
UPP (KENT STUDENT ACCOMMODATION) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

UPP (KENT STUDENT ACCOMMODATION) LIMITED

COMPANY INFORMATION

Directors	H Gervaise-Jones M Swindlehurst
Registered number	05991255
Registered office	First Floor 12 Arthur Street London EC4R 9AB
Independent auditor	KPMG LLP Chartered Accountants and Statutory Auditor 15 Canada Square London E14 5GL

UPP (KENT STUDENT ACCOMMODATION) LIMITED

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UPP (KENT STUDENT ACCOMMODATION) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Business review

The Company's principal activity is the development, funding, and construction of student accommodation under the University Partnerships Programme (UPP), in partnership with the University of Kent.

The building has achieved full occupancy of the 544 available rooms during the academic year. The year end financial position was in accordance with the directors' expectations. The directors anticipate that the future level of activity will be in accordance with their expectations and consider that the project will yield returns in line with current forecasts.

The level of business, achieving budgeted occupancy, and the year-end financial position were in accordance with the Directors' expectations. The Directors anticipate that the future level of activity will be in accordance with their expectations and consider that the project will yield returns in line with current forecasts.

Despite the considerable impact on UK higher education ('HE') wrought by the COVID-19 pandemic and the impact of Brexit, the sector has maintained its position as the leading global destination for students after the USA. UCAS applicant data issued following the 30 June 2020 main scheme deadline identifies continued growth in demand of 2% overall or the equivalent of more than 14,000 extra applicants on the previous cycle.

This deadline saw applications from approximately 653,000 prospective students. Applicant numbers from the UK were up by 2%, a 7,980 increase on the 2019/20 cycle, however there was a decline in applicants from EU countries of 2%, the equivalent of 1,000 students. The number of applicants from outside the EU witnessed strong growth at 10%, an increase of 7,790 new prospective international students. The data also identified the continuing increase in the rate of application from 18-year-olds. This cohort has seen year on year increases over the last decade from 34.7% in 2012 to 38.9% in 2019. This figure increased again during the 2020 cycle to 40.5% of the 18-year-old population. This is positive news for the Company as this is by far the largest demand cohort for its accommodation.

With the deadline for Brexit extended until 31 January 2020, the exit of the United Kingdom from the European Union (EU) continues to cast uncertainty across numerous sectors of the economy. Whilst there have been some concerns how this might impact EU and International student enrolment post-Brexit, demand modelling by the Higher Education Policy Institute and London Economics suggests any fall in EU numbers will be largely offset by an increase in the population of International students; an estimated net fall in the full time student population of 0.6 per cent.

The Board remains cognisant of the attendant risks relating to this process and will continue to actively manage these where they arise.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Principal risks and uncertainties

Financial risk management objectives and policies

The Company uses various financial instruments including loans, RPI swaps, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations. All of the Company's financial instruments are of sterling denomination and the Company does not trade in financial instruments or derivatives.

The existence of these financial instruments exposes the Company to a number of financial risks, which are described in more detail below. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from the previous year.

Interest rate risk

The Company finances its operations through a mixture of retained profits, related party borrowings and fixed rate and inflation linked on-loans from a fellow group undertaking.

Through the use of the fixed rate tranche of the on-loan the company has mitigated its negative exposure to interest rate fluctuations on that portion of its borrowings. The index-linked tranche of the on-loan has a nominal fixed rate that is linked to RPI (see below).

Inflation Risk

Growth in rental income is linked to the movement in RPI and the Company manages the exposure to this index through a mix of inflation linked debt on-lent from the fellow group undertaking and the use of RPI swaps to hedge a portion of the fixed rate on-loan servicing costs.

Liquidity risk

The Company seek to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and debt servicing and to invest cash assets safely and profitably.

The maturity of borrowings is set out in note 15 to the financial statements.

Demand risk

The Company is subjected to risks arising from occupancy voids and lack of nominations by the university partner, which can lead to uncertain revenues. This risk is managed by cementing relationships with the university, improved marketing of accommodation and improved third party revenues to compensate for any shortfalls in rental income.

