

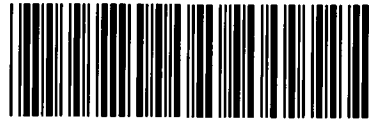


LEGAL & GENERAL (STRATEGIC LAND) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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LEGAL & GENERAL (STRATEGIC LAND) LIMITED

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Registered office:
One Coleman Street
London EC2R 5AA

Registered in England and Wales Number 09578417

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

STRATEGIC REPORT

The directors present their Strategic Report for Legal & General (Strategic Land) Limited ("the Company") for the year ended 31 December 2017.

Principal activities

The Company is a holding company for land assets. Considering the nature of the Company's activities, we expect to continue carrying out these activities in the future.

The Company is incorporated in England & Wales but domiciled in the United Kingdom.

Review of the Business

The Company was incorporated on 7 May 2015 to invest in land and currently holds four land assets.

The Company's strategy is to add value through planning and infrastructure with synergies for the Legal & General's (Group) wider business by establishing a land bank for other parts of the Group. It seeks opportunities to acquire land and create JVs with landowners and the public sector to create medium term land diversity in land bank alongside the existing, predominantly long term, portfolio.

Principal risks and uncertainties

The directors of Legal & General Group Plc manage the Group's risk at a Group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Legal & General Group, which includes those of the Company, are discussed in the Strategic Report of the Group's annual report, which does not form part of this report.

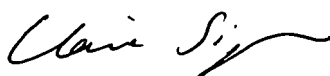
The Company has amounts payable to Group undertakings. The liquidity in the Company is monitored and actively managed at the Parent company level to ensure it is able to meet its obligations to mitigate potential liquidity risks.

The Company is also affected by market risk, as this could cause losses due to factors that affect the overall land values. These are monitored by getting regular valuations carried out by external experts and mitigated by holding a geographically diversified portfolio.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

By order of the Board



Claire Singleton
For and on behalf of Legal & General Co Sec Limited
Company Secretary
08 May 2018

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements of Legal & General (Strategic Land) Limited ("the Company") for the year ended 31 December 2017.

Directorate

The directors of the Company, who were in office during the year and up to the date of signing the financial statements are shown below:

J.R. Lidgate

L.R. Aitchison

C. Jewel-Clark (appointed 07/07/17)

Directors' Indemnities and Insurance

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent company, Legal & General Group Plc ("the Group"), maintains an appropriate level of Directors' and Officers' liability insurance which is reviewed annually.

Independent auditors

PricewaterhouseCoopers LLP are expected to continue as external auditors of the Company until the Annual General Meeting of Legal & General Group plc on 17 May 2018 at which point they are expected to resign as auditors of the Company and Group. KPMG LLP are expected to be formally appointed as auditors of the Company and Group from this date.

There is no requirement under the Companies Act or the Company's articles of association to hold an Annual General Meeting or lay the Company's Report and financial statements before the shareholders.

Results for the year and dividend

The results of the Company are set out on page 7. The directors do not recommend the payment of a final dividend (2016: nil). At 31 December 2017, the Company had net assets of £6.0 million (2016: £3.1m).

Likely future developments

The directors continually assess the long term strategy of the Company to ensure it can adapt to changing market conditions, changes in regulations and changes in client and operational demands. When assessing and setting the Company's long term strategy, the directors take into consideration client, regulator and legal requirements, its shareholders and other stakeholders.

The Directors are considering other land assets that would be a natural fit within this company and expect to acquire more assets in the coming year.

Going concern

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors.

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

DIRECTORS' REPORT (CONTINUED)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors of the ultimate parent company are responsible for the maintenance and integrity of the of the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



Claire Singleton
For and on behalf of Legal & General Co Sec Limited
Company Secretary
08 May 2018

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGAL & GENERAL (STRATEGIC LAND) LIMITED

Report on the financial statements

Our opinion

In our opinion, Legal & General (Strategic Land) 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 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2017;
- the Income Statement 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 in note 1, and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in this respect.

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 to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGAL & GENERAL (STRATEGIC LAND) LIMITED (CONTINUED)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("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 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 Annual Report 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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Philip M Watson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
08 May 2018

LEGAL & GENERAL (STRATEGIC LAND) LIMITED
INCOME STATEMENT

For the year ended 31 December 2017

| | Note | 2017 £'000 | 2016 £'000 |
|--------------------------------------|------|----------------|---------------|
| Investment income | 3 | 3,950.3 | 131.1 |
| Administrative expenses | | (518.0) | (48.0) |
| Operating profit | | <u>3,432.3</u> | <u>83.1</u> |
| Profit before income tax | | <u>3,432.3</u> | <u>83.1</u> |
| Tax expense | 7 | (449.2) | (69.3) |
| Profit for the financial year | 12 | <u>2,983.1</u> | <u>13.8</u> |

There was no other comprehensive income in the year other than those included in the above income statement.

