

Jaguar Land Rover Holdings Limited

Annual report and financial statements
for the year ended 31 March 2023

(Company registered number: 04019301)

Company information

Directors

N. Blenkinsop
N. P. Collins
H. Kirner
A. J. Mardell
G. G. McGovern
Q. Pan
D. M. Williams
F. A. Dossa
L. P. J. Hoornik
T. Müller
B. R. Bergmeier
R. J. Molyneux

Company secretaries

A. J. Beaton
A. L. Rees-Browne
D. A. R. Berry

Registered office

Abbey Road
Whitley
Coventry
CV3 4LF

Independent auditor

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

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Strategic Report

The directors present their Strategic Report for Jaguar Land Rover Holdings Limited ('the Company') for the year ended 31 March 2023.

Principal activity

The Company's principal activity is to act as a holding company for investments in group companies.

Review of business and future developments

The Company does not trade and therefore has no revenue.

During the year ended 31 March 2023 finance costs of £2,156,000 (2022: £5,231,000) were charged on amounts due to group undertakings and dividends of £239,700,000 (2022: £573,970,000) were received from the Company's subsidiary undertakings. Expenses, including employee costs, of £15,907,000 (2022: £17,396,000) were paid in the year for director services, strategic services and corporate administration services.

There are no plans for any future developments in the Company.

Key performance indicators

Given the principal activity of the Company, the directors do not consider any key performance indicators to be relevant to the understanding of the financial performance or financial position of the Company for both the current and prior financial year.

Principal risks and uncertainties

The Company is a subsidiary of Jaguar Land Rover Automotive plc ('JLRA plc') and is a holding company for subsidiaries of JLRA plc. JLRA plc and its subsidiaries comprise 'the Group' and therefore the principal risks and uncertainties of the Group are relevant to the Company in the context of its place in the wider Group. These are set out on pages 46 to 49 of the JLRA plc Annual Report for the year ended 31 March 2023.

Given the nature of the Company, the directors do not consider that the Company has any other principal risks or uncertainties.

Financial instruments and finance risk management

The directors of the Company adhere to the Group treasury policy in its use and holding of financial instruments, and the Group's capital management policy in respect of the issuance and terms of loans between companies of the Group. The objective of these policies is to maintain sufficient liquidity in all companies of the Group, and to mitigate significant financial risks to the extent that they arise, including interest rate risk, in order to support the ongoing and future operations of the Company and to meet shareholder expectations.

S172 Statement

The directors of the Company are aware of their responsibility to appropriately discharge their duties under the Companies Act 2006, including their duty to act in a way that they consider, in good faith, will be most likely to promote the success of the Company for the benefit of its members as a whole, having due regard for:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Company.

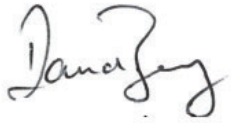
The Company has no direct suppliers or customers; however as a subsidiary holding company of the Group, the directors consider the impact of the Company's activities on the Group's shareholder, other subsidiaries of the Group and any impact on the other stakeholders of the Group as a whole.

The directors also fulfil their responsibilities through application of the Group's policies and procedures, including those relating to engagement with employees, the environment and the communities in which the Group operates. An explanation of how the JLRA plc board of directors has considered the matters above is set out on pages 50 and 51 of the JLRA plc Annual Report for the year ending 31 March 2023, which does not form part of this report.

The directors consider relevant matters in making decisions, including those relating to capital distributions to its shareholder and from its subsidiaries, to promote the long-term success of the Company.

Strategic Report (continued)

The Strategic Report was approved by the Board of Directors and signed on its behalf by:



D. A. R. Berry
Company Secretary
25 September 2023

Registered Address
Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Directors' Report

The directors present their report and the audited financial statements for the Company for the year ended 31 March 2023.

Results and dividends

The income statement shows a profit before tax for the financial year of £222,799,000 (2022: £487,464,000). No dividend was paid during the years ended 31 March 2023 and 31 March 2022. The directors recommend that no further dividend should be proposed in respect of the financial results for the year ended 31 March 2023.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the reasons set out below.

The directors have performed a going concern assessment for the Company for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds through funding from its parent company, JLRA plc, to meet its liabilities as they fall due for that period.

The going concern assessment for the Company is dependent on JLRA plc not seeking repayment of the amounts currently due directly or indirectly to the Group, except in instances where the Company has sufficient liquidity to make such payments, and providing additional financial support during that period.

JLRA plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date during the going concern assessment period, except in instances where the Company has sufficient liquidity to make such payments. As with any company placing reliance on other group entities for financial support, the directors 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.