Portfolio risk

The assets of the Company are in the student market and reduced student numbers could impact upon financial performance. The Company seeks to mitigate this risk by building excellent long term relationships with its university partner and ensuring up to date in depth market analysis is completed each year to enable the Company to review its strategic position.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Other key performance indicators

The following are considered by the directors to be indicators of average performance of the company that are not necessarily evident from the financial statements but provide insight into the quality of underlying cash flows for the borrowers.

	2019/20	2018/19
Average Applications : Acceptance ratio	6.2:1	6.6:1
Average core demand pool (no. of students)	12,605	13,165

The indicators above are directly related to performance of the university partner of the company and any changes in these statistics may potentially affect the performance of the company and in turn, the economic viability of this company.

The directors also monitor the occupancy levels of the student accommodation facilities.

	2019/20	2018/19
Average occupancy across the facilities	100.0%	100.0%

The target occupancy level is 98-99%. As such the directors are satisfied that the average occupancies noted above are within the tolerable limits for the recovery of credit extended to the company. In addition, the company met its on-loan obligations in the period.

The Company has to adhere to financial covenants on the associated senior debt financial instruments, such as debt service cover ratio. All of the financial covenants have been met during the financial year.

This report was approved by the board on 14 December 2020 and signed on its behalf.



Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

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

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so..

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

Financial risk management objectives and policies

The Company's financial risk management objectives and policies are considered to be of strategic significance and are therefore detailed in the Strategic Report on page 2.

Results and dividends

The profit for the year, after taxation, amounted to £1,825k (2019 - £356k).

The directors are unable to propose the payment of dividend (2019: £nil).

Financial risk management objectives and policies

The Company's financial risk management objectives and policies are considered to be of strategic significance and are therefore detailed in the Strategic Report on pages 2.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Going concern

The directors have prepared cashflow forecasts, which are based on detailed financial models and reflect contractual commitments, estimated future demand trends and the expected cashflows which show that the Company is able to meet its liabilities as they fall due.

In preparing these financial statements, the Directors have also considered the impacts of the Covid-19 pandemic on the ability of the Company to continue as a going concern. Whilst this situation is likely to generate continued uncertainty, the Directors are confident that the robust nature of the business model and its many credit-positive features will enable the Company to mitigate many of the risks arising. Notwithstanding this they recognise that the situation may give rise to as yet unidentified and unquantifiable risks.

On this basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements, and therefore continue to adopt the going concern basis in preparing these financial statements. For more information refer to Basis of preparation note in Financial Statements.

Directors

The directors who served during the year were:

H Gervaise-Jones
M Swindlehurst
R Bienfait (resigned 31 January 2020)

Future developments

Occupancy for the 2020/21 financial year has been secured at 90% which has exceeded the directors' expectations.

Qualifying third party indemnity provisions

During the year and up to the date of this report, the Company maintained liability insurance and third-party indemnification provisions for its directors, under which the Company has agreed to indemnify the directors to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities of the Company.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the directors is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors has taken all the steps that ought to have been taken as a directors in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Auditor

KPMG LLP was appointed in the year as auditor of the company in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 December 2020 and signed on its behalf.



H Gervaise-Jones
Director

UPP (KENT STUDENT ACCOMMODATION) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPP (KENT STUDENT ACCOMMODATION) LIMITED

Opinion

We have audited the financial statements of UPP (Kent Student Accommodation) Limited ("the company") for the year ended 31 August 2020 which comprise the profit and loss account, statement of comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- and have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPP (KENT STUDENT ACCOMMODATION) LIMITED

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements;
- and in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you 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. We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPP (KENT STUDENT ACCOMMODATION)
LIMITED**

The purpose of our audit work and to whom we owe our responsibilities

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.