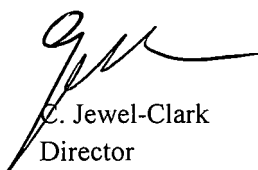
LEGAL & GENERAL (STRATEGIC LAND) LIMITED
BALANCE SHEET

09578417

As at 31 December 2017

| | Note | 2017 £'000 | 2016 £'000 |
|--------------------------------|------|------------------|------------------|
| Assets | | | |
| Non-current assets | | | |
| Investment property | 6 | 15,846.5 | 12,046.5 |
| Current assets | | | |
| Current tax asset | 9 | 93.9 | 3.4 |
| Total assets | | <u>15,940.4</u> | <u>12,049.9</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Deferred tax liability | 8 | (608.3) | (65.2) |
| Current liabilities | | | |
| Trade and other payables | 10 | (9,284.5) | (8,920.2) |
| Total liabilities | | <u>(9,892.8)</u> | <u>(8,985.4)</u> |
| Net assets | | <u>6,047.6</u> | <u>3,064.5</u> |
| Equity | | | |
| Share capital | 11 | 0.1 | 0.1 |
| Other Reserves | 12 | 3,050.0 | 3,050.0 |
| Retained earnings | 12 | 2,997.5 | 14.4 |
| Total equity | | <u>6,047.6</u> | <u>3,064.5</u> |

The financial statements on pages 7 to 15 were approved by the Board of Directors on 08 May 2018 and signed on its behalf by



C. Jewel-Clark
 Director

Registered office:
 One Coleman Street
 London EC2R 5AA

Registered in England and Wales Number 09578417

LEGAL & GENERAL (STRATEGIC LAND) LIMITED
STATEMENT OF CHANGES IN EQUITY

09578417

For the year ended 31 December 2017

| For the year ended 31 December 2017 | Share Capital £'000 | Other reserves £'000 | Retained Earnings £'000 | Total Equity £'000 |
|--|------------------------------------|-------------------------------------|--|-----------------------------------|
| As at 1 January 2017 | 0.1 | 3,050.0 | 14.4 | 3,064.5 |
| Profit for the financial year | - | - | 2,983.1 | 2,983.1 |
| Total comprehensive income for the year | - | - | 2,983.1 | 2,983.1 |
| As at 31 December 2017 | 0.1 | 3,050.0 | 2,997.5 | 6,047.6 |

| For the year ended 31 December 2016 | Share Capital £'000 | Other reserves £'000 | Retained Earnings £'000 | Total Equity £'000 |
|--|------------------------------------|-------------------------------------|--|-----------------------------------|
| As at 1 January 2016 | 0.1 | 3,050.0 | 0.6 | 3,050.7 |
| Profit for the financial year | - | - | 13.8 | 13.8 |
| Total comprehensive income for the year | - | - | 13.8 | 13.8 |
| As at 31 December 2016 | 0.1 | 3,050.0 | 14.4 | 3,064.5 |

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies are set out below and have been applied consistently throughout the year.

(a) Basis of preparation

The financial statements of Legal & General (Strategic Land) Limited have been prepared in accordance with The Companies Act 2006, as applicable to companies using Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS101).

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- IFRS 7, 'Financial Statements: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 16 (a statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

(b) Critical accounting estimates and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The land bank assets held by the Company are valued by external valuers on a regular basis and the Company relies on their expertise for these valuations.

Deferred tax is calculated on differences between the accounting value of assets and liabilities and their respective tax values. Deferred tax is also recognised in respect of unused tax losses to the extent it is probable that future taxable profits will arise against which the losses can be utilised.

1 Accounting policies (continued)**(c) Investments**Investment land/properties:

Land is shown at fair value, based on valuations by external independent valuers. Revaluations are reported through the income statement.

(d) Going Concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(e) Tax**Current tax**

Current tax comprises tax payable on current period profits, adjusted for non-tax deductible or non-taxable items, and any adjustments to tax payable in respect of previous years. Current tax is recognised in the income statement unless it relates to items which are recognised in other comprehensive income.

