

Registration number: 04104061

BLSSP (PHC 5) Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2020

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BLSSP (PHC 5) Limited

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BLSSP (PHC 5) Limited

Strategic Report for the Year Ended 31 March 2020

The directors present their Strategic Report for the year ended 31 March 2020.

Business review and principal activities

BLSSP (PHC 5) Limited ("the company") is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies ("the group"). Previously the company was a wholly owned subsidiary of BLSSP Property Holdings Limited and operated as a constituent of BL Sainsburys Superstores Limited group of companies, a joint venture between Linestair Limited (a subsidiary of the The British Land Company PLC) and Sainsburys Property Investments Limited (a subsidiary of J Sainsbury PLC). The ownership change became effective on 15 January 2020.

The company's principal activity is property investment in the United Kingdom (UK).

As shown in the company's Profit and Loss Account on page 5, the company's turnover of £1,541,444 has increased by £12,013 compared with turnover of £1,529,431 in the prior year.

Loss on ordinary activities before taxation is £6,558,124 compared to a loss on ordinary activities before taxation of £1,689,073 in the prior year. This is primarily due to the revaluation loss on investment properties recognised in the year. This is described in more detail below.

A loan waiver was effected prior to the change in ownership as detailed above relating to loans with the previous owners in the year for value £2,350,000 (2019: £nil).

The revaluation of investment properties in the year was a deficit of £9,902,923 (2019: deficit of £2,650,000).

Dividends of £nil (2019: £nil) were paid in the year.

The Balance Sheet on page 7 shows that the company's financial position at the year end has, in net assets terms, decreased compared with the prior year.

The value of investment properties held as at 31 March 2020 has decreased by 48.6% from 31 March 2019 as shown in note 9 to the company's Balance Sheet. Details of how investment properties are valued can be found in note 9 to the company's balance sheet. The movement is determined by the prevailing market conditions at the balance sheet date.

The Board of the group uses total return, to monitor the performance of the group. This is a measure of growth in total equity per share, adding back any current year dividend.

The expected future developments of the company are determined by the strategy of the group.

For more information also see The British Land Company PLC group annual report.

The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

BLSSP (PHC 5) Limited

Strategic Report for the Year Ended 31 March 2020 (continued)

Principal risks and uncertainties

This company is part of a large property investment group. As such, the fundamental underlying risks for this company are those of the property group as discussed below.

The company generates returns to shareholders through long-term investment decisions requiring the evaluation of opportunities arising in the following areas:

- demand for space from occupiers against available supply;
- identification and execution of investment and development strategies which are value enhancing;
- availability of financing or refinancing at an acceptable cost;
- economic cycles including their impact on tenant covenant quality, interest rates, inflation and property values;
- legislative changes, including planning consents and taxation;
- engagement of development contractors with strong covenants;
- key staff changes; and
- environmental and health and safety policies.

These opportunities also represent risks, the most significant being change to the value of the property portfolio. This risk has high visibility to directors and is considered and managed on a continuous basis. Directors use their knowledge and experience to knowingly accept a measured degree of market risk.

The company's preference for prime assets and their secure long term contracted rental income, primarily with upward only rent review clauses, presents lower risks than many other property portfolios.


The financial and political risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group financial statements. The general risk environment in which the group operates has heightened over the course of the year, which is largely due to the continued level of uncertainty associated with the future impact of the UK's exit from the EU, the significant deterioration in the UK retail market and weaker investment markets.

The company has no third party debt and no associated third party interest rate exposure.

The outbreak of Covid-19, declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, creates an unprecedented degree of uncertainty over both the severity of the above risks and the effectiveness of the above mitigating actions. The decline in economic activity resulting from the pandemic reduces the degree of certainty around the valuation of investment properties at year end. The valuations across all asset classes are therefore reported on the basis of "material valuation uncertainty" as per VPS 3 and VPGA 10 of the RICS Red Book Global. The external valuers have confirmed, the inclusion of the "material valuation uncertainty" declaration does not mean that valuations cannot be relied upon and rather, the phrase is used in order to be clear and transparent with all parties. See further details in note 9 of the financial statements.

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Approved by the Board on and signed on its behalf by:

DocuSigned by:

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Director

James Pinkstone

BLSSP (PHC 5) Limited

Directors' Report for the Year Ended 31 March 2020

The directors present their report and the unaudited financial statements for the year ended 31 March 2020.