Craig Steven-Jennings (Senior statutory auditor)

for and on behalf of

KPMG LLP

Chartered Accountants
Statutory Auditor

15 Canada Square
London
E14 5GL
15 December 2020

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £000	<i>As restated</i> 2019 £000
Turnover	4	4,137	4,030
Cost of sales		(1,088)	(1,113)
Gross profit		3,049	2,917
Administrative expenses		(885)	(480)
Operating profit	5	2,164	2,437
Interest receivable and similar income	8	30	28
Interest payable and similar expenses	9,19	(369)	(2,109)
Profit before tax		1,825	356
Profit for the financial year		1,825	356

The notes on pages 15 to 34 form part of these financial statements.

The above results all relate to continuing operations.

Prior year restatement is disclosed in note 19.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	As restated 2019 £000
Profit for the financial year		1,825	356
Other comprehensive income			
Unrealised surplus on revaluation of tangible fixed assets	11	57	145
Other comprehensive income for the year		57	145
Total comprehensive income for the year		1,882	501

The notes on pages 15 to 34 form part of these financial statements.

All amounts relate to continuing operations.

UPP (KENT STUDENT ACCOMMODATION) LIMITED
REGISTERED NUMBER: 05991255

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	As restated 2019 £000
Fixed assets			
Tangible assets	11	37,200	37,300
		<u>37,200</u>	<u>37,300</u>
Current assets			
Debtors	12,19	3,615	2,828
		<u>3,615</u>	<u>2,828</u>
Creditors: amounts falling due within one year	13	(690)	(662)
		<u>2,925</u>	<u>2,166</u>
Net current assets			
		<u>40,125</u>	<u>39,466</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	14,19	(26,490)	(27,713)
		<u>13,635</u>	<u>11,753</u>
Net assets			
Capital and reserves			
Called up share capital	17	1,381	1,381
Revaluation reserve	18	11,093	11,080
Profit and loss account	18,19	1,161	(708)
		<u>13,635</u>	<u>11,753</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 December 2020.



H Gervaise-Jones
Director

Prior year restatement is disclosed in note 19.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2020**

	Called up share capital	Revaluation reserve	Profit and Loss account	Total equity
	£000	£000	£000	£000
At 1 September 2019	1,381	11,080	(708)	11,753
Restated profit for the year	-	-	1,825	1,825
Transfer from revaluation reserve	-	-	44	44
Deficit on revaluation of principal asset	-	57	-	57
Transfer from profit and loss account	-	(44)	-	(44)
At 31 August 2020	1,381	11,093	1,161	13,635

The notes on pages 15 to 34 form part of these financial statements.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the Profit and Loss account as a movement in reserves. The transfer for 2020 was £44k.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2019**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2018 (as previously stated)	1,381	10,976	1,882	14,239
Prior year adjustment	-	-	(2,987)	(2,987)
At 1 September 2018 (as restated)	1,381	10,976	(1,105)	11,252
Profit for the year	-	-	356	356
Transfer from revaluation reserve	-	-	41	41
Surplus on revaluation of principal asset	-	145	-	145
Transfer from profit and loss account	-	(41)	-	(41)
At 31 August 2019	1,381	11,080	(708)	11,753

The notes on pages 15 to 34 form part of these financial statements.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the Profit and Loss account as a movement in reserves. The transfer for 2019 was £41k.

Prior year restatement is disclosed in note 19.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. General information

UPP (Kent Student Accommodation) Limited is a private company limited by shares and incorporated in England, with company number 05991255. The registered office is First Floor, 12 Arthur Street, London, EC4R 9AB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has chosen to apply transitional relief under section 35.10 (i) Service concession arrangements - Accounting By Operators and as a result its tangible fixed assets which meet the definition of service concession arrangements under Section 34 but where the contract was entered into before the date of transition will continue to be accounted for using the same accounting policies being applied at the date of transition to FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Profit and loss figures in the following notes have been shown for the Company unless otherwise specified

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.2 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

In preparing these financial statements, the Directors have considered the impacts of the Covid-19 pandemic on the ability of the Company to continue as a going concern by preparing a cash flow forecast through to 31 August 2022, modelling a severe but plausible downside scenario which demonstrates that the Company is expected to have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements.