In recent years, JLRA plc has demonstrated its operational and financial resilience and ability to manage business risks successfully, responding to challenges arising including the global shortage of semiconductors and prevailing financial conditions including inflationary pressures on material and other costs. The Company has therefore adopted the going concern basis of preparation in its annual financial statements for the year ended 31 March 2023. The Company's directors have challenged the Company's forecasts and also concluded that JLRA plc has both the ability and intent to provide financial support to the Company, even in a severe but plausible downside scenario. Details pertaining to the most recent going concern assessment performed for JLRA plc are disclosed in its interim report for the three-month period ended 30 June 2023, which is available from its registered office.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Directors

The directors who held office during the year and subsequently to the date of this report unless otherwise stated are as follows:

N. Blenkinsop
T. Y. H. Bolloré (resigned 31 December 2022)
N. P. Collins
H. Kirner
A. J. Mardell
G. G. McGovern
Q. Pan
H. B. B. Sorensen (resigned 15 May 2022)
D. M. Williams
F. A. Dossa
L. P. J. Hoornik
T. Müller (appointed 1 April 2022)
B. R. Bergmeier (appointed 1 July 2022)
R.J. Molyneux (appointed 12 December 2022)

Directors' Report (continued)

Directors' indemnities

The Company's parent, JLRA plc, maintained directors' liability insurance for all directors during the financial year.

Matters included in Strategic Report

In accordance with s414C (11) of the Companies Act 2006, included within the Strategic Report is information relating to the principal activities and future developments which would otherwise be required to be presented in the Directors' Report.

Engagement with customers, suppliers and others

Engagement with customers, suppliers and others is set out in the Strategic Report and is incorporated by reference to this report.

Independent auditor

During the year ended 31 March 2023 KPMG LLP were re-appointed as the Company's auditor.

In accordance with Section 487 of the Companies Act 2006, the Company has elected to dispense with laying financial statements before the general meeting, holding annual general meetings and the annual appointment of the auditor. With such an election in force the Company's auditor shall be deemed to be re-appointed for each succeeding financial year in accordance with Section 487 of the Act.

Statement of disclosure of information to auditor

In the case of the persons who were directors at the time when the report is approved, under Section 418 of the Companies Act 2006, the following applies:

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

Approved by the Board of Directors and signed on behalf of the Board of Directors by:



D. A. R. Berry
Company Secretary
25 September 2023

Registered Address
Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR LAND ROVER HOLDINGS LIMITED

Opinion

We have audited the financial statements of Jaguar Land Rover Holdings Limited ("the Company") for the year ended 31 March 2023 which comprise the Income Statement, the Balance Sheet, the 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 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework* 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").

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.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, internal audit and certain senior managers as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board committee minutes.
- Considering remuneration incentive schemes and performance targets for management and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR LAND ROVER HOLDINGS LIMITED (CONTINUED)

Fraud and breaches of laws and regulations – ability to detect (continued)

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. Examples of the criteria applied include those posted by senior finance management, those posted and approved by the same user, and those posted to unusual accounts.
- Agreeing material accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This Company, as a holding Company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR LAND ROVER HOLDINGS LIMITED (CONTINUED)

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 7, 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.

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.



Simon Haydn-Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Date: 26/9/23

Income statement

Year ended 31 March (£ thousands)	Note	2023	2022
Operating expenses		(15,907)	(17,396)
Impairment on investments	3, 8	-	(64,616)
Operating loss		(15,907)	(82,012)
Finance income	6	240,862	574,707
Finance expense	6	(2,156)	(5,231)
Profit before tax		222,799	487,464
Income tax expense	7	(12,130)	(28,590)
Profit after tax		210,669	458,874

All the activities of the Company are from continuing operations.

There were no other gains or losses other than the results presented above for both the current and prior financial year. Accordingly, no statement of comprehensive income has been presented.

The notes on pages 14 to 28 form an integral part of these financial statements.

Balance sheet

As at 31 March (£ thousands)	Note	2023	2022
Non-current assets			
Investments	8	5,448,332	5,448,332
Property, plant & equipment	9	1,995	45
Other financial assets	10	46,918	-
Total non-current assets		5,497,245	5,448,377
Current assets			
Assets classified as held for sale	11	4,069	4,069
Cash and cash equivalents		2	-
Total current assets		4,071	4,069
Total assets		5,501,316	5,452,446
Current liabilities			
Payables	13	5,935	6,863
Other financial liabilities	14	-	160,872
Total current liabilities		5,935	167,735
Total liabilities		5,935	167,735
Equity attributable to shareholders			
Ordinary share capital	15	5,000	5,000
Retained earnings	16	5,490,381	5,279,712
Total equity attributable to shareholders		5,495,381	5,284,712
Total liabilities and equity		5,501,316	5,452,446

The notes on pages 14 to 28 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 25 September 2023 and were signed on its behalf:



Richard Molyneux
Director

Company registered number: 04019301

Statement of changes in equity

(£ thousands)	Ordinary share capital	Retained earnings	Total equity
Balance at 1 April 2022	5,000	5,279,712	5,284,712
Profit for the year ended 31 March 2023	-	210,669	210,669
Total comprehensive income for the year	-	210,669	210,669
Balance at 31 March 2023	5,000	5,490,381	5,495,381

(£ thousands)	Ordinary share capital	Retained earnings	Total equity
Balance at 1 April 2021	5,000	4,820,838	4,825,838
Profit for the year ended 31 March 2022	-	458,874	458,874
Total comprehensive income for the period	-	458,874	458,874
Balance at 31 March 2022	5,000	5,279,712	5,284,712

The notes on pages 14 to 28 form an integral part of these financial statements.

Notes to the financial statements

1 Background and operations

The Company is limited by shares, is incorporated and domiciled in the United Kingdom and has its registered office at Abbey Road, Whitley, Coventry, CV3 4LF. The Company is an indirect subsidiary of Tata Motors Limited which is incorporated and registered in India.

The Company's principal activity is to act as a holding company for investments in group companies. The financial statements have been prepared in Pound Sterling (GBP) which is considered to be the functional currency of the Company and rounded to the nearest thousand GBP unless otherwise stated.

2 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006, but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements have been prepared on a historical cost basis. The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IFRS 7 '*Financial Instruments: Disclosures*'
- The requirement in paragraph 38 of IAS 1 '*Presentation of Financial Statements*' to present comparative information in respect of paragraph 73(e) of IAS 16 Property, Plant and Equipment
- The requirements of paragraphs 10(d), 10(f), 16, 38A-38D, 111, and 134-136 of IAS 1 '*Presentation of Financial Statements*'
- The requirements of IAS 7 '*Statement of Cashflows*'
- The requirements of paragraphs 30 and 31 of IAS 8 '*Accounting Policies, Changes in Accounting Estimates and Errors*' – to disclose new standards and interpretations that have been issued but which are not yet effective
- The requirement of paragraph 17 of IAS 24 '*Related Party Disclosures*' in respect of the compensation of Key Management Personnel
- The requirement in IAS 24 '*Related Party Disclosures*', to disclose related party transactions entered into between wholly owned subsidiaries or between the parent and wholly owned subsidiaries
- The requirements of paragraphs 91-99 of IFRS 13 '*Fair Value Measurement*'

The Company is included in the consolidated financial statements of JLRA plc. The consolidated financial statements of JLRA plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Abbey Road, Whitley, Coventry CV3 4LF, England, United Kingdom.

These financial statements contain information about the Company, as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated financial statements of JLRA plc.

Standards, revisions and amendments to standards and interpretations not significant to the Company and applied for the first time in the year ending 31 March 2023

The following amendments and interpretations have been adopted by the Company in the year ending 31 March 2023:

- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Onerous contracts – cost of fulfilling a contract;
- Amendments to IAS 16 Property, Plant and Equipment – Proceeds before intended use;
- Annual improvements to IFRS standards 2018-2020 cycle; and
- Amendments to IFRS 3 Business Combinations – Reference to the conceptual framework.

The adoption of these amendments and interpretations has not had a significant impact on the financial statements.

Notes to the financial statements (continued)

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the reasons set out below.

The directors have performed a going concern assessment for the Company for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds through funding from its parent company, JLRA plc, to meet its liabilities as they fall due for that period.

The going concern assessment for the Company is dependent on JLRA plc not seeking repayment of the amounts currently due directly or indirectly to the Group, except in instances where the Company has sufficient liquidity to make such payments, and providing additional financial support during that period.

JLRA plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date during the going concern assessment period, except in instances where the Company has sufficient liquidity to make such payments. As with any company placing reliance on other group entities for financial support, the directors 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.

In recent years, JLRA plc has demonstrated its operational and financial resilience and ability to manage business risks successfully, responding to challenges arising including the global shortage of semiconductors and prevailing financial conditions including inflationary pressures on material and other costs. The Company has therefore adopted the going concern basis of preparation in its annual financial statements for the year ended 31 March 2023. The Company's directors have challenged the Company's forecasts and also concluded that JLRA plc has both the ability and intent to provide financial support to the Company, even in a severe but plausible downside scenario. Details pertaining to the most recent going concern assessment performed for JLRA plc are disclosed in its interim report for the three-month period ended 30 June 2023, which is available from its registered office.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Foreign currency

The Company has a functional and presentation currency of GBP.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the income statement as 'Foreign exchange gains/losses'.

Income recognition

Finance income, including dividend income from subsidiary undertakings, is recognised when receivable.