Directors of the company

The directors, who held office during the year, and up to the date of signing the financial statements, were as follows:

J A Honeyman (resigned 15 January 2021)

J M Pinkstone

H Shah

J Watson

Directors' responsibilities statement

The directors acknowledge their responsibilities 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

Environmental matters

Across the group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies. The group's full sustainability report is available online at:

www.britishland.com/sustainability/reporting/latest-reporting

Going concern

The Balance Sheet shows that the company has net current liabilities in excess of the principal creditor which is the ultimate parent company. The ultimate parent company has agreed to support this subsidiary for at least 12 months from the date of signing these financial statements. The going concern of the company is therefore dependent on the going concern of the Group. The Directors feel that the Group is well placed to manage its business risks successfully despite the current economic climate as detailed in pages 102 and 152 of the annual report.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the current economic climate and the uncertainty resulting from the outbreak of Covid-19. Accordingly, they believe the going concern basis is an appropriate one.

BLSSP (PHC 5) Limited

Directors' Report for the Year Ended 31 March 2020 (continued)

Subsequent Events

Details of significant events since the Balance Sheet date, if any, are contained in note 17.

Audit exemption taken for the year ended 31 March 2020

The company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of that Act, as disclosed on pages 193-194 of The British Land Company PLC Annual Report and Accounts 2020. The ultimate holding company and controlling party is The British Land Company PLC.

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Approved by the Board on and signed on its behalf by.

DocuSigned by:

James Pinkstone

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Director

James Pinkstone

BLSSP (PHC 5) Limited**Profit and Loss Account for the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Turnover	4	1,541,444	1,529,431
Cost of sales		<u>(7,658)</u>	<u>(13,524)</u>
Gross profit		1,533,786	1,515,907
Administrative expenses		<u>(6,658)</u>	<u>(19,924)</u>
Operating profit		<u>1,527,128</u>	<u>1,495,983</u>
Revaluation of investment properties	9	<u>(9,902,923)</u>	(2,650,000)
Loan waiver		<u>2,350,000</u>	-
Loss on ordinary activities before interest and taxation		(6,025,795)	(1,154,017)
Interest receivable and similar income	5	475	237
Interest payable and similar expenses	6	<u>(532,804)</u>	<u>(535,293)</u>
Loss on ordinary activities before taxation		(6,558,124)	(1,689,073)
Taxation	8	<u>-</u>	<u>-</u>
Loss for the year		<u>(6,558,124)</u>	<u>(1,689,073)</u>

Turnover and results were derived from continuing operations within the United Kingdom.

The notes on pages 9 to 17 form an integral part of these financial statements.

BLSSP (PHC 5) Limited

Statement of Comprehensive Income for the Year Ended 31 March 2020

	2020	2019
	£	£
Loss for the year	<u>(6,558,124)</u>	<u>(1,689,073)</u>
Total comprehensive expense for the year	<u><u>(6,558,124)</u></u>	<u><u>(1,689,073)</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

BLSSP (PHC 5) Limited
 (Registration number: 04104061)
Balance Sheet as at 31 March 2020

	Note	31 March 2020 £	31 March 2019 £
Fixed assets			
Investment properties	9	<u>10,450,000</u>	<u>20,350,000</u>
		<u>10,450,000</u>	<u>20,350,000</u>
Current assets			
Debtors due within one year	10	3,355	794,618
Debtors due after more than one year	10	-	177,277
		<u>3,355</u>	<u>971,895</u>
Creditors due within one year	11	<u>(9,871,493)</u>	<u>(3,944,506)</u>
Net current liabilities		<u>(9,868,138)</u>	<u>(2,972,611)</u>
Total assets less current liabilities		<u>581,862</u>	<u>17,377,389</u>
Creditors due after more than one year	12	-	(10,237,403)
Net assets		<u>581,862</u>	<u>7,139,986</u>
Capital and reserves			
Called up share capital	13	169,000	169,000
Profit and loss account		<u>412,862</u>	<u>6,970,986</u>
Total shareholders' funds		<u>581,862</u>	<u>7,139,986</u>


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

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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Approved by the Board on and signed on its behalf by:

DocuSigned by:

 E49F9F0BA22F428
 James Pinkstone
 Director

The notes on pages 9 to 17 form an integral part of these financial statements.

