financial statements.

Other significant uncertalnties are discussed in detail below.

Long term impact of the United Kingdom's exit from the European Union

Uncertainties in respect of the medium to long-term implications of the United Kingdom's ("UK") exit from the European Union ("EU") on trade, regulation and employment continue to present risks. This includes impacts on supply chains, affordability of goods and services and UK demographics and prosperity. The Directors believe that there will be limited impact on the Company.

Covid-19

The global pandemic created from the outbreak of Covid-19 continues to cause widespread disruption to global markets and normal patterns of business activity across the world, including in the UK. Measures taken to contain the health impacts of the Covid-19 pandemic are resulting in adverse impacts on economic activity across the world, and the duration for which such measures will remain in place is uncertain. The impact on the economy remains highly uncertain in both its depth and length, and may go beyond current forecasts of scale of loss of output and recession in the UK and globally. The Directors believe that there will be limited impact on the Company.

Russian invasion of Ukraine

The Russian invasion of Ukraine, beginning in February 2022, has increased tensions between members of the North Atlantic Treaty Organisation (NATO) and Russia and caused sanctions to be imposed. This has had significant adverse economic effects on financial markets and on energy costs, and may also result in increased cyber attacks and an increase in costs associated with such cyber attacks, all of which could have a materially adverse effect on the Group's results of operations, financial condition or prospects. The Group will monitor the situation and risks to the business. The Directors believe that there will be limited impact on the Company.

Business Review

The Company's profit before tax for the financial year was £10,100,000 (2021: £nil).

The Balance Sheet shows a net asset position of £300,000 (2021: £706,000).

The Company was dormant in the prior year and therefore the comparative figures presented in these financial statements are unaudited.

The Company's actions are governed by the Codes of Business Responsibility of the ultimate parent undertaking, Lloyds Banking Group plc, which set out clear guidelines for responsible behaviour across the business, including human rights, social, ethical and environmental responsibilities. These guidelines can be viewed in the consolidated annual report and financial statements of Lloyds Banking Group plc.

The Company has no employees (2021: none) and therefore the Directors have not commented on employee matters.

Dividends

A dividend of £10,500,000 was paid during the year ended 31 December 2022, which represents £10,500,000 per share (2021: £nil).

Directors' report (continued)

For the year ended 31 December 2022

Going concern

There is a net asset position of £300,000 (2021: £706,000).The Directors have decided to liquidate the Company and therefore the financial statements have been prepared on a basis other than going concern.

Directors

The current directors of the Company are shown on the front cover.

There have been no changes to directors between the beginning of the reporting period and the approval of the Annual report and financial statements.

Directors' indemnities

Lloyds Banking Group plc has granted to the directors of the Company a deed of indemnity through deed poll which constituted 'qualifying third party indemnity provisions' for the purposes of the Companies Act 2006. The deed was in force during the whole of the financial year and at the date of approval of the financial statements or from the date of appointment in respect of directors who join the board of the Company during the financial year. Directors no longer in office but who served on the board of the Company at any time in the financial year have the benefit of this contract of indemnity during that period of service. The indemnity remains in force for the duration of the directors' periods of office. The deed indemnifies the directors to the maximum extent permitted by law. Deeds for existing directors are available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group has in place appropriate directors' and officers' liability insurance cover which was in place throughout the financial year.

Statement of directors' responsibilities in respect of the financial statements

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 prepared the Company's financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. 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 the financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make an assessment of the company's ability to continue as a going concern.

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.

Directors' report (continued)

For the year ended 31 December 2022

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditor

This report has been prepared in accordance with the special provisions relating to small companies within section 415A of Part 15 of the Companies Act 2006.

Deloitte LLP are deemed to be re-appointed as auditor under section 487(2) of the Companies Act 2006.

Approved by the board of directors and signed on its behalf by:

N S Burnett
Director
26th May 2023

Statement of comprehensive income

For the year ended 31 December 2022

	Note	2022 £'000	Unaudited 2021 £'000
Other income	3	**31**	-
Income from investments	4	**10,069**	-
Profit before tax		**10,100**	-
Taxation	6	**(6)**	-
Profit for the year, being total comprehensive income		**10,094**	-

The accompanying notes to the financial statements are an integral part of these financial statements.

