

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED
Company Number 09375849

Unaudited Financial Statements
For the year ended 31 December 2022



LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

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For the year ended 31 December 2022

Registered number: 09375849

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LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2022

The Directors of Liberty Living Investments Nominee 2 Limited (the 'Company') present their Unaudited Financial Statements for the year ended 31 December 2022. This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption of section 415A of the Companies Act 2006. Accordingly, the Directors have elected to take advantage of the exemption from preparing a Strategic report.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as a Nominee Company for a Limited Partnership. The directors expect to continue to carry out these activities in the future.

DIRECTORS

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

C Szpojnarowicz

J Lister

D Faulker (resigned 20th September 2022)

M Burt (appointed 20th September 2022)

N Hayes (appointed 20th September 2022 and resigned 20th December 2022)

SECRETARY

The Secretary of the Company during the period and up to the date of this report unless otherwise stated:

C Szpojnarowicz

GOING CONCERN

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

The Directors have considered a range of scenarios for future performance through the 2022/23 and 2023/24 academic years. The impact of our ESG asset transition plans are included within the cash flows which have been modelled. The assessment includes a base case assuming cash collection and performance for the 2022/23 academic year remains in line with current expectations and sales performance for the 2023/24 academic year consistent with published guidance; and a reasonable worst case scenario where income for the 2023/24 academic year is impacted by reduced sales, equivalent to occupancy of around 90%. Under each of these scenarios, the Directors are satisfied that the Group has sufficient liquidity and will maintain covenant compliance over the next 12 months.

To further support the Directors going concern assessment, a "Reverse Stress Test" was performed to determine the level of performance at which adopting the going concern basis of preparation may not be appropriate. This involved assessing the minimum amount of income required to ensure financial covenants would not be breached. Within the tightest covenant, occupancy could fall to approximately 70% before there would be a breach. The Group has capacity for property valuations to fall by 35% before there would be a breach of the tightest LTV and gearing covenants. Were income or asset values to fall beyond these levels, the Group has certain cure rights, such that an immediate default could be avoided. The Directors are satisfied that the possibility of such an outcome is sufficiently remote that adopting the going concern basis of preparation is appropriate.

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED


DIRECTORS' REPORT

For the year ended 31 December 2022

GOING CONCERN (CONTINUED)

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of these financial statements.

Approved by the Board of Directors on 12th September 2023 and signed on its behalf by:



.....
J Lister

Director

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

For the year ended 31 December 2022

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2022

There are no items of comprehensive income for either period and accordingly no statement of comprehensive income has been presented.

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

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED**BALANCE SHEET****As at 31 December 2022****Registered number: 09375849**

	Note	31 December 2022	31 December 2021
		£	£
Fixed assets			
Loans due from group undertakings	4	1	1
Total assets less current liabilities		1	1
Net assets		1	1
Capital and reserves			
Called up share capital	5	1	1
Profit and loss account		-	-
Equity Shareholder's funds		1	1

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

For the period ended 31 December 2022 the company was entitled to exemption from audit under section 479a of the Companies Act 2006.

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

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 12th September 2023. They were signed on its behalf by:



.....
J Lister
Director

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2022

	Called Up Share capital	Profit and loss account	Total
	£	£	£
At 31 August 2020	1	-	1
Result for the period	-	-	-
Total comprehensive result	-	-	-
At 31 December 2021	1	-	1
Result for the period	-	-	-
Total comprehensive result	-	-	-
At 31 December 2022	1	-	1

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1. ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with accounting standards applicable in the United Kingdom and the functional and presentational currency of the Company is pounds sterling (£). They have all been applied consistently throughout the period and to the preceding period. The principal accounting policies are summarised below.

General information and basis of accounting

Liberty Living Investments Nominee 2 Limited is a private company limited by shares under the Companies Act 2006 and registered in England and Wales. The address of the registered office is South Quay, Temple Back, Bristol, United Kingdom, BS1 6FL. The nature of the Company's operation and its principal activities are set out in the Directors' report on page 1.

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

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

Financial instruments

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

Financial assets and liabilities

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

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2022

ACCOUNTING POLICIES (CONTINUED)

Going Concern

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons.

The Company is dependent for its working capital on funds provided to it by The Unite Group plc ('Unite'). Unite has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. As with any entity placing reliance on other group entities for financial support, the Company acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this understanding the directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence; thus they continue to adopt the going concern basis in preparing the financial statements.

Further details can be found in the Directors' Report on page 1.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

3. STAFF COSTS

There were no employees during either the current or prior period.

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

4. AMOUNTS DUE FROM GROUP UNDERTAKINGS

	31 December 2022	31 December 2022
	£	£
Amounts due from group undertakings	1	1
	<u>1</u>	<u>1</u>

The amounts owed by group related undertakings are repayable on demand but are intended for use on a continuing basis.

LIBERTY LIVING INVESTMENTS NOMINEE 2 LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2022****5. SHARE CAPITAL***Allotted, called up and fully paid*

	31 December 2022	31 December 2021
	£	£
Ordinary £1 share	<u>1</u>	<u>1</u>

The Company has one class of ordinary share which carry no right to fixed income.

6. CONTROLLING PARTIES

The Company's immediate parent company is Liberty Living Investments GP2 Limited, a company incorporated and registered in England and Wales.

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

7. RESERVESCalled up share capital

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

Profit and loss reserves

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

8. OTHER FINANCIAL COMMITMENTS

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

The Company became guarantor of the £450m Unite Group plc Facilities Agreement in September 2022 and remains a guarantor of the Unite Bonds, and certain Unite subsidiaries remain as guarantors of the Liberty Living (HE) Holdings Group bonds. On 27 May 2022 the Company became a guarantor of a note purchase agreement issued by The Unite Group plc for £150m, maturing on 27 May 2031. This new borrowing helped refinance the repayment of bank facilities that Unite Group plc repaid in September 2022, facilities that had also been guaranteed by the Company.