INTU IP LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

Company number 8133364

INTU IP LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their Strategic Report of Intu IP Limited ("the company") for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES
The principal activity of the company is the ownership of intellectual property rights.

BUSINESS REVIEW
The company's results and financial position for the year ended 31 December 2014 are set out in full in the income statement, the balance sheet and statement of changes in equity, the statement of cash flows and the notes to the financial statements.

Both the level of business during the year and the year end financial position were as expected. The profit before tax was £56,339 (2013 £20,460). Total equity at 31 December 2014 was £76,800 (2013 £20,461).

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The directors expect that the present level of activity will continue for the foreseeable future.

As the company is a wholly owned subsidiary of the Intu Properties plc group, there are no principal risks and uncertainties facing the company which are not faced by the group. These risks and uncertainties, including financial risks and the management thereof, are disclosed in the group financial statements.

By order of the Board

David Fischel
Director
28 September 2015

Matthew Roberts
Director
28 September 2015

INTU IP LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and audited financial statements of the company for the year ended 31 December 2014.

The company is incorporated and registered in England and Wales (company number 8133364). The company's registered office is 40 Broadway, London, SW1H 0BU.

DIVIDENDS
The directors do not recommend a dividend for the year (2013 £nil).

CAPITAL MANAGEMENT
The directors consider the capital of the company to be the ordinary share capital of £1. Management of this capital is performed at a group level.

DIRECTORS
The directors who held office during the year and until the date of this report are given below:

Amanda Campbell	
David Fischel	
Hugh Ford	
Matthew Roberts	
Daniel Shepherd	resigned 25 September 2014

DIRECTORS' INDEMNITY PROVISION
A qualifying third party indemnity provision (as defined in S234 of the Companies Act 2006) was in force for the benefit of the directors of the company during the financial period and at the date of the approval of the financial statements. The company's ultimate parent, Intu Properties plc, maintains directors' and officers' insurance which is reviewed annually.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

INTU IP LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

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.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and each director has taken all reasonable steps to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. In accordance with section 487 of the Companies Act 2006, it is expected that PricewaterhouseCoopers LLP will be deemed to be reappointed as the company's auditors for the financial year ended 31 December 2015 at the end of the next period for appointing auditors.

By order of the Board

Matthew Roberts
Director
28 September 2015

INTU IP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTU IP LIMITED

Report on the financial statements

Our opinion
In our opinion Intu IP Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the income statement for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration
Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

INTU IP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTU IP LIMITED

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors
As explained more fully in the Statement of Directors' Responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 September 2015

INTU IP LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Year ended 31 December 2014 £	Period from 6 July 2012 to 31 December 2013 £
Revenue		56,339	20,460
Profit before tax	2	56,339	20,460
Taxation	3	-	-
Profit for the year/period		56,339	20,460

Other than the items in the income statement above, there are no other items of comprehensive income and accordingly, a separate statement of comprehensive income has not been presented.

INTU IP LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
Current assets			
Trade and other receivables	4	76,800	20,461
Total assets		76,800	20,461
Net assets		76,800	20,461
Equity			
Share capital	5	1	1
Retained earnings		76,799	20,460
Total equity		76,800	20,461

The notes on pages 10 to 14 form part of these financial statements.

The financial statements on pages 6 to 14 have been approved by the Board of Directors on 28 September 2015 and were signed on its behalf by

David Fischel
Director

Matthew Roberts
Director

INTU IP LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital £	Retained earnings £	Total equity £
On incorporation	1	-	1
Profit for the period	-	20,460	20,460
Total comprehensive income for the period	-	20,460	20,460
At 31 December 2013	1	20,460	20,461
At 1 January 2014	1	20,460	20,461
Profit for the year	-	56,339	56,339
Total comprehensive income for the year	-	56,339	56,339
At 31 December 2014	1	76,799	76,800

INTU IP LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Year ended 31 December 2014 £	Period from 6 July 2012 to 31 December 2013 £
Profit before tax	56,339	20,460
Remove:		
Changes in working capital:		
Change in trade and other receivables	(56,339)	(20,461)
Cash used in operations	-	(1)
Cash flows from operating activities	-	(1)
Cash flows from investing activities	-	-
Issue of share capital	-	1
Cash flows from financing activities	-	1
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at 31 December	-	-

1. Principal accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS), IFRS IC (International Financial Reporting Standards Interpretations Committee) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention. A summary of the accounting policies is set out below.

In assessing whether the going concern basis of preparation is appropriate to adopt, the directors considered a number of factors including financial projections of the company and the level of financial support that may be made available to the company by its ultimate parent, Intu Properties plc. Based on this review the directors have concluded that there is a reasonable expectation that the company will have sufficient resources to continue in operational existence for the foreseeable future and have therefore prepared the financial statements on a going concern basis.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Where such judgements are made they are included within the accounting policies given below.

The accounting policies used are consistent with those applied in the last annual financial statements, as amended to reflect the adoption of new standards, amendments, and interpretations which became effective in the year. During 2014, the following relevant standards, amendments and interpretations endorsed by the EU became effective for the first time for the company's 31 December 2014 year end:

- IAS 27 Separate Financial Statements (revised); and
- IAS 36 Impairment of Assets (amendment).