A key feature of the Company's contractual arrangements is that university counterparty bears the risk on in-year rental income once students have contracted for the rooms. The effectiveness of this contractual protection was confirmed through the challenging circumstances that arose during the third term when the university counterparty chose to waive rents for students that departed early but continued to meet its payment obligations to the Company.

For the 2020/21 academic year the Company has secured sufficient lettings to remain compliant with funding covenants. The Directors anticipate that the Company's university counterparty will meet its payment obligations as they fall due even in the severe plausible downside and, as a result, revenue risk for the 2020/21 year remains low. The Directors consider that the Company's costs are reasonably controllable and while there are likely to be increased costs arising from changes to the operating practices to respond to Covid-19, these may be offset by cost savings elsewhere and are not sufficient to threaten the viability of the business.

The Directors believe that the fundamentals of the market for student accommodation remain supportive to the long-term success of the business and while Covid-19 and similar risks have the potential to impact upon future years, the Company, universities, the Government and the public are likely to be better prepared for such events such that the impact is less severe than it was in 2020.

On this basis, the Directors are confident that the Company will have sufficient funds to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements, and therefore have prepared the financial statements on a going concern basis.

2.3 Turnover

Rent receivable is recognised on a straight line basis of the amount receivable in respect of the rental period. Amounts received in advance are included within deferred income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is calculated so as to write off the cost of the tangible fixed assets, less any residual value, over the expected useful economic lives of the assets concerned once construction is complete. The principal rates of depreciation used for this purpose are:

Assets for use in operating leases - annuity method over the term of the lease

The economic benefit of the principal assets for use in operating leases is the return on assets invested into the financing arrangement with the relevant university. The annuity method takes into account the cost of capital notionally invested in the principal asset. Notional interest calculated using the relevant company's actual weighted cost of capital and depreciation combined will give an approximately constant charge to revenue.

The company has adopted a policy to revalue the principal asset every five years with an interim valuation performed in year three of the cycle and in other years if there is evidence that the value has changed significantly. The movement in fair value is recognised in other comprehensive income and accumulated in equity in a revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged to the Profit and Loss account. A deficit which represent a clear consumption of economic benefits is charged to the Profit and Loss account regardless of any such previous surplus.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the Profit and Loss account as a movement on reserves.

2.5 Derivatives financial instruments

Derivatives, which include inflation swaps, are not basic financial instruments.

To mitigate its exposure to changes in inflation, the Group has entered into inflation-linked swaps ('RPI swaps') with external counterparties. All derivative instruments are initially measured at fair value on the date the contract is entered into and subsequently re measured to fair value at each reporting date. The gain or loss on re measurement is taken to the income statement in finance cost or finance income as appropriate, unless they are included in a hedging arrangement.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair values of inflation swap contracts are determined by calculating the present value of the estimated future cash flows using observable yield curves.

The gain or loss on re-measurement is taken to the Profit and Loss in finance cost or finance income as appropriate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.6 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of UPP Group Holdings Limited as at 31 August 2020 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9 Related party transactions

The group is a wholly owned subsidiary of UPP Group Holdings Limited and as such the company has taken advantage of the terms of FRS 102.33.1A not to disclose related party transactions which are eliminated on consolidation.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Impairment is determined by making an estimate of the likely recoverable value of short term debtors by considering factors such as the credit rating, the aging profile and the historic experience of the respective debtor.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Interest bearing loans and borrowings

Fixed rate senior secured notes, index linked senior secured notes and subordinated loan notes are initially measured at fair value, net of transaction costs. They are then subsequently measured at amortised cost using the effective interest method. Refer to note 3 for details on why the instruments are considered to be basic.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial liability, or (where appropriate) a shorter year, to the net carrying amount on initial recognition.

Where the financial liability has variable cash flows, such as the index linked interest and principal repayments, the change in RPI is charged to the profit and loss in the period to which it relates.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Finance costs

Financing costs, comprising interest payable on loans and subordinated loan notes and the costs incurred in connection with the arrangement of borrowings are recognised in the income statement using the effective interest method. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument unless the capital instrument is subsequently carried at fair value in which case the initial issue costs are expensed in the profit and loss account.

