

Company registration number: 10920062

Starlend UK HoldCo Ltd

Annual Report and Financial Statements

for the year ended 30 June 2022



Starlend UK HoldCo Ltd

Contents

| | |
|---|----------|
| Directors' Report | 1 to 2 |
| Statement of Directors' Responsibilities | 3 |
| Independent Auditor's Report to the Members of Starlend UK HoldCo Ltd | 4 to 8 |
| Statement of Profit or Loss and Other Comprehensive Income | 9 |
| Statement of Financial Position | 10 |
| Statement of Changes in Equity | 11 |
| Notes to the Financial Statements | 12 to 22 |

Starlend UK HoldCo Ltd

Directors' Report for the Year Ended 30 June 2022

The directors of Starlend UK HoldCo Ltd present their report for the financial year ended 30 June 2022.

Directors of the company

The following persons held office as directors of the Company during the financial year and up to the date of this report:

J D Clark

S T Leckie (resigned 25 March 2022)

T M Tolley (resigned 4 November 2022)

R J Seeley

K A M Nikolic (resigned 29 July 2021)

L Dhanoa (resigned 13 February 2023)

F Bianchi (appointed 29 July 2021 and resigned 6 May 2023)

J R Mathie (appointed 25 March 2022)

The following directors were appointed after the year end:

D A W Matheson (appointed 4 November 2022)

A Smaga (appointed 13 February 2023)

K B Catlett (appointed 6 May 2023)

Results

The Company's profit after tax for the year was £1.3m (2021: loss of £0.1m).

Dividends

The directors do not recommend the payment of a dividend (2021: £nil).

Political donations

The Company made no political donations or incurred any political expenditure during the year (2021: £nil).

Outlook

With the continuing support of the group, the Company will continue to hold its investment in The Silvertown Partnership LLP.

With the support of the Lendlease Europe Holdings Limited (the consolidated group), the Company is monitoring the impacts of the Russia-Ukraine war which began in February 2022, including the potential longer-term impacts on broader financial markets. The consolidated group does not have a business presence in either country.

Heightened geopolitical tensions are impacting the global economy, creating volatility across the global markets, reflected most notably in higher energy prices and rising inflation. The consolidated group will continue to actively monitor the global political and economic risk date to support the business and the Board in understanding the potential landscape, ensuring resilience framework is up to exposures and mitigation strategies.

There has been no indication of likely future developments in the business, nor any event or circumstance since the end of the financial year to the date of this report that would significantly affect the Company.

The company will continue to perform principal activities as described in Note 1.

Starlend UK HoldCo Ltd

Directors' Report for the Year Ended 30 June 2022 (continued)

Events after the balance sheet date

There were no material events subsequent to the end of the financial year.

Disclosure of information to the auditor

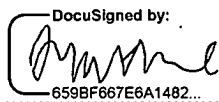
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Reappointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

27/6/23

Approved by the Board on and signed on its behalf by:

DocuSigned by:

659BF667E6A1482.....

J R Mathie
Director

Starlend UK HoldCo Ltd

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 Starlend UK HoldCo Ltd

Opinion

We have audited the financial statements of Starlend UK HoldCo Ltd ("the Company") for the year ended 30 June 2022 which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its loss 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

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.

Independent Auditor's Report to the Members of Starlend UK HoldCo Ltd (continued)

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 inspection of policy documentation 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 minutes.
- 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.

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 and the risk of bias in accounting estimates and judgements. On this audit we do not believe there is a fraud risk related to revenue recognition because the entity does not generate any revenue.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.

Independent Auditor's Report to the Members of Starlend UK HoldCo Ltd (continued)

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 members and other management (as required by auditing standards), and discussed with the members 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.

Firstly, 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.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and certain aspects of company legislation recognising the nature of the company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the members and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report 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.

Independent Auditor's Report to the Members of Starlend UK HoldCo Ltd (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.
- 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.

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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.

Independent Auditor's Report to the Members of Starlend UK HoldCo Ltd (continued)



.....
Malcolm Footer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
United Kingdom
E14 5GL

Date: 27 June 2023

Starlend UK HoldCo Ltd

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2022

| | <u>Note</u> | <u>2022</u> <u>£ 000</u> | <u>2021</u> <u>£ 000</u> |
|--|-------------|-----------------------------|-----------------------------|
| Revenue | | - | - |
| Administrative expenses | | (17) | (52) |
| Results from operating activities | | (17) | (52) |
| Finance income | 4 | 5,683 | 2,263 |
| Finance costs | 4 | (4,823) | (1,987) |
| Net finance income | | 860 | 276 |
| Profit before tax | | 843 | 224 |
| Income tax expense | 8 | 413 | (373) |
| Profit/(loss) after tax | | 1,256 | (149) |
| Total comprehensive income/(loss) after tax | | 1,256 | (149) |

The above results were derived from continuing operations.

The notes to and forming part of these financial statements are set out on pages 12 to 22.