Balance sheet

As at 31 December 2022

	Note	2022 £'000	Unaudited 2021 £'000
ASSETS			
Cash and cash equivalents	8	**305**	705
Investment in subsidiary undertakings	9	**1**	1
Total assets		**306**	706
LIABILITIES			
Current tax liability	6	**6**	-
Total liabilities		**6**	-
EQUITY			
Share capital	10	**-**	-
Capital reserve	10	**945,680**	956,180
Accumulated losses		**(945,380)**	(955,474)
Total equity		**300**	706
Total equity and liabilities		**306**	706

The accompanying notes to the financial statements are an integral part of these financial statements.

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

N S Burnett
Director
26th May 2023

Statement of changes in equity

For the year ended 31 December 2022

	Share Capital	Capital reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000
At 1 January 2021 (unaudited)	-	956,180	(955,474)	706
At 31 December 2021 (unaudited)	-	956,180	(955,474)	706
At 1 January 2022	-	956,180	(955,474)	706
Profit for the year being total comprehensive income	-	-	**10,094**	**10,094**
Dividend paid to equity holders of the Company	-	**(10,500)**	-	**(10,500)**
At 31 December 2022	-	**945,680**	**(945,380)**	**300**

The accompanying notes to the financial statements are an integral part of these financial statements.

Cash flow statement

For the year ended 31 December 2022

	2022 £'000	Unaudited 2021 £'000
Cash flows generated from operating activities		
Profit before tax	**10,100**	-
Adjustments for:		
Bank interest receivable	**(31)**	-
Dividends receivable	**(10,069)**	-
Cash generated from operations	**-**	-
Bank interest received	**31**	-
Net cash generated from operating activities	**31**	-
Cash flows generated from investing activities		
Dividends received from investments	**10,069**	-
Net cash generated from investing activities	**10,069**	-
Cash flows used in financing activities		
Dividends paid	**(10,500)**	-
Net cash used in financing activities	**(10,500)**	-
Change in Cash and cash equivalents	**(400)**	-
Cash and cash equivalents at beginning of year	**705**	705
Cash and cash equivalents at end of year	**305**	705
Cash and cash equivalents comprise:		
Cash at bank	**305**	705

The accompanying notes to the financial statements are an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

1.1 Basis of preparation

Uberior Ventures Limited (the Company) is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The registered office can be found on the front page and its principal activity is included in the directors report.

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

The financial statements for the year ended 31 December 2022 have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

In the preparation of these financial statements the Balance sheet has been arranged in order of liquidity.

The Company was dormant in the prior year and therefore the comparative figures presented in these financial statements are unaudited.

No new IFRS pronouncements that had a material impact have been adopted in these financial statements.

Details of those pronouncements which will be relevant to the Company but which were not effective at 31 December 2022 and which have not been applied in preparing these financial statements are given in note 14. No standards have been early adopted.

These separate financial statements contain information about the Company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemptions under IFRS 10 Consolidated Financial Statements and Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The Company and its subsidiaries are included in the consolidated financial statements of the Company's ultimate parent company.

The financial statements have been prepared on a basis other than going concern as the directors expect to liquidate the Company in the earliest opportunity. There would be no difference to asset values between a going concern basis and a basis other than going concern under the historical cost convention.

1.2 Income recognition

Revenue

Interest income and expense are recognised in the Income Statement for all interest-bearing financial instruments, using the effective interest method where it can be reliably estimated and recognised on a cash basis where it cannot be reliably measured. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the expected life of the financial instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

The effective interest rate is calculated on initial recognition of the financial asset or liability by estimating the future cash flows after considering all the contractual terms of the instrument but not future credit losses. The calculation includes all amounts expected to be paid or received by the Company including expected early redemption fees and related penalties and premiums and discounts that are an integral part of the overall return. Direct incremental transaction costs related to the acquisition, issue or disposal of a financial instrument are also taken into account in the calculation. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cashflows for the purpose of measuring the impairment loss.

Fees and commission income which are not an integral part of the effective interest rate are generally recognised in the Income Statement within 'Other income' as the related service is provided.

Dividend income is recognised when the right to receive payment is established and recognised in the Income Statement as Investment income.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Profit on disposal of investments' in the Income Statement.

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.2 Income recognition (continued)

Foreign currency

The financial statements are presented in Sterling which is the Company's functional and presentation currency.

1.3 Expenses recognition

Finance costs

Interest expense for all interest bearing financial instruments is recognised in the Statement of comprehensive income as it accrues, within finance costs.

1.4 Financial assets and liabilities

Management determines the classification of its financial assets and financial liabilities at initial recognition. Financial assets comprise Cash and cash equivalents. The Company has no Financial liabilities.