The above have not resulted in any changes to presentation or disclosure.

A number of standards have been issued but are not yet adopted by the EU and so are not available for early adoption. The most significant of these is IFRS 15 Revenue from Contracts with Customers. Based on the company's current circumstances, these standards are not expected to have a material impact on the financial statements.

1. Principal accounting policies (continued)

Revenue
The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

Royalty fees receivable are recognised in the period to which they relate.

Impairment of assets
The company's assets are reviewed at each balance sheet date to determine whether events or changes in circumstances exist that indicate that their carrying amount may not be recoverable. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Taxation
Current tax is the amount payable on the taxable income for the year and any adjustment in respect of prior years. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

2. Profit before tax

The profit before tax of £56,339 (2013 £20,460) did not include any fees in respect of auditors' remuneration or directors' remuneration (2013 £nil). The directors' remuneration for services to the company has been borne by other entities that are part of the Intu Properties plc group. No deduction is made for auditors' remuneration of £1,900 (2013 £1,900) which was settled on behalf of the company by the ultimate parent company, Intu Properties plc, and has not been recharged.

There were no employees during the year (2013 nil).

3. Taxation

The tax expense for the year is lower (2013 lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 31 December 2014 £	Period from 6 July 2012 to 31 December 2013 £
Profit before tax	56,339	20,460
Profit before tax multiplied by the standard rate of tax in the UK of 21.5% (2013 23.49%)	12,113	4,806
Effects of:		
Group relief (without payment)	(12,113)	(4,806)
Tax expense	-	-

4. Trade and other receivables

	2014 £	2013 £
Amounts due from group undertakings	76,800	20,461

Amounts due from group undertakings are unsecured, non-interest bearing and repayable on demand.

5. Share capital

	2014 £	2013 £
Issued, called up and fully paid		
1 ordinary share of £1 (2013 1 ordinary share)	1	1

6. Ultimate parent company

The ultimate parent company is Intu Properties plc, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained from the Company Secretary, 40 Broadway, London, SW1H 0BT. The immediate parent company is Intu Shopping Centres plc, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained as above.

7. Related party transactions

During the year/period the company entered into the following transactions with other group undertakings:

	Nature of transaction	Year ended 31 December 2014 £	Period from 6 July 2012 to 31 December 2013 £
Intu Shopping Centres plc	Issue of ordinary share capital	-	1
Braehead Glasgow Limited	Royalty fee receivable	2,576	2,093
Braehead Park Investments Limited	Royalty fee receivable	2,576	2,093
Intu Watford Limited	Royalty fee receivable	3,042	2,484
The Victoria Centre Partnership	Royalty fee receivable	2,795	2,390
Intu Lakeside Limited	Royalty fee receivable	10,616	8,934
The Wilmslow (No.3) Limited Partnership	Royalty fee receivable	834	-
The Chapelfield Partnership	Royalty fee receivable	432	-
Prozone Intu Properties Limited	Royalty fee receivable	1	-
Metropolitan Retail JV (Jersey) Unit Trust	Royalty fee receivable	30,451	-
Intu Retail Services Limited	Royalty fee receivable	3,016	2,466

Significant balances outstanding between the company and other group undertakings are shown below:

	Amounts owed by 2014 £	2013 £
Intu Shopping Centres plc	1	1
Braehead Glasgow Limited	4,670	2,093
Braehead Park Investments Limited	4,670	2,093
Intu Watford Limited	5,526	2,484
The Victoria Centre Partnership	5,185	2,390
Intu Lakeside Limited	19,549	8,934
The Wilmslow (No.3) Limited Partnership	834	-
The Chapelfield Partnership	432	-
Prozone Intu Properties Limited	1	-
Metropolitan Retail JV (Jersey) Unit Trust	30,451	-
Intu Retail Services Limited	5,481	2,466

8. Financial risk management

The majority of the company's financial risk management is carried out by the Intu Properties plc treasury department and the policies for managing each of these risks and the principal effects of these policies on the results for the year are summarised below.

Liquidity risk
Liquidity risk is managed to ensure that the company is able to meet future payment obligations when financial liabilities fall due. Liquidity analysis is conducted to ensure that sufficient headroom is available to meet the operational requirements and committed investments. The group treasury policy aims to meet this objective through maintaining adequate cash, marketable securities and committed facilities to meet these requirements. The group's policy is to seek to optimise its exposure to liquidity risk by balancing its exposure to interest rate risk and to refinancing risk. In effect the group seeks to borrow for as long as possible at the lowest acceptable cost.

The company had no financial liabilities as at 31 December 2014 (2013 £nil).

Classification of financial assets
The table below sets out the company's accounting classification of each class of financial assets and liabilities, and their fair values at 31 December 2014 and 31 December 2013.

		2014
	Carrying value	**Fair value**
	£	**£**
Trade and other receivables	76,800	76,800
Total loans and receivables	76,800	76,800

		2013
	Carrying value	**Fair value**
	£	**£**
Trade and other receivables	20,461	20,461
Total loans and receivables	20,461	20,461

There were no gains or losses arising on financial assets recognised in either the income statement or direct to equity (2013 £nil).