Employee benefits

The Company is a member of the Jaguar Land Rover Limited defined benefit schemes. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and as a result, accounts for the schemes as if they were defined contribution schemes. Defined contribution schemes are accounted for by recognising in profit or loss contributions relating to the financial year.

Income taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognised in the income statement, except when related to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity, whereby tax is also recognised outside of profit or loss).

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Notes to the financial statements (continued)

2 Accounting policies (continued)

Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Impairment reviews are carried out when there is an indication that the carrying value is not recoverable. Recoverable amount is the higher of fair value less cost of disposal and value-in-use. Any impairment is charged to the income statement. A reversal of impairment loss is recognised in the income statement to the extent the original loss was recognised.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Company holds a long-term interest and where the Company has significant influence. The Company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Company has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Property, plant and equipment

Property, plant and equipment is stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. Land is not depreciated.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Depreciation is charged on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Class of property, plant and equipment	Estimated useful life (years)
Freehold land and buildings	10 to 40
Computers	3 to 10
Fixtures and fittings	3 to 20

The depreciation for property, plant and equipment with finite useful lives is reviewed at least at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

Freehold land is measured at cost and is not depreciated. Residual values are reassessed on an annual basis.

Assets classified as held for sale

Assets, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are measured in accordance with the company's accounting policies. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment losses.

Share capital

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

Notes to the financial statements (continued)

2 Accounting policies (continued)

Financial Instruments

Recognition and derecognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity (if any) is transferred to the income statement.

Financial assets are written off when there is no reasonable expectation of recovery. The Company reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities. Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or has expired.

Initial measurement

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and measurement – financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets at amortised cost are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows. Subsequently, these are measured at amortised cost using the effective interest method less impairment losses, if any. These include cash and cash equivalents and amounts due from group undertakings.

Classification and measurement – financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost unless they meet the specific criteria to be recognised at fair value through profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method and include amounts due to group undertakings.

Impairment

The Company recognises a loss allowance in profit or loss for expected credit losses on financial assets held at amortised cost. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted back using the applicable effective interest rate) and uses reasonable and supportable information.

Lifetime expected credit losses are calculated for assets that were deemed credit impaired at initial recognition or have subsequently become credit impaired as well as those where credit risk has increased significantly since initial recognition.

Where credit risk is deemed low at the reporting date or to have not increased significantly, credit losses for the next 12 months are calculated.

Credit risk is determined to have increased significantly when the probability of default increases. Such increases are relative and assessment may include external ratings (where available) or other information such as past due payments. Historic data and forward-looking information are both considered. Objective evidence for a significant increase in credit risk may include where payment is overdue by 90 or more days as well as other information about significant financial difficulties of the borrower.

Notes to the financial statements (continued)

2 Accounting policies (continued)

Leases

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract by applying IFRS 15.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the majority of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, and future periods affected.

In particular, information about significant areas of estimation uncertainty are included below. The directors have concluded that there are no areas of critical judgement impacting amounts recognised in the Company's financial statements.

Impairment of investments in subsidiaries, associates and jointly controlled entities

At each balance sheet date or when there are indicators of impairment, the Company assesses whether there is objective evidence that the carrying value of investments in subsidiaries, associates and jointly controlled entities may be impaired. The recoverable amount is dependent on a wide range of assumptions, including sales volume forecasts, operating margin, capital expenditure and the discount rate. Cash flow forecasts are prepared based on the best available information to the Company, including historical trends, cycle plans and performance targets. The carrying values of the Company's investments in subsidiaries, associates and jointly controlled entities, as well as details of the impairment assessment performed are included within note 7.

Notes to the financial statements (continued)

3 Profit before tax

Profit before tax is stated after charging:

Year ended 31 March (£ thousands)	2023	2022
Depreciation of property, plant and equipment	5	152
Impairment of investments	-	64,616
Audit fees	100	100

Auditor's remuneration is borne by Jaguar Land Rover Limited and has been recharged to the Company. There are no non-audit fees payable to the Company's auditor.

4 Directors' remuneration

All of directors of the Company who held office during the year were also directors of other subsidiary undertakings of the Group. The total remuneration received by the directors of the Company in respect of their qualifying services to the Group is disclosed in the table below:

Year ended 31 March (£)	2023	2022
Directors' emoluments	16,905,538	17,374,817
Decrease of long-term incentive scheme amounts receivable	-	(891,516)
Post-employment benefits	-	4,781
Compensation for loss of office	2,180,998	4,391,985

It is not practicable to allocate the directors' remuneration between their services as directors of the Company and their services as directors of other subsidiary undertakings of the Group. Accordingly, the total remuneration in respect of their qualifying services to the Group is disclosed.