2.15 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to exercise judgement in applying the company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and assumptions are reviewed on an on-going basis with revisions recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving the most sensitive estimates and assumptions that are significant to the financial statements are set out below:

Revaluation of the principal assets (Note 11)

The Company has adopted a policy to revalue the principal assets every five years with an interim valuation performed in year three of the cycle and in other years if there is evidence that the value has changed significantly. The company engages independent valuation specialists to determine the fair value of the assets every five years, with a directors' valuation performed at any other interim period. The valuation technique employed by both the independent valuers and directors is based on a discounted cash flow model as there is a lack of comparable market data due to the specific nature of the property assets. The determined fair value of the principal assets is most sensitive to the estimated rental growth, discount rate, as well as the long term occupancy rates. The key assumptions used to determine the principal assets are further explained in note 11.

Valuation of RPI swaps (Note 19)

In estimating the fair value of the RPI swaps, the Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements, which are subjective in nature and require significant judgement. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees'

Impairment of non-financial assets

The Company assesses at each reporting date whether an asset may be impaired. If any such indication exists the company estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through impairment in profit and loss, unless the asset is carried at a revalued amount where the impairment loss of a re-valued asset is a revaluation decrease.

An impairment loss recognised is reversed for all assets and is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Judgements in applying accounting policies (continued)

Presentation of the principal asset (Note 11)

Rent receivable is generated from the company's interests in university accommodation. These interests fall within the scope of Section 34 of FRS 102, however, due to the transitional relief adopted in relation to service concession arrangements, the company continues to account for all its principal assets applying the policies under the extant UK GAAP, FRS 5 (Application Note F).

Each year the Company applies judgement in assessing the status of these interests, in accordance with the provisions of FRS 5 (Application Note F), assessing the balance of the significant risks and rewards of ownership of the asset. The appropriate balance sheet treatment of these interests is to treat the asset as a finance receivable asset where the Company does not have the majority of significant risks and rewards. Where it does, the asset is treated as a tangible fixed asset.

The directors consider the balance of the risks and rewards lies with the Company due to the Company taking the key demand risk and therefore the assets are treated as tangible fixed asset.

Classification of index-linked financial instruments (Note 15)

The Company's index-linked senior secured notes are fully amortising with both principal repayments and real interest adjusted semi-annually by the change in the RPI index. Management have concluded that despite both principal and interest being linked to RPI, these links are not leveraged and because both principal and interest repayment obligations change in the same proportion and therefore the conditions in paragraphs 11.9(a) and (aA) of FRS 102 are met and the Company index linked financial instruments are classified as basic and carried at amortised cost.

4. Turnover

Turnover represents income, on the basis of accounting policy 2.3, excluding VAT, attributed to the provision of student accommodation.

	2020	2019
	£000	£000
Provision of student accommodation	4,137	4,030
	4,137	4,030

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2020	2019
	£000	£000
Depreciation of tangible fixed assets	157	145

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Auditor's remuneration

	2020 £000	<i>2019</i> <i>£000</i>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	14	8

7. Employees and Director information

Staff costs were as follows:

	2020 £000	<i>2019</i> <i>£000</i>
Wages and salaries	171	160
Social security costs	13	21
Cost of defined contribution scheme	7	2
	191	183

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	<i>2019</i> <i>No.</i>
Site managers (full time)	4	3
Administration, maintenance and cleaning (full and part time)	9	7
	13	10

Key management personnel

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel. Total remuneration with respect of these individuals is £nil (2019: £nil).

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Interest receivable

	2020 £000	<i>2019</i> <i>£000</i>
Interest receivable from group companies	11	11
Bank interest receivable	19	17
	<u>30</u>	<u>28</u>

9. Interest payable and similar expenses

	2020 £000	<i>As restated</i> <i>2019</i> <i>£000</i>
Fixed rate interest due to group undertaking	1,282	1,399
Fair value movement on RPI swaps	(925)	698
Index-linked interest due to group undertaking	12	12
	<u>369</u>	<u>2,109</u>

Interest payable to group undertakings is payable to UPP Bond 1 Issuer plc.