On initial recognition, financial assets are classified as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, depending on the Group's business model for managing the financial assets and whether the cash flows represent solely payments of principal and interest. The Group assesses its business models at a portfolio level based on its objectives for the relevant portfolio, how the performance of the portfolio is managed and reported, and the frequency of asset sales. Financial assets with embedded derivatives are considered in their entirety when considering their cash flow characteristics. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

A reclassification will only take place when the change is significant to the Group's operations and will occur at a portfolio level and not for individual instruments; reclassifications are expected to be rare. Equity investments are measured at fair value through profit or loss unless the Group elects at initial recognition to account for the instruments at fair value through other comprehensive income. For these instruments, principally strategic investments, dividends are recognised in profit or loss but fair value gains and losses are not subsequently reclassified to profit or loss following derecognition of the investment.

Financial assets are derecognised when the contractual right to receive cash flows from those assets has expired or when the Group has transferred its contractual right to receive the cash flows from the assets and either: substantially all of the risks and rewards of ownership have been transferred; or the Group has neither retained nor transferred substantially all of the risks and rewards, but has transferred control.

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.5 Dividends paid

Dividends on ordinary shares are recognised through equity in the period in which they are paid.

1.6 Cash and cash equivalents

For the purposes of the Balance sheet and Cash flow statement, Cash and cash equivalents with related undertaking comprise balances with less than three months' maturity.

1.7 Taxation, including deferred income taxes

Tax expense comprises current and deferred tax. Current and deferred tax are charged or credited in the Statement of comprehensive income except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the Statement of comprehensive income (either in other comprehensive income, directly in equity, or through a business combination), in which case the tax appears in the same statement as the transaction that gave rise to it.

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible, and is calculated using tax rates and laws that were enacted or substantively enacted at the Balance sheet date.

Current tax includes amounts provided in respect of uncertain tax positions when management expects that, upon examination of the uncertainty by His Majesty's Revenue and Customs ("HMRC") or another tax authority, it is more likely than not that an economic outflow will occur. Provisions reflect management's best estimate of the ultimate liability based on their interpretation of tax law, precedent and guidance, informed by external tax advice as necessary. Changes in facts and circumstances underlying these provisions are reassessed at each Balance sheet date, and the provisions are re-measured as required to reflect current information.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the balance sheet date, and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences but not recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint arrangements where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future. Deferred tax liabilities are not recognised on temporary differences that arise from goodwill which is not deductible for tax purposes.

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilised, and are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In certain cases where forecast profits are not expected to be sufficient to support the recognition of a deferred tax asset on a standalone entity basis, further consideration has been given to the availability of UK group relief with connected companies to support the recognition.

Deferred tax assets and liabilities are not recognised in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination. Deferred tax is not discounted.

1.8 Investments

Investment in subsidiary undertakings

Investment in subsidiary undertakings is stated in the Balance sheet at cost less any provision for impairment.

Investment in subsidiary undertakings is reviewed for impairment losses at the end of each period and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Statement of comprehensive income for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net realisable value and value in use. For the purposes of assessing impairment, investments are grouped at the lowest level at which cash flows are separately monitored by management.

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.9 Other financial liabilities

Other financial liabilities are initially recognised at fair value less directly attributable transaction costs and subsequently measured at amortised cost. In practice, the carrying value of these balances equates to the fair value due to the short term nature of the amounts included within other financial liabilities.

1.10 Streamlined Energy and Carbon Reporting Disclosure

The Company is out of scope of the Streamlined Energy and Carbon Reporting ("SECR"), as it does not meet the numerical thresholds in relation to turnover and number of employees.

2. Critical accounting estimates and judgements in applying accounting policies

The preparation of the Company's financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from those estimates. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the course of preparing these financial statements, no critical estimates and no critial judgements have been made in the process of applying the Company's accounting policies.

3. Other Income

	2021	2020
	£'000	£'000
Bank interest received	**31**	-

4. Income from investment

Income from investments relates to dividends received from its subsidiary undertaking, Uberior Ventures Australia Pty Limited of AUS$17,682,000 / £10,069,000 (2021: nil).

5. Other operating expenses

Fees payable to the company's auditors for the audit of the financial statements of £6,000 (2021: £nil, dormant) have been borne by the ultimate parent company and are not recharged to the company.

The Company has no employees (2021: nil).