Deferred tax

Deferred tax is calculated on differences between the accounting value of assets and liabilities and their respective tax values. Deferred tax is also recognised in respect of unused tax losses to the extent it is probable that future taxable profits will arise against which the losses can be utilised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity.

(f) Dividend and finance income

Dividends receivable from Group companies are recognised when paid for interim dividends, and when approved by the subsidiary Board for final dividends. Finance income is recognised on an accruals basis.

(g) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are classified within creditors falling due within one year if payment is due within one year or less. If not, they are presented as within creditors falling due in greater than one year. These are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 Audit fees

Audit fees of £10,742 (2016: £16,900) are attributable to the Company.

3 Investment income

| | 2017 £'000 | 2016 £'000 |
|--|----------------|---------------|
| Rents received | 30.3 | 31.1 |
| Gain on disposal | 93.9 | - |
| Unrealised gain on investment property | <u>3,826.1</u> | <u>100.0</u> |
| | <u>3,950.3</u> | <u>131.1</u> |

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Directors' emoluments

The Company has three directors as at 31 December 2017 (2016: two).

These figures represent the portion of the directors' emoluments that are estimated to relate to their services to the Company. Directors are not employees of the Company. Costs are reflected in a management charge levied by the parent.

| | 2017 | 2016 |
|------------------------------|--------------|-------------|
| | £'000 | £'000 |
| Short-term employee benefits | 101.5 | 40.8 |
| Post employment benefits | 9.1 | 1.4 |
| Share-based incentive awards | 13.4 | 8.5 |
| | <u>124.0</u> | <u>50.7</u> |

For the year ended 31 December 2016, Key management personnel compensation included social security costs. These costs should not have been included in the analysis, as they are not an employee benefit. The table has therefore been restated to exclude these costs. The restatement has no impact on either Total expenses nor Profit before income tax in the Company's Statement of Comprehensive Income for the year ended 31 December 2016.

For the year ended 31 December 2017, no fees were paid by the Company to the directors. Emoluments relate to salaries, performance bonuses receivable, and amounts receivable under long term incentive schemes. No retirement benefits are accruing to the directors under the defined benefit scheme (2016: none).

For the year ended 31 December 2017, no incremental emoluments were paid to any director, nor were any incremental pension contributions paid in respect of services to the Company. The directors and key management of the Company had no material transactions with the Company or any other Group undertakings that are required to be disclosed.

| | 2017 | 2016 |
|------------------------------|-------------|-------------|
| | £'000 | £'000 |
| Highest paid director: | | |
| Short-term employee benefits | 58.6 | 15.5 |
| Post employment benefits | 7.5 | 0.2 |
| Share-based incentive awards | - | 2.5 |
| | <u>66.1</u> | <u>18.2</u> |

5 Pensions

The Company has no direct employees and hence makes no contributions towards retirement benefits.

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Investment property

| | Investment in Land £'000 | Total £'000 |
|---------------------|--------------------------------|-----------------|
| At 1 January 2017 | 12,046.5 | 12,046.5 |
| Disposals | (26.1) | (26.1) |
| Fair value gain | 3,826.1 | 3,826.1 |
| At 31 December 2017 | <u>15,846.5</u> | <u>15,846.5</u> |
| At 1 January 2016 | 3,050.0 | 3,050.0 |
| Acquisitions | 8,896.5 | 8,896.5 |
| Fair value gain | 100.0 | 100.0 |
| At 31 December 2016 | <u>12,046.5</u> | <u>12,046.5</u> |

7 Tax on loss on ordinary activities

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Current tax | | |
| UK Corporation tax at 19.25% (2016: 20%) | | |
| Current tax for the year | (93.9) | (3.4) |
| Total current tax credit | <u>(93.9)</u> | <u>(3.4)</u> |
| Tax credit on profit/(loss) on ordinary activities | <u>(93.9)</u> | <u>(3.4)</u> |
| Deferred tax | | |
| - Movement in temporary differences | 615.0 | 85.0 |
| - Impact of reduction in UK corporate tax rate to 17% (2016: 17%) on deferred tax balances | (71.9) | (12.3) |
| Total deferred tax charge/(credit) | <u>543.1</u> | <u>72.7</u> |
| Total tax charge/(credit) on profit/(loss) on ordinary activities | <u>449.2</u> | <u>69.3</u> |