BLSSP (PHC 5) Limited**Statement of Changes in Equity for the Year Ended 31 March 2020**

	Share capital/ £	Profit and loss account £	Total £
Balance at 1 April 2018	169,000	8,660,059	8,829,059
Loss for the year	-	(1,689,073)	(1,689,073)
Total comprehensive expense for the year	-	(1,689,073)	(1,689,073)
Balance at 31 March 2019	<u>169,000</u>	<u>6,970,986</u>	<u>7,139,986</u>
At 1 April 2019	169,000	6,970,986	7,139,986
Loss for the year	-	(6,558,124)	(6,558,124)
Total comprehensive expense for the year	-	(6,558,124)	(6,558,124)
Balance at 31 March 2020	<u>169,000</u>	<u>412,862</u>	<u>581,862</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

BLSSP (PHC 5) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom.

The address of its registered office is:

York House
45 Seymour Street
London
W1H 7LX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Instances in which advantage of the FRS 101 disclosure exemptions have been taken are set out below.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments properties. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and
- (i) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs.

BLSSP (PHC 5) Limited

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)**

2 Accounting policies (continued)

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group financial statements of The British Land Company PLC. The group financial statements of The British Land Company PLC are available to the public and can be obtained as set out in note 18.

Adoption status of relevant new financial reporting standards and interpretations

During the year the company adopted the following standard:

IFRS 16 - Leases

The new standard results in lessees bringing almost all operating leases on balance sheet as the distinction between operating and finance leases is removed. The accounting for lessors has not significantly changed. The Company does not hold any material leases as lessee therefore adoption of IFRS 16 has not had a material impact on the financial statements of the Company. The standard was adopted in accordance with IFRS 16 C8. This approach allows the recognition of the lease liability and asset as at 1 April 2019 with no restatement of prior period financial statements.

Apart from the changes in the standard highlighted above, no other standards, interpretations and amendments effective for the first time from 1 April 2019 have had a material effect on the financial statements.

Going concern

The Balance Sheet shows that the company has net current liabilities in excess of the principal creditor which is the ultimate parent company. The ultimate parent company has agreed to support this subsidiary for at least 12 months from the date of signing these financial statements. The going concern of the company is therefore dependent on the going concern of the Group. The Directors feel that the Group is well placed to manage its business risks successfully despite the current economic climate as detailed in pages 102 and 152 of the annual report.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the current economic climate and the uncertainty resulting from the outbreak of Covid-19. Accordingly, they believe the going concern basis is an appropriate one.

Turnover

Rental income from investment property

Rental income is recognised on an accruals basis. A rent adjustment based on open market estimated rental value is recognised from the rent review date in relation to unsettled rent reviews. Where a rent-free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earliest termination date.

Rental income from fixed and minimum guaranteed rent reviews is recognised on a straight-line basis over the shorter of the entire lease term or the period to the first break option. Where such rental income is recognised ahead of the related cash flow, an adjustment is made to ensure that the carrying value of the related property including the accrued rent does not exceed the external valuation. Initial direct costs incurred in negotiating and arranging a new lease are amortised on a straight-line basis over the period from the date of lease commencement to the earliest termination date.

Where a lease incentive payment, including surrender premia paid, does not enhance the value of a property, it is amortised on a straight-line basis over the period from the date of lease commencement to the earliest termination date. Upon receipt of a surrender premium for the early determination of a lease, the profit, net of dilapidations and non-recoverable outgoings relating to the lease concerned, is immediately reflected in income.

Service charge income is recognised on an accruals basis in line with the service being provided.

BLSSP (PHC 5) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)****2 Accounting policies (continued)****Taxation**

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequently to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Any surplus or deficit arising on revaluing investment properties is recognised in the Profit and Loss Account as a fair value movement.

Where properties held for investment are appropriated to trading stock, they are transferred at market value. If properties held for trading are appropriated to investment, they are transferred at book value.

Debtors

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate. The Company calculates the expected credit loss for debtors based on lifetime expected credit losses under the IFRS 9 simplified approach.

Creditors

Trade and other creditors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate.

3 Significant accounting judgements and key sources of estimation uncertainty

The key source of estimation uncertainty relates to the valuation of the property portfolio where an external valuation is obtained. In accounting for net rental income, the group is required to judge the recoverability of any income accrued and provides against the credit risk on these amounts. The potential for management to make judgements or estimates relating to those items which would have a significant impact on the financial statements is considered, by the nature of the group's business, to be limited.

The third party valuers for properties recognised at 31 March 2020 include a material valuation uncertainty clause in their reports. The clause highlights significant estimation uncertainty regarding the valuation of investment property due to the Covid-19 pandemic.

The valuations as at the current balance sheet date should therefore be treated with additional caution.