The Directors, who are considered to be key management, received no remuneration in respect of their services to the Company. The emoluments of the Directors are paid by a fellow group undertaking on behalf of the ultimate parent, Lloyds Banking Group plc, which makes no recharge to the Company. The Directors are also directors of a number of other subsidiaries of the Group and are also substantially engaged in managing their respective business areas within the Group, it is therefore not possible to make an accurate apportionment of Directors emoluments in respect of their services to each of the subsidiaries. Accordingly, these financial statements include no emoluments in respect of the Directors.

Notes to the financial statements (continued)

For the year ended 31 December 2022

6. Taxation

a) Analysis of charge for the year

	2022 £'000	2021 £'000
UK corporation tax:		
- Current tax on taxable profit for the year	6	-
Current tax charge	6	-
Tax charge	6	-

Corporation tax is calculated at a rate of 19.00% (2021: 19.00%) of the taxable profit for the year.

b) Factors affecting the tax charge for the year

A reconciliation of the charge that would result from applying the standard UK corporation tax rate to the Profit before tax to the actual tax charge for the year is given below:

	2022 £'000	2021 £'000
Profit before tax	10,100	-
Tax charge thereon at UK corporation tax rate of 19.00% (2021: 19.00%)	1,919	-
Factors affecting charge:		
- Disallowed and non-taxable items	(1,913)	-
Tax charge on profit	6	-
Effective rate	0.06%	0.00%

c) Deferred tax asset

Finance Act 2021, which received Royal Assent on 10 June 2021, increases the rate of corporation tax from 19% to 25% with effect from 1 April 2023.

A deferred tax asset of £400,000 relating to capital losses has not been recognised on the basis that the Company has insufficient forecast chargeable gains to recover the asset in future periods. Once crystallised following disposal of the assets, capital losses can be carried forward indefinitely.

7. Dividends

A dividend of £10,500,000 was paid during the year ended 31 December 2022, which represents £10,500,000 per share (2021: £nil).

8. Cash and cash equivalents

Cash and cash equivalents for the purposes of the Cash flow statement include the following:

	2022 £'000	2021 £'000
Cash at bank, held with group undertakings	305	705

Notes to the financial statements (continued)
For the year ended 31 December 2022

9. Investment in subsidiary undertakings

	2022 £'000	2021 £'000
Cost		
Cost brought forward	**1**	1
Cost at 31 December	**1**	1
Carrying value of investments at 31 December	**1**	1

Investment in subsidiary undertakings is stated at cost less impairment. As permitted by section 611 of the Companies Act 2006, where the relief afforded under section 612 of the Companies Act 2006 applies, cost is the aggregate of the nominal value of the relevant number of the Company's shares and the fair value of any other consideration given to acquire the share capital of the subsidiaries.

Subsidiary undertakings	Company interest	Principal activities	Registered Address
Uberior Ventures Australia Pty Limited	100%	Investment Holding Company	Minter Ellison, Governor Macquire Tower, Level 40, 1 Farrer Place, Sydney, NSW 2000, Australia
Uberior Europe Limited	100%	Investment Holding Company	The Mound, Edinburgh, EH1 1YZ

The Company's interest in each of these entities is in the form of ordinary share capital. The proportion of the voting rights in the subsidiary undertaking held directly by the Company do not differ from the proportion of ordinary shares held.

10. Capital and Reserves

Share capital	2022 £	2021 £
Allotted, issued and fully paid		
1 ordinary share of £1 each	**1**	1

Capital reserve

During 2011 the Company's intermediate parent company, Bank of Scotland plc, agreed to unconditionally and irrevocably release the Company from its obligations to repay the sum of £968,010,000 in respect of the bank overdraft position held by the Company. This was recognised as a capital contribution in the capital reserve during 2011. This reserve represents a realised profit for distributable reserves purposes.

Notes to the financial statements (continued)

For the year ended 31 December 2022

11. Related party transactions

The Company has a related party relationship with a fellow Group company Bank of Scotland plc. A summary of the outstanding balances at the year end and the related expense for the year are set out below:

	2022	2021
	£'000	£'000
Cash and cash equivalents held with group undertakings		
Bank of Scotland plc	**305**	705
Interest income		
Bank of Scotland plc	**31**	-

During the year, the Company received a dividend of AUS$17,682,000 / £10,069,000 (2021: nil) from its subsidiary undertaking, Uberior Ventures Australia Pty Limited.

During the year, the Company paid a dividend of £10,500,000 (2021: £nil) to its immediate parent Uberior Investments Limited.