Ten (2022: twelve) of the directors who served office during the year were direct employees of the Company. The costs associated with these directors are included within employee costs in the income statement.

Three (2022: two) of the directors who served office during the year were direct employees of Jaguar Land Rover Limited. The costs associated with these directors are not recharged to the Company.

One (2022: one) of the directors who served office during the year was a direct employee of JLRA plc. The costs associated with this director are not recharged to the Company.

The aggregate of emoluments and amounts accrued under the bonus schemes of the highest-paid director was £2,458,509 (2022: £3,652,103), together with a cash allowance in lieu of pension and medical benefits of £nil (2022: £nil).

Year ended 31 March (number)	2023	2022
Retirement benefits are accruing to the following number of directors under:		
Defined contribution scheme	-	1
Defined benefit scheme	-	-

5 Employee costs

Year ended 31 March (£ thousands)	2023	2022
Wages and salaries	13,593	15,250
Social security costs	1,151	916
Pension costs	1,158	1,078
Total employee costs	15,902	17,244

The Company had an average number of 13 employees during the year ended 31 March 2023 (2022: 12).

Notes to the financial statements (continued)

6 Finance income and finance expense

Year ended 31 March (£ thousands)	2023	2022
Dividends received	239,700	573,970
Foreign exchange gain	-	737
Interest on intercompany loan	1,162	-
Total finance income	240,862	574,707
Interest charged	148	5,231
Foreign exchange losses	2,008	-
Total finance expense	2,156	5,231

7 Taxation

Recognised in the income statement

Year ended 31 March (£ thousands)	2023	2022
Current tax expense		
Current year	11,985	28,698
Current year group relief	-	(145)
Adjustments for prior years	145	37
Total current tax expense	12,130	28,590
Total income tax expense	12,130	28,590

Reconciliation of effective tax rate

Year ended 31 March (£ thousands)	2023	2022
Profit after tax	210,669	458,874
Total income tax expense	12,130	28,590
Profit before tax	222,799	487,464
Tax using the Company effective corporation tax rate of 19% (2022: 19%)	42,332	92,618
Dividend income not subject to tax	(45,543)	(109,054)
Overseas withholding tax	11,985	28,699
Deferred tax assets not recognised	3,211	3,986
Prior period adjustments	145	37
Non-deductible items	-	12,304
Total income tax expense	12,130	28,590

The Company has an unprovided deferred tax asset relating to taxable losses of £65,695,000 as at 31 March 2023 (2022: £47,689,000).

Since 1 April 2020, the UK corporation tax rate applicable has been at 19 per cent. A change to the main UK corporation tax rate from 19 to 25 percent with effect from 1 April 2023 was announced in the Budget on 3 March 2021, and was substantively enacted on 24 May 2021.

Notes to the financial statements (continued)

8 Investments in subsidiaries, associates and jointly controlled entities

Investments consist of the following:

(£ thousands)	Investments
Cost	
Balance at 1 April 2022 and 31 March 2023	5,512,948
Provisions	
Balance at 1 April 2022 and 31 March 2023	(64,616)
Net book value	
Balance at 1 April 2022 and 31 March 2023	5,448,332

An impairment charge of £nil (2022: £64,616,000) has been recognised in the income statement in relation to investments.

The Company has the following direct and indirect investments in subsidiary undertakings as at 31 March 2023, each being a 100% interest in the ordinary share capital of the Company:

Name of Company	Principal place of business and country of incorporation	Registered office address
Direct investments		
Jaguar Land Rover Limited	England & Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England
Jaguar Land Rover (China) Investment Co., Ltd. (formerly Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd)	China	11F, No.06 (Building D) The New Bund World Trade Center (Phase II), Lane 227 Dongyu Road, Pudong New District, Shanghai 200126, China
Jaguar Land Rover Limited Liability Company	Russia	28B, Building 2 Mezhdunarodnoe Shosse 141411, Moscow Russian Federation
In-Car Ventures Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Indirect investments		
Jaguar Land Rover North America, LLC	USA	100 Jaguar Land Rover Way, Mahwah, NJ07495, USA
Jaguar Land Rover Deutschland GmbH	Germany	Campus Kronberg 7, 61476, Kronberg im Taunus, Germany
Jaguar Land Rover Belux N.V.	Belgium	Generaal Lemanstraat 47, 2018 Antwerpen, Belgium
Jaguar Land Rover Austria GmbH	Austria	Siezenheimer Straße 39a, 5020 Salzburg Austria
Jaguar Land Rover Italia SpA	Italy	Via Alessandro Marchetti, 105 - 00148, Roma, Italy
Jaguar Land Rover Australia (Pty) Limited	Australia	189 O'Riordan Street, Mascot, 2020, NSW, Australia

Notes to the financial statements (continued)