4 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2020	2019
	£	£
Rental income from investment property	1,533,893	1,520,000
Service charge income	7,551	9,431
	<u>1,541,444</u>	<u>1,529,431</u>

BLSSP (PHC 5) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)**5 Interest receivable and similar income**

	2020 £	2019 £
Interest receivable on amounts owed by group companies	475	237
	<u>475</u>	<u>237</u>

6 Interest payable and similar expenses

	2020 £	2019 £
Refinancing closeout costs	418,261	-
Interest payable on amounts owed to group companies	98,812	532,875
Amortisation of issue costs	15,731	2,418
	<u>532,804</u>	<u>535,293</u>

7 Staff costs

No director (2019: nil) received any remuneration for services to the company in either year. The remuneration of the directors was borne by another company, for which no apportionment or recharges were made. The value of this service was negligible.

Average number of employees, excluding directors, of the company during the year was nil (2019: nil).

8 Taxation

	2020 £	2019 £
Tax reconciliation		
Loss on ordinary activities before taxation	(6,558,124)	(1,689,073)
Tax on loss on ordinary activities at UK corporation tax rate of 19% (2019: 19%)	(1,246,044)	(320,924)
Effects of:		
REIT exempt income and gains	(129,357)	(100,701)
Decrease in fair value of property & investments	1,881,000	503,500
Income not taxable	(445,945)	-
Group relief	(59,654)	(81,875)
Total tax charge	<u>-</u>	<u>-</u>

BLSSP (PHC 5) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)****8 Taxation (continued)**

On 17 March 2020 legislation was substantially enacted confirming that the tax rate would not be reduced from 1 April 2020 but would remain at 19%.

9 Investment properties

	£
Fair value	
1 April 2019	20,350,000
Additions	2,923
Revaluation	<u>(9,902,923)</u>
31 March 2020	<u>10,450,000</u>
Fair value	
1 April 2018	23,000,000
Revaluation	<u>(2,650,000)</u>
31 March 2019	<u>20,350,000</u>
Analysis of cost and valuation	
31 March 2020	
Cost	16,902,923
Valuation	<u>(6,452,923)</u>
Net book value	<u>10,450,000</u>
31 March 2019	
Cost	16,900,000
Valuation	<u>3,450,000</u>
Net book value	<u>20,350,000</u>

At 31 March 2020 the book value of freehold investment properties owned by the company was £10,450,000 (2019: £20,350,000).

Investment properties are valued by adopting the "investment method" of valuation. This approach involves applying capitalisation yields to current and estimated future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and rental values are based on comparable property and leasing transactions in the market, using the valuers' professional judgement and market observation. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

BLSSP (PHC 5) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)****9 Investment properties (continued)**

The outbreak of Covid-19, declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, the external valuers consider that they can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. The current response to Covid-19 means that external valuers are faced with an unprecedented set of circumstances on which to base a judgement. The valuations across all asset classes are therefore reported on the basis of "material valuation uncertainty" as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty - and a higher degree of caution - should be attached to the valuations provided than would normally be the case. The external valuers have confirmed, the inclusion of the "material valuation uncertainty" declaration does not mean that valuations cannot be relied upon. Rather, the phrase is used in order to be clear and transparent with all parties, in a professional manner that - in the current extraordinary circumstances - less certainty can be attached to valuations than would otherwise be the case.

Properties were valued to fair value at 31 March 2020 by Knight Frank LLP, external valuers, in accordance with the RICS Valuation - Professional Standards 2014, Ninth Edition, published by The Royal Institution of Chartered Surveyors.

The company leases out all of its investment properties under operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	31 March 2020 £	31 March 2019 £
Leases less than one year	1,520,000	1,520,000
Leases between one and five years	<u>2,315,397</u>	<u>3,835,397</u>
	<u>3,835,397</u>	<u>5,355,397</u>

10 Debtors

	31 March 2020 £	31 March 2019 £
Trade debtors	3,355	-
Amounts due from related parties	-	792,640
Prepayments	<u>-</u>	<u>1,978</u>
	<u>3,355</u>	<u>794,618</u>

Debtors from related parties relate to amounts due from group companies which are repayable on demand. There is no interest charged on these balances.