Related parties	Registered
Bank of Scotland Plc	The Mound, Edinburgh EH1 1YZ
Uberior Investments Limited	The Mound, Edinburgh EH1 1YZ
Uberior Europe Limited	The Mound, Edinburgh, EH1 1YZ
Uberior Ventures Australia Pty Limited	Minter Ellison, Governor Macquire Tower, Level 40, 1 Farrer Place, Sydney, NSW 2000, Australia

Key management personnel

Key management personnel are those persons having authority and responsibility for planning and controlling the activities of the Company. Accordingly, key management is comprised of the directors of the Company and Lloyds Banking Group plc. There were no transactions between the Company and key management personnel during the current or preceding year. Key management personnel are employed by other companies within the Group and consider that their services to the Company are incidental to their other activities within the Group.

12. Financial risk management

The Company's operations expose it to a variety of financial risks: credit risk, business risk and equity risk.

A description of the Company's financial assets/liabilities and associated accounting is provided in note 1.

12.1 Credit risk

Credit risk management

Credit risk is the risk of reductions in earnings and/or value, through financial or reputational loss, as a result of the failure of the party with whom the Company has contracted to meet its obligations.

Credit risk is managed in line with the Insurance Credit Risk Policy and the wider Group Credit Risk Policy.

Cash and cash equivalents are held with other companies within the Group. The credit risk associated with this financial asset is not considered to be significant.

Financial assets subject to credit risk

The maximum exposure to credit risk arising on the Company's financial assets at the reporting date is disclosed in the table below and equates to carrying value.

Notes to the financial statements (continued)
For the year ended 31 December 2022

12. Financial risk management (continued)
12.1 Credit risk (continued)

	2022 £'000	2021 £'000
Cash and cash equivalents	**305**	705

12.2 Business risk

Business risk is the risk that the Company's earnings are adversely impacted by a suboptimal business strategy or the suboptimal implementation of the strategy. In assessing business risk consideration is given to internal and external factors such as products, funding, resource capability and economic, political and regulatory factors.

Through regular reports and oversight business risk is managed by corrective actions to plans and reductions in exposures where necessary.

12.3 Financial strategy

The Company does not trade in financial instruments, nor does it use derivatives.

12.4 Fair values of financial assets and liabilities

The directors consider that there are no significant differences between the carrying amounts shown in the Balance sheet and the fair value.

12.5 Capital disclosures

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, provide an adequate return to its shareholders through pricing products and services commensurately with the level of risk and, indirectly, to support the Group's regulatory capital requirements.

The Company's capital comprises all components of equity, movements in which appear in the Statement of changes in equity. The Company receives its funding requirements from its fellow group undertakings and does not raise funding externally.

13. Post balance sheet events

There are no post balance sheet events requiring disclosure in these financial statements.

14. Future developments

The following pronouncements are not applicable for the year ending 31 December 2022 and have not been applied in preparing these financial statements. Save as disclosed below, the impact of these accounting changes is still being assessed by the Company and reliable estimates cannot be made at this stage.With the exception of certain minor amendments, as at the date of signing these financial statements these pronouncements have been endorsed for use in the United Kingdom.

Minor amendments to other accounting standards

The IASB has issued a number of minor amendments to IFRSs effective 1 January 2023 and in later years (including IAS 1 Presentation of financial statements and IAS 8 Accounting policies, changes in accounting estimates and errors). These amendments are not expected to have a significant impact on the Company.

15. Ultimate parent undertaking and controlling party

The immediate parent company is Uberior Investments Limited. The company regarded by the directors as the ultimate parent company and controlling party is Lloyds Banking Group plc (incorporated in Scotland), which is also the parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Copies of the financial statements of both companies may be obtained from Group Secretariat, Lloyds Banking Group plc, 25 Gresham Street, London, EC2V 7HN. The Lloyds Banking Group plc financial statements may be downloaded via https://www.lloydsbankinggroup.com/investors/financial-downloads.html.

Independent auditor's report to the members of Uberior Ventures Limited

Report on the audit of the financial statements

Opinion
In our opinion, the financial statements of Uberior Ventures Limited (the 'company'):
- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial statements prepared other than on a going concern basis
We draw attention to note 1.1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of Uberior Ventures Limited (Continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Other matter

As the company was exempt from audit for the year ended 31 December 2021 under section 480 of the Companies Act 2006 relating to dormant companies and we have not audited the corresponding amounts for that year.

Use of our report

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.

P Cowley

Paul Cowley CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
26 May 2023