8 Investments (continued)

Name of Company	Principal place of business and country of incorporation	Registered office address
Jaguar Land Rover Espana SL	Spain	Torre Picasso, Plaza Pablo Ruiz Picasso, 1 – Planta 42, 28020 Madrid, Spain
Jaguar Land Rover Nederland B.V.	Holland	Briggs Office, Van Deventerlaan 31-51, 3528 Utrecht, Netherlands
Jaguar Land Rover Portugal Veiculos e Pecas, Lda.	Portugal	Rua. Do Pólo Sul Nº2 - 3ºB-3, Parque das Nações, 1990- 273, Lisboa, Portugal
Shanghai Jaguar Land Rover Automotive Service Co. Ltd	China	11F, No.06 (Building D) The New Bund World Trade Center (Phase II), Lane 227 Dongyu Road, Pudong New District, Shanghai 20012
Jaguar Land Rover Japan Ltd	Japan	3-13 Toranomom 4-chome, Minato-ku, Tokyo, Japan, 45
Jaguar Land Rover Korea Co. Ltd	Korea	25F West Mirae Asset Center 1 Building 67 Suha-dong, Jung-gu Seoul 100-210, Korea
Jaguar Land Rover Canada ULC	Canada	75 Courtheypark Drive West, Unit 3 Mississauga, ON L5W 0E3, Canada
Jaguar Land Rover France SAS	France	Z.A. Kleber – Batiment Ellington, 165 Boulevard de Valmy, 92706 Colombes, Cedex, France
Jaguar e Land Rover Brasil Indústria e Comércio de Veículos Ltda.	Brazil	Avenida Ibirapuera 2.332, Torre I - 10º andar-Moema 04028-002, São Paulo-SP-Brazil
Jaguar Land Rover (South Africa) Holdings Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Jaguar Land Rover (South Africa) (Pty) Ltd	South Africa	Simon Vermooten Road, Silverton, Pretoria 0184, South Africa
Jaguar Land Rover India Limited	India	Nanavati Mahalaya, 3rd floor, 18, Homi Mody Street, Mumbai, Maharashtra, India 400001
Daimler Transport Vehicles Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
S.S. Cars Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
The Lanchester Motor Company Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England

Notes to the financial statements (continued)

8 Investments (continued)

Name of Company	Principal place of business and country of incorporation	Registered office address
The Daimler Motor Company Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Jaguar Land Rover Pension Trustees Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
JLR Nominee Company Limited (Non-Trading)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Jaguar Cars Limited (Dormant)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Land Rover Exports Limited (Non-Trading)	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Land Rover Ireland Limited (Non-Trading)	Ireland	c/o LK Shields Solicitors 39/40 Upper Mount Street Dublin 2, Ireland
Jaguar Cars South Africa (Pty) Ltd (Dormant)	South Africa	Simon Vermooten Road, Silverton, Pretoria 0184 South Africa
Jaguar Land Rover Slovakia s.r.o.	Slovakia	Horné Lúky, 4540/1, 949 01 Nitra, Slovakia
Jaguar Land Rover Singapore Pte. Ltd	Singapore	138 Market Street, CapitaGreen Singapore, 048946
Jaguar Racing Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Jaguar Land Rover Colombia SAS	Colombia	CL 67735 OFE, 1204 Bogotan Cundinamarca 1 3192 900 Colombia
InMotion Ventures Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
InMotion Ventures 2 Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
InMotion Ventures 3 Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Bowler Motors Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF England
Jaguar Land Rover Mexico, S.A.P.I. De C.V	Mexico	Av. Javier Barros Sierra No 540 Piso 7 Oficina 703, Col. Santa Fe La Fe Del., Alvaro Obregon, Mexico, D.F.C.P 01210

Notes to the financial statements (continued)

8 Investments (continued)

Name of Company	Principal place of business and country of incorporation	Registered office address
Jaguar Land Rover Servicios Mexico, S.A De C.V	Mexico	Av. Javier Barros Sierra No 540 Piso 7 Oficina 703, Col. Santa Fe La Fe Del., Alvaro Obregon, Mexico, D.F.C.P 01210
Jaguar Land Rover Taiwan Company Limited	Taiwan	12F, No. 40, Sec. 1, Chengde Road, Datong Dist., Taipei City 103, Taiwan (R.O.C)
Jaguar Land Rover Ireland (Services) Limited	Ireland	C/o LK Shields Solicitors 39/40 Upper Mount Street, Dublin 2 Ireland
Jaguar Land Rover Classic USA LLC	USA	251 Little Falls Drive, Wilmington, Delaware, USA
Jaguar Land Rover Classic Deutschland GmbH	Germany	Ringstraße 38, 45219 Essen, Germany
Jaguar Land Rover Hungary KFT	Hungary	Regus Capital Square, Vaci ut 76, 1133, Budapest, Hungary
Jaguar Land Rover (Ningbo) Trading Co., Ltd.	China	Office Building 12, No.1 Meishan Salt, Beilun District, Ningbo, Zhejiang Province, China
Jaguar Land Rover Ventures Limited	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF, England