10. Taxation

	2020 £000	<i>2019</i> <i>£000</i>
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Taxation (continued)

Factors affecting tax (credit) / charge for the year

The tax assessed for the year is the same as (2019 - *the same as*) the standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%) as set out below:

	2020	<i>As restated</i>
	£000	<i>2019</i>
		<i>£000</i>
Profit on ordinary activities before tax	1,824	356
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%)	(294)	141
Effects of:		
Brought forward losses utilised in the year	(4)	(5)
Exempt property rental (profits)/losses in the year	298	(136)
Total tax charge/(credit) for the year	-	-

Factors that may affect future tax charges

UPP REIT Holdings Limited is a Real Estate Investment Trust ("REIT"). As a result, the Company no longer pays UK corporation tax on profits and gains from qualifying property rental business providing it meets certain conditions. Non-qualifying profits and gains continue to be subject to UK corporation tax as normal.

A deferred tax asset of £1,783k (2019: £1,783k) in respect of available tax losses has not been recognised at 31 August 2020.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Tangible fixed assets

	Assets for use in operating leases £000
Valuation	
At 1 September 2019	37,300
Revaluations	(100)
	<hr/>
At 31 August 2020	37,200
	<hr/>
Charge for the year on owned assets	157
On revalued assets	(157)
	<hr/>
At 31 August 2020	-
	<hr/>
Net book value	
At 31 August 2020	37,200
	<hr/> <hr/>
At 31 August 2019	37,300
	<hr/> <hr/>

UPP (KENT STUDENT ACCOMMODATION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

11. Tangible fixed assets (continued)

Fixed assets include borrowing costs of £991k (2019: £991k) which have been capitalised at 100%.

Under the terms of the debenture, the finance provider, UPP Bond 1 Issuer plc, has security by way of a first legal mortgage over all estates or interests in the leasehold properties and buildings and fixtures on those properties, as well as security over all other assets of the Company by way of fixed and floating charges.

Assets used in operating leases were independently valued by Jones Lang LaSalle Limited ("JLL"), Chartered Surveyors, on an existing use basis at 31 August 2020. JLL have confirmed that the value as at that date was £37,200k.

In 2019, following an internal review of the assets used in operating leases, the directors have concluded there is no impairment to the value as determined by JLL in 2028.

The critical assumptions made in relation to the valuation are set out below:

	2020
Discount rates	8.40%
Occupancy rates	99%
Long term annual rental growth	3.0%

Book value or valuation at 31 August 2020 is as follows:

	Assets for use in operating leases £000
At cost	27,123
At valuation:	
Revaluation as at 31 August 2020	10,077
	37,200

If the assets for use in operating leases had not been included at valuation they would have been included under the historical cost convention as follows:

	2020 £000	2019 £000
Cost	27,123	27,123
Accumulated depreciation	(918)	(805)
Net book value	26,205	26,318

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Debtors

	2020	<i>As restated</i>
	£000	<i>2019</i>
		<i>£000</i>
Trade debtors	6	6
Amounts owed by group undertakings	3,607	2,818
Prepayments and accrued income	2	4
	3,615	2,828

Included within amounts owed by group undertakings is a balance owed from UPP Bond 1 Issuer Plc of £636k (2019 - £615k) which is to fund a debt service reserve account held by UPP Bond 1 Issuer Plc that is sized to be adequate to cover the next six months of service costs of both tranches of the senior secured notes. This amount is reviewed every six months and increased or decreased accordingly. Interest receivable on these loans is calculated using the effective interest method which is different to the actual cash interest received at the rate the company earns interest on the cash balances it holds.

The remaining amounts owed by group undertakings is an amount owed by UPP Bond 1 Limited.

Prior year restatement is disclosed in note 19.