Tax expense for the year is lower (2016: higher) than the standard rate of Corporation Tax in the UK for the year ended 31 December 2017 of 19.25%. The differences are explained below:

| | 2017 £'000 | 2016 £'000 |
|---|----------------|---------------|
| Profit/(loss) on ordinary activities before tax | <u>3,432.3</u> | <u>83.1</u> |
| Tax calculated at the standard UK Corporation Tax rate of 19.25% (2016: 20%) | 660.7 | 16.6 |
| Effects of: | | |
| Differences between taxable and accounting investment gains/losses (Current tax) | - | (20.0) |
| Differences between taxable and accounting investment gains/losses (Deferred tax) | (139.6) | 85.0 |
| Impact of reduction in UK corporate tax rate to 17% (2016: 17%) on deferred tax balances | (71.9) | (12.3) |
| Total tax charge/(credit) | <u>449.2</u> | <u>69.3</u> |

7 Tax on loss on ordinary activities (continued)Factors which may affect future tax charges

Following the 2016 Finance Act, the rate of Corporation Tax is expected to reduce progressively to 17% by 1 April 2020. The 19% rate applied from 1st April and the 17% rate from 1st April 2020 onwards. The enacted rates of 19% or 17% have been used in the calculation of UK's deferred tax assets and liabilities, depending on which is the rate of corporation tax that is expected to apply when the differences as mentioned above reverse.

To calculate the current tax on profits, the rate of tax used is 19.25% (2016: 20.00%), which is the average rate of Corporation Tax applicable for the year.

The Company has no unprovided deferred tax assets or liabilities as at 31 December 2017 (2016: £nil).

8 Deferred tax Liability

Deferred tax assets and liabilities have been recognised for temporary differences and unused tax losses. The recognition of deferred tax asset in respect of tax losses has been based on management projections to support the availability of taxable profits to absorb the losses in future years. Deferred tax assets and liabilities have been offset to the extent it is permissible under the accounting standard.

The net movement in deferred tax liabilities during the year is as follows:

| | Net Tax assets/(liabilities) as at 1 January 2017 | Tax debited to the income statement | Net Tax assets as at 31 December 2017 |
|-----------------------------------|---|---|--|
| | £'000 | £'000 | £'000 |
| Unrealised (gains) on investments | (65.2) | (543.1) | (608.3) |
| | <u>(65.2)</u> | <u>(543.1)</u> | <u>(608.3)</u> |
| | | | |
| | Net Tax assets/(liabilities) as at 1 January 2016 | Tax credited to the income statement | Net Tax assets as at 31 December 2016 |
| | £'000 | £'000 | £'000 |
| Unrealised losses on investments | 7.5 | (72.7) | (65.2) |
| | <u>7.5</u> | <u>(72.7)</u> | <u>(65.2)</u> |
| | | | |
| 9 Current assets | | | |
| | | 2017 | 2016 |
| | | £'000 | £'000 |
| Corporation tax recoverable | | 93.9 | 3.4 |
| | | <u>93.9</u> | <u>3.4</u> |

LEGAL & GENERAL (STRATEGIC LAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Current liabilities

| | 2017 £'000 | 2016 £'000 |
|---------------------------------------|------------------|------------------|
| Amounts payable to Group undertakings | <u>(9,284.5)</u> | <u>(8,920.2)</u> |
| | <u>(9,284.5)</u> | <u>(8,920.2)</u> |

The above are payable to Group undertakings and are repayable on demand.

11 Called up share capital

| | 2017 £ | 2016 £ |
|--|--------------|--------------|
| Issued and fully paid: 100 ordinary share of £1 each | <u>100.0</u> | <u>100.0</u> |

12 Movements in Retained earnings

| | Retained earnings 2017 £'000 | Retained earnings 2016 £'000 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Profit for the financial year | <u>2,983.1</u> | <u>13.8</u> |
| Net addition to reserves | <u>2,983.1</u> | <u>13.8</u> |
| At 1 January | 14.4 | 0.6 |
| At 31 December | <u>2,997.5</u> | <u>14.4</u> |

13 Ultimate parent undertaking

The immediate parent company is Legal & General Development Assets Holdings Limited.

The ultimate parent company is Legal & General Group Plc, a company incorporated in England & Wales - the controlling party which consolidates the financial statements of the Company. These accounts therefore provide information about the Company as an individual undertaking. Copies of the accounts of the ultimate holding company, Legal & General Group Plc, are available on the Group website, www.legalandgeneralgroup.com or from the Company Secretary at the Registered Office, One Coleman Street, London, EC2R 5AA.