The Company has the following indirect investments in joint ventures and associates at 31 March 2023

Name of investment	Proportion of voting rights	Principal place of business and country of incorporation	Principal activity	Registered office address
Chery Jaguar Land Rover Automotive Co. Ltd	50.0%	China	Manufacture and assembly of vehicles	Room 1102, Binjiang International Plaza, No 88 Tonggang Road, Changshu Economic and Technical Development Zone, Suzhou City, Jiangsu Province, China
Jaguar Cars Finance Limited	49.9%	England & Wales	Non-trading	280 Bishopsgate, London, EC2M 4RB, England
Synaptiv Ltd	33.3%	England & Wales	Business and domestic software development	84 Kirkland Avenue, Ilford, Essex, England, IG5 0TN
Driveclub Limited	25.8%	Hong Kong	Vehicle Leasing	Unit A 9/F, D2 Place ONE, Cheung Yee Street, Lai Chi kok, Kowloon, Hong Kong
Driveclubservice Pte LTD.	25.1%	Singapore	Holding Company and mobility application owner/licensor	Sin Ming Lane, #06-76, Midview city, Singapore 573969
ARC Vehicle Limited	15%	England & Wales	Manufacture and development of electrified vehicle technology	The Priory Barn Priory Road, Wolston, Coventry, United Kingdom, CV8 3FX
Jaguar Land Rover Switzerland	30.0%	Switzerland	Vehicle sales and distribution	Emil Frey Strasse, 5745 Stafenwill
Inchcape JLR Europe Limited	30.00	UK	Vehicle distribution	22a St James's Square, London, United Kingdom, SW1Y 5LP

Notes to the financial statements (continued)

8 Investments (continued)

The Company is exempt from preparing consolidated financial statements (see note 2). The joint ventures and associates indirectly owned by the Company are consolidated in the JLRA plc financial statements; a copy of which can be obtained from Abbey Road, Whitley, Coventry, CV3 4LF.

9 Property, plant and equipment

(£ thousands)	Freehold land and buildings	Fixtures and fittings	Computers	Total
Cost				
Balance at 1 April 2022	-	45	11	56
Additions	1,438	324	193	1,955
Balance at 31 March 2023	1,438	369	204	2,011
Accumulated depreciation				
Balance at 1 April 2022	-	9	2	11
Depreciation charge for the period	-	4	1	5
Balance at 31 March 2023	-	13	3	16
Net book value				
At 31 March 2023	1,438	356	201	1,995
At 31 March 2022	-	36	9	45

10 Other financial assets

As at 31 March (£ thousands)	2023	2022
Amounts due from Group undertakings	46,918	-
Total other financial assets	46,918	-

Of amounts due from Group undertakings, £45,530,000 (2022: £nil) relates to an unsecured loan and interest on the loan due from a subsidiary company. Interest payable on the loan is charged at the greater of 0% or the Bank of England Base Rate, plus a margin of 85 basis points. The loan is repayable on demand.

The remaining balance of amounts due from Group undertakings relates to trade receivables which are non-interest bearing.

11 Assets classified as held for sale

Assets classified as held for sale comprise corporate office facilities in Whitley which are no longer in use by the Company and were made available for sale in their present condition during the year ended 31 March 2022. Such assets continue to meet the criteria to be classified as held for sale with a sale expected to complete within 12 months. The assets are presented separately on the balance sheet at their carrying amount measured immediately before reclassification.

Notes to the financial statements (continued)

12 Leases

Leases as a lessor

The Company is a lessor in relation to the asset currently classified as held for sale. The asset is leased to the Company's direct subsidiary undertaking, Jaguar Land Rover Limited.

The maturity analysis of lease payments, showing the contractual undiscounted lease payments to be received after the reporting date are shown below. The intercompany lease agreement will be terminated on sale of the asset classified as held for sale and therefore the Company does not anticipate receiving all of these contracted amounts.

As at 31 March (£ thousands)	2023	2022
Less than one year	208	208
One to two years	208	208
Two to three years	208	208
Three to four years	208	208
Four to five years	208	208
More than five years	344	552
Total undiscounted lease payments to be received	1,384	1,592

13 Payables

As at 31 March (£ thousands)	2023	2022
Amounts due to Group undertakings	5,935	6,863
Total accounts payables	5,935	6,863

Amounts due to Group undertakings are interest free, unsecured and repayable on demand. Fair value and book value of payables approximate one another.