13. Creditors: Amounts falling due within one year

	2020	<i>2019</i>
	£000	<i>£000</i>
Fixed rate on loans	409	472
Trade creditors	19	45
Amounts owed to group undertakings	90	-
Other taxation and social security	2	-
Accruals and deferred income	170	145
	690	662

The amounts owed to group undertakings are amounts owed to UPP Residential Services Limited and are repayable on demand.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Creditors: Amounts falling due after more than one year

	2020	<i>As restated</i>
	£000	2019 £000
Fixed rate on loans	19,607	19,980
Index linked on loans	5,819	5,744
Derivative financial instruments	1,064	1,989
	<hr/>	<hr/>
	26,490	27,713
	<hr/>	<hr/>

Prior year restatement is disclosed in note 19.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

15. Loans

Senior secured on loan notes

On 5 March 2013, a fellow subsidiary of the Company's immediate parent UPP Bond 1 Limited, UPP Bond 1 Issuer plc, launched a Multicurrency Programme for the issuance of £382.1 million Senior Secured Notes. The proceeds of this bond issuance were on lent to UPP (Kent Student Accommodation) Limited and five other subsidiary undertakings of UPP Bond 1 Limited, to enable the companies to repay their existing senior bank debt funding.

These notes are listed on the Irish Stock Exchange. The 4.9023% fixed rate loan notes are due to be fully repaid by 2040, with repayments having begun in August 2013. The 2.7291% index linked loan notes are due to be fully repaid by 2047, with repayments starting in August 2038.

The company entered into on-loan arrangements with UPP Bond 1 Issuer Plc the terms and conditions of which are laid out below:

	Amount	Interest rate	Maturity
Tranche A	23,176,000	Fixed rate at 4.9023%	28 February 2040
Tranche B	5,026,000	Index-linked at 2.7291%	31 August 2047

The on-loan facilities above are secured under a debenture deed. Under the terms of the debenture, the finance provider, UPP Bond 1 Issuer plc, has security by way of a first legal mortgage over all estates or interests in the leasehold properties and buildings and fixtures on those properties, as well as security over all other assets of the Company by way of fixed and floating charges.

Unsecured subordinated loan notes

On 5 March 2013, UPP Bond 1 Limited provided unsecured subordinated loan notes of £32,039,000 to the Company. These loan notes bear interest at 14% and are repayable by 2048.

Effective from 1 March 2018 subordinated loan notes were waived by UPP Bond 1 Limited, resulting in a capital contribution of £11,424k.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Loans (continued)

Analysis of the maturity of loans is given below:

	2020 £000	2019 £000
Amounts falling due within one year		
Fixed rate on loans	409	472
	409	472
Amounts falling due 1-2 years		
Fixed rate on loans	489	409
	489	409
Amounts falling due 2-5 years		
Fixed rate on loans	1,782	1,606
	1,782	1,606
Amounts falling due after more than 5 years		
Fixed rate on loans	17,336	17,965
Index-linked on loans	5,819	5,744
	23,155	23,709
	25,835	26,196

UPP (KENT STUDENT ACCOMMODATION) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Financial instruments

	2020	2019
	£000	£000
Financial assets		
Financial assets measured at amortised cost	3,613	2,824
Financial liabilities		
Financial assets measured at amortised cost	(1,064)	(1,989)
Financial liabilities measured at amortised cost	(25,944)	(26,241)
	(27,008)	(28,230)

Derivative instruments at fair value comprise trade debtors and amounts owed by group undertakings which is repayable on demand.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, fixed rate senior secured notes, index linked senior secured notes.

Derivative financial instruments measured at fair value through profit or loss comprise an RPI swap.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of these swaps is determined using discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, spot and forward rates, as well as option volatility.

The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

To mitigate the risks of inflation movements in the underlying income generation of the Company impacting on the Company's ability to service the fixed rate senior on loans, the Company has entered into an RPI swap with UPP Bond 1 Issuer plc, a fellow group company, which has entered into on loan arrangements with the Company. The notional amounts swapped for each year has been determined with reference to a percentage of the fixed rate on loan servicing costs.