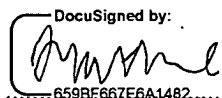
Starlend UK HoldCo Ltd

Statement of Financial Position as at 30 June 2022

| | Note | 2022 £ 000 | 2021 £ 000 |
|--------------------------------------|------|-----------------|-----------------|
| Non current assets | | | |
| Trade and other receivables | 10 | 77,744 | 64,433 |
| Investments | 9 | 22,209 | 22,209 |
| Deferred tax assets | 8 | 982 | 410 |
| Total non current assets | | 100,935 | 87,052 |
| Current assets | | | |
| Cash and cash equivalents | | 1 | 4 |
| Trade and other receivables | 10 | 22 | 14 |
| Current tax assets | | 24 | - |
| Total current assets | | 47 | 18 |
| Total assets | | 100,982 | 87,070 |
| Non current liabilities | | | |
| Trade and other payables | 11 | (96,682) | (82,728) |
| Total non current liabilities | | (96,682) | (82,728) |
| Current liabilities | | | |
| Trade and other payables | 11 | (30) | (23) |
| Current tax payable | | - | (1,305) |
| Total current liabilities | | (30) | (1,328) |
| Total liabilities | | (96,712) | (84,056) |
| Net assets | | 4,270 | 3,014 |
| Equity | | | |
| Issued capital | 12 | - | - |
| Retained earnings | | 4,270 | 3,014 |
| Total equity | | 4,270 | 3,014 |

The notes to and forming part of these financial statements are set out on pages 12 to 22.

These statements were approved by the Board on 27/6/23 and were signed on its behalf by:

DocuSigned by:

659BF667E6A1482.....

J R Mathie

Director

Company Registration Number: 10920062

Starlend UK HoldCo Ltd

Statement of Changes in Equity for the year ended 30 June 2022

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|-----------------------------------|------------------------|-------------------------------|----------------|
| At 1 July 2021 | - | 3,014 | 3,014 |
| Total comprehensive income | | | |
| Profit for the year | - | 1,256 | 1,256 |
| Total comprehensive income | - | 1,256 | 1,256 |
| At 30 June 2022 | - | 4,270 | 4,270 |

| | Share capital £ 000 | Retained earnings £ 000 | Total £ 000 |
|-----------------------------------|------------------------|-------------------------------|----------------|
| At 1 July 2020 | - | 3,163 | 3,163 |
| Total comprehensive income | | | |
| Loss for the year | - | (149) | (149) |
| Total comprehensive income | - | (149) | (149) |
| At 30 June 2021 | - | 3,014 | 3,014 |

The notes to and forming part of these financial statements are set out on pages 12 to 22.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022

1 General information

Starlend UK HoldCo Ltd (the "Company") is a private company limited by share capital incorporated and domiciled in United Kingdom. The Company registration number is 10920062.

The address of its registered office is:

5 Merchant Square

Level 9

London

W2 1BQ

United Kingdom

The principal activity is to hold n investment in The Silvertown Partnership LLP.

2 Basis of preparation

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework*.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), 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.

In the financial statements, the Company has taken advantage of the following disclosure exemptions available under FRS 101:

- IAS 7: Preparing a cash flow statement and related notes;
- IAS 8: The listing of new or revised standards that have not been adopted (and information about the likely impact);
- IFRS 7: Financial instruments and financial risk disclosures;
- IAS 1: Disclosures in respect of capital management;
- IFRS 13: Fair value measurement disclosures;
- IAS 24: Disclosure of related party transactions entered into between members of the group, providing the any subsidiaries party to the transaction are wholly owned;
- IAS 24: Disclosure of compensation for key management personnel and amounts incurred by an entity for the provision of key management personnel services that are provided by a separate management entity.

As the consolidated financial statements of Starlend Developments Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

Amounts are presented in pounds sterling, with all values rounded to the nearest thousand pounds unless otherwise indicated.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

2 Basis of preparation (continued)

These financial statements are the separate financial statements of Starlend UK HoldCo Ltd. 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 undertakings are included by full consolidation in the IFRS compliant consolidated financial statements of the parent, Starlend Developments Limited. Refer to note 14.

These financial statements are the separate financial statements of Starlend UK HoldCo Ltd. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements as it and its subsidiary undertakings are included by full consolidation in the IFRS compliance consolidated financial statements of the parent, Lendlease Europe Holdings Limited. Refer to note 14 to obtain Lendlease Europe Holdings Limited's financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Significant accounting policies

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

Changes in accounting policy

New and Revised Accounting Standards Adopted 1 July 2021

The following accounting standards, interpretations and amendments have been adopted by the Company in the year ended 30 June 22:

Amendments to the following standards:

- Amendments to IFRS 9: Interest Rate Benchmark Reform
- IFRS 16: Leases Covid-19 Related Rent Concessions

These amended standards did not have a material effect on the Company.

Going Concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate. The Company finished the year with a net asset position of £4.27m (2021: £3.01m). The Directors have considered the liquidity and cash flows of the Company going forward, in particular adverse effects that