

Registration number: 00617883

Lendlease Residential (North West) Limited

Annual Report and Financial Statements

for the year ended 30 June 2017



Lendlease Residential (North West) Limited

Contents

Directors' Report	1
Statement of Directors' Responsibilities	2
Independent Auditor's Report to the Members of Lendlease Residential (North West) Limited	3 to 4
Statement of Financial Position	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7 to 8

Lendlease Residential (North West) Limited

Directors' Report for the Year Ended 30 June 2017

The directors present their report and the financial statements for the year ended 30 June 2017.

Principal activity

The principal activity of Lendlease Residential (North West) Limited is to act as an agency company for its immediate parent company, Lendlease Residential (CG) Limited, a company incorporated in the UK. During this and the preceding year the Company did not trade on its own account and received no income and incurred no expenditure. Consequently, during these periods the Company made neither a profit nor a loss.

Results and Dividends

The Company did not derive any profit or incur any loss during the year. The Company declared and paid a dividend via settlement of intercompany receivables which amounted to £6.9m during the year (2016: £nil).

Directors' of the company

The directors, who held office during the year, were as follows:

Richard Cook

Adriano Maio (appointed 3 November 2016)

Rebecca Seeley (appointed 3 November 2016)

Jennifer Draper (appointed 3 November 2016 and resigned 21 December 2016)

Alan Avey (resigned 3 November 2016)

Claire Pettett (resigned 3 November 2016)

Political contributions

The Company made no political donations or incurred and political expenditure during the year (2016: £nil)

Disclosure of information to the auditor

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

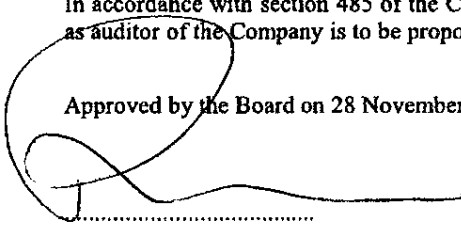
Other information

On 29 June 2017 a resolution was passed to reduce the Company's share capital from £250,000 to £1,000.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 28 November 2017 and signed on its behalf by:



Richard Cook
Director

Lendlease Residential (North West) Limited

Statement of Directors' Responsibilities

Statement of directors' responsibilities in respect of the Directors' Report and financial statements

The directors are responsible for preparing 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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 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, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- 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 Company and enable them to ensure that its 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.

Independent Auditor's Report to the Members of Lendlease Residential (North West) Limited

Opinion

We have audited the financial statements of Lendlease Residential (North West) Limited (the 'Company') for the year ended 30 June 2017, which comprise the Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2017 and of its results for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006; 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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for 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 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Responsibilities of directors

Independent Auditor's Report to the Members of Lendlease Residential (North West) Limited (continued)

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

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


Stephen Wardell
(Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
15 Canada Square
London
United Kingdom
E14 5GL

Date: 4 December 2017

Lendlease Residential (North West) Limited
Statement of Financial Position as at 30 June 2017

	Note	2017 £ 000	2016 £ 000
Assets			
Current assets			
Trade and other receivables	4	<u>506</u>	<u>7,406</u>
Total assets		<u>506</u>	<u>7,406</u>
Net assets		<u>506</u>	<u>7,406</u>
Equity			
Share capital	5	1	250
Other reserves		10	10
Retained earnings		<u>495</u>	<u>7,146</u>
Total equity		<u>506</u>	<u>7,406</u>

The notes to and forming part of these financial statements are set out on pages 7 to 8.

These financial statements were approved by the Board on 28 November 2017 and signed on its behalf by:

Richard Cook

Director

Registration number: 00617883

Lendlease Residential (North West) Limited

Statement of Changes in Equity for the year ended 30 June 2017

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2015	<u>250</u>	<u>10</u>	<u>7,146</u>	<u>7,406</u>
At 30 June 2016	<u>250</u>	<u>10</u>	<u>7,146</u>	<u>7,406</u>

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2016	250	10	7,146	7,406
Dividends paid	-	-	(6,900)	(6,900)
Share capital reduction	<u>(249)</u>	<u>-</u>	<u>249</u>	<u>-</u>
At 30 June 2017	<u>1</u>	<u>10</u>	<u>495</u>	<u>506</u>

The notes to and forming part of these financial statements are set out on pages 7 to 8.

Lendlease Residential (North West) Limited

Notes to the Financial Statements for the year ended 30 June 2017

1 Accounting policies

Lendlease Residential (North West) Limited is a Company incorporated in the UK. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ('Adopted IFRS') and its interpretations as adopted by the International Accounting Standards Board (IASB).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

Trade receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less provision for doubtful debt.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

The Company declared and paid a dividend via settlement of intercompany receivables which amounted to £6.9m during the year (2016: £nil).

2 Directors' remuneration

Any qualifying services in respect of the Company are considered to be incidental and part of these directors' overall management responsibilities within Lendlease Development (Europe) Limited. Their remuneration for the current year and prior year was paid by and included within the financial statements of this company.

3 Auditors' remuneration

Auditors' remuneration for the year was paid by another group company (2016: £nil).

4 Trade and other receivables

	2017	2016
	£ 000	£ 000
Receivables from related parties	<u>506</u>	<u>7,406</u>

The fair value of those trade and other receivables classified as financial instrument loans and receivables are disclosed in the financial instruments note.

The company's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in the financial risk management and impairment note.

Lendlease Residential (North West) Limited

Notes to the Financial Statements for the year ended 30 June 2017 (continued)

5 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	1	1	50	50
Preference shares of £0 (2016 - £1) each	-	-	200	200
	<u>1</u>	<u>1</u>	<u>250</u>	<u>250</u>

The Company undertook a share capital reduction throughout the year. The value of the share capital reduction was for £249,000 leaving a nominal amount of share capital of £1,000 ordinary shares. The share capital reduction was split between ordinary shares and preference shares. The value of the reduction for ordinary shares was £49,000 resulting in nominal share capital of £1,000 ordinary shares. Whereas the value of the reduction with respect to the preference shares was £200,000 leaving preference share capital of nil.

6 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is *Lendlease Residential (CG) Limited*, which is registered in England and Wales. The ultimate parent undertaking of the Company is *Lendlease Corporation Limited*, Level 14 Tower Three, International Towers Sydney, Exchange Place, 300 Barangaroo Avenue, Barangaroo NSW 2000, a company incorporate in Australia.

The largest group in which the balance sheet of the Company is consolidated is that headed by *Lendlease Corporation Limited*. The consolidated financial statements of that group may be obtained from the group's website at www.lendlease.com.

The smallest group register in England and Wales in which the balance sheet of the Company is consolidated is headed by *Lendlease Europe Holdings Limited*. The consolidated financial statements of that group may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.

7 Subsequent events

There has been no subsequent events since the balance sheet date 30 June 2017.