At the balance sheet date the fair value of this swap was £1,064k liability (2019: £1,382k asset).

The Company entered into the RPI swap on 5 March 2013, fixing a portion of the underlying rental income stream to 2.7%. The RPI swap is for a period of 27 years from March 2013, commencing in February 2015 and finishing in February 2040.

The Company does not apply hedge accounting for its derivative instrument as the criteria are not met under section 12 FRS 102. A hedging loss of £2,447k arose during the year (2019: £698k loss) and was recognised in the Profit and Loss Account, reflecting the change in fair value of this RPI swap.

UPP (KENT STUDENT ACCOMMODATION) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Share capital

	2020 £000	2019 £000
Authorised		
1,396,153 (2019 - 1,396,153) A Ordinary shares of £1.00 each	<u>1,396</u>	<u>1,396</u>
Allotted, called up and fully paid		
1,380,953 (2019 - 1,380,953) A Ordinary shares of £1.00 each	<u>1,381</u>	<u>1,381</u>

The Ordinary shares have the rights and restrictions as set out in the amended Articles of Association of the Company.

18. Reserves

Revaluation reserve

The reserve is used to record the surplus or deficit arising on valuation of the principal asset of the group as well as the deferred tax liability arising on any chargeable gains if the associated property were to be sold at the balance sheet date.

Profit and loss account

The reserve consists of current and prior year profit and loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Prior year adjustment

During the financial year the Directors identified that the fair value of derivatives in prior periods had not been adjusted for the effect of the entity's own non-performance risk and that of the respective counterparty's non-performance risk.

In prior periods the Company performed the calibration of standard valuation models on inception for each derivative to determine an initial spread that calibrated the model to zero on the trade date. The initial spread was held constant and added to market interest and inflation curves at each year end. This resulted in no changes since inception in the credit spread of the derivative counterparties or the entity's own credit spread being taken into account in the value of the derivatives.

In the current year the Company incorporates credit and debit valuation adjustments to appropriately reflect both its own non-performance risk and the respective counterparty's non-performance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of non-performance risk, the Company has considered any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

The impact of restating the fair value of derivatives on amounts reported in the prior-year statement of comprehensive income, balance sheet and statement of changes in equity is set out below.

As at 1 September 2018

- Decrease of £2,987k in the opening profit and loss from £1,852k (positive) to £1,105k (negative).
- Decrease in Debtors from £3,682k to £1,986k
- Increase in creditors: amounts falling due after more than one year from £25,988k to £27,280k

As at 31 August 2019

- Decrease of £3,372k in the profit and loss from £2,664k (positive) to £708k (negative) in year
- Decrease in debtors - financial instruments of £1,383k from £1,383k to £nil.
- Increase in creditors: amounts falling due after more than one year - financial instruments from £nil to £1,989k.
- Decrease in total profit and loss for the year ended 31 August 2019 from £741k to £356k due to the fair value movement of swaps changing from £313k loss to £698k loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. Controlling party

The company's immediate parent undertaking is UPP Bond 1 Limited, whose immediate parent company is UPP Bond 1 Holdings Limited. The parent company of UPP Bond 1 Holdings Limited is UPP Group Limited. UPP Group Limited is a wholly owned subsidiary of UPP Group Holdings Limited.

UPP Group Holdings Limited is a wholly owned subsidiary of UPP REIT Holdings Limited.

UPP REIT Holdings Limited is controlled by a 60% stake held by PGGM Vermogensbeheer BV ("PGGM"), a company incorporated in The Netherlands.

It is the directors' opinion that PGGM is the ultimate controlling party.

The largest group of which the Company is a member and for which group accounts are prepared is UPP REIT Holdings Limited.

The smallest group of which the Company is a member and for which group accounts are prepared is UPP Group Holdings Limited.

Copies of the UPP Group Holdings Limited accounts can be obtained from Companies House, Crown House, Cardiff CF14 3UZ, once they have been filed.

Copies of the UPP REIT Holdings Limited accounts can be obtained from www.upp-ltd.com, once they have been published.