14 Other financial liabilities

As at 31 March (£ thousands)	2023	2022
Amounts due to Group undertakings	-	160,872
Total other financial liabilities	-	160,872

Amounts due to Group undertakings as at 31 March 2022 related to an unsecured loan and interest on the loan from a subsidiary company. The loan amount outstanding was fully repaid in the year ended 31 March 2023.

Interest payable on the loan is charged at the greater of 0% or the Bank of England Base Rate, plus a margin of 85 basis points. The loan is redeemable on demand.

Fair value and book value of other financial liabilities approximate one another.

Notes to the financial statements (continued)

15 Share capital

As at 31 March (£ thousands)	2023	2022
Issued and fully paid		
500,000,000 ordinary shares of £0.01 each	5,000	5,000
Share capital presented as equity	5,000	5,000

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

16 Retained earnings

Retained earnings represent the cumulative profit and loss of the Company net of distributions to owners.

17 Commitments and contingencies

Any litigation and claims against the Company are considered to be the responsibility of Jaguar Land Rover Limited which settle these as appropriate.

The Company provides certain guarantees for financing and other arrangements where the likelihood of demand on the guarantee is deemed remote. The financing arrangements covered by such guarantees are explained below.

The Company's parent, JLRA plc, has issued Senior Notes that are listed on the Luxembourg Stock Exchange multilateral trading facility ('EURO MTF') market. The Company is a guarantor with Jaguar Land Rover Limited of certain of these Senior Notes. The tranches of Senior Notes outstanding at 31 March 2023 are as follows:

- €650 million Senior Notes due 2024 at a coupon of 2.200 per cent per annum – issued January 2017
- \$500 million Senior Notes due 2027 at a coupon of 4.500 per cent per annum – issued October 2017
- €500 million Senior Notes due 2026 at a coupon of 4.500 per cent per annum – issued September 2018
- €500 million Senior Notes due 2024 at a coupon of 5.875 per cent per annum – issued November 2019
- €500 million Senior Notes due 2026 at a coupon of 6.875 per cent per annum – issued November 2019
- \$700 million Senior Notes due 2025 at a coupon of 7.750 per cent per annum – issued October 2020
- \$650 million Senior Notes due 2028 at a coupon of 5.875 per cent per annum – issued December 2020
- €500 million Senior Notes due 2028 at a coupon of 4.500 per cent per annum – issued July 2021
- \$500 million Senior Notes due 2029 at a coupon of 5.500 per cent per annum – issued July 2021

The Company is a guarantor with Jaguar Land Rover Limited of the £1,520 million revolving credit facility held by the parent company, JLRA plc. As at 31 March 2023 the facility was fully undrawn and the facility expires in April 2026.

The Company is a guarantor with Jaguar Land Rover Limited of the \$798 million syndicate loan held by the parent company, JLRA plc. The loan was issued in October 2018 and is fully due in January 2025.

The Company is a guarantor with Jaguar Land Rover Limited of the £625m five-year amortising loan facility backed by a guarantee (80% of notional principal) from UK Export Finance starting in October 2019.

The Company is also a guarantor with Jaguar Land Rover Limited of the £625m five-year amortising loan facility backed by a guarantee (80% of notional principal) from UK Export Finance starting in December 2021.

As at 31 March 2023, £667 million was outstanding in relation to these loans.

The Company is a guarantor of the \$900 million invoice discounting facility held by the Company's subsidiary, Jaguar Land Rover Limited. As at 31 March 2023, Jaguar Land Rover Limited had sold £373 million equivalent of trade receivables under this debt factoring facility.

Notes to the financial statements (continued)

18 Employee benefits

The Company is a member of the Jaguar Land Rover Limited defined benefit pension schemes, which certain of the Company's employees participate in. The Company is unable to identify its share of the underlying assets and liabilities of the schemes and as such, accounts for the schemes as if they were defined contribution schemes. The defined benefit assets and liabilities of the schemes are accounted for in full by Jaguar Land Rover Limited.

There is no contractual agreement or stated policy in place for charging the net defined benefit cost for the plans as a whole to individual group entities, or for the allocation of the defined benefit deficit or surplus upon wind-up of or withdrawal from the plan.

The costs of contributions made to the schemes during the year for employees of the Company are recharged by Jaguar Land Rover Limited to the Company.

19 Ultimate parent company and controlling party

The immediate parent undertaking of the Company is JLRA plc which is also the parent of the smallest group to consolidate these financial statements. The ultimate parent undertaking and controlling party is Tata Motors Limited, India which is the parent of the largest group to consolidate these financial statements.

Copies of the JLRA plc consolidated financial statements can be obtained from the Company Secretary at Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai – 400001, India.