	31 March 2020 £	31 March 2019 £
Debtors due after more than one year		
Amounts owed by related parties - Long term loans	<u>-</u>	<u>177,277</u>
	<u>-</u>	<u>177,277</u>

BLSSP (PHC 5) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)

11 Creditors due within one year

	31 March 2020 £	31 March 2019 £
Accrued expenses	350,769	478,523
Amounts due to related parties	9,444,724	3,389,598
Social security and other taxes	76,000	76,385
	<u>9,871,493</u>	<u>3,944,506</u>

Following the acquisition on 15 January 2020, as detailed in the strategic report, amounts due to related parties relate to amounts owed to current group companies which are repayable on demand. Interest is charged on these balances in accordance with the group policy on intercompany loan accounts.

Prior to acquisition on 15 January 2020, amounts owed to related parties related to amounts owed to the previous group companies. With the exception of the current portion of the subordinated loans from BL Superstores (Funding) Limited in note 12, creditors due after more than one year (including borrowings), were repayable on demand. Under the previous group policy there was no interest charged on these balances.

12 Creditors due after more than one year

	31 March 2020 £	31 March 2019 £
Long term loans - amounts due to related parties	-	10,237,403
	<u>-</u>	<u>10,237,403</u>

Borrowings analysis

Creditors due within one year

- subordinated loans from BL Superstores (Funding) Limited	-	883,362
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Creditors due after one year

- subordinated loans from BLSSP Property Holdings Limited	-	1,148,658
- subordinated loans from BL Superstores (Funding) Limited	-	9,088,745

Total loans due after one year	-	10,237,403
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Total borrowings	<u>-</u>	<u>11,120,765</u>
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BLSSP (PHC 5) Limited**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020
(continued)****12 Creditors due after more than one year (continued)**

	31 March 2020 £	31 March 2019 £
Borrowings repayment analysis		
Repayments due:		
within one year	-	662,540
1-2 years	-	662,540
2-5 years	-	2,243,848
	-	3,789,750
After 5 years	-	7,331,015
Total borrowings	-	11,120,765
Amounts included in creditors due within one year	-	(883,362)
Amounts included in creditors due after one year	-	10,237,403

During the year the company repaid all the subordinated loans owing to BL Superstores (Funding) Limited. As a result of the early repayment the company incurred break costs of £418,261 (see note 5) and the amount owed to BLSSP Property Holdings Limited was repaid.

Prior to repayment the subordinated loans from BLSSP Property Holdings Limited ranked behind subordinated loans from BL Superstores (Funding) Limited. No interest was charged on the loan from BLSSP Property Holdings Limited (2019: nil).

13 Called up share capital**Allotted, called up and fully paid shares**

	No.	31 March 2020 £	No.	31 March 2019 £
Ordinary shares of £1 each	169,000	169,000	169,000	169,000

14 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2019: £nil).

15 Contingent liabilities

The company is jointly and severally liable with the ultimate holding company and fellow subsidiaries for all monies falling due under the group VAT registration.

BLSSP (PHC 5) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020 (continued)

16 Related party transactions

Following the acquisition on 15 January 2020 as detailed in the strategic report, the company takes advantage of the exemption to disclose related party transactions between the company and the related parties within The British Land Group PLC.

Prior to the acquisition on 15 January 2020, related party disclosures noted below are in respect of transactions between the company and its related parties as defined by International Accounting Standards 24.

Rental income of £1.2m (2019: £1.5m) represents rent received from Sainsbury Supermarkets Limited. Sainsbury Supermarkets Limited was previously a wholly owned subsidiary of J Sainsbury PLC and was a related party prior to the acquisition on 15 January 2020, as detailed in the strategic report (see note 18 for details of relationship changes made pre and post acquisition).

17 Subsequent events

Properties valued at £10,450,000 for the year end have subsequently been revalued to £9,800,000 as at 30 September 2020, representing a percentage reduction of 6.2% in valuation since the year end. There is no material uncertainty clause attached to the September valuation.

18 Parent and ultimate parent undertaking

The immediate parent company is BL Retail Warehousing Company Limited.

The British Land Company PLC is the smallest and largest group for which group financial statements are available and which include the company. The ultimate holding company and controlling party is The British Land Company PLC. Group financial statements for this company are available on request from British Land, York House, 45 Seymour Street, London, W1H 7LX.

Previously the company was a wholly owned subsidiary of BLSSP Property Holdings Limited and operated as a constituent of BL Sainsburys Superstores Limited group of companies, a joint venture between Linestair Limited (a subsidiary of the The British Land Company PLC) and Sainsburys Property Investments Limited (a subsidiary of J Sainsbury PLC). The ownership change became effective on 15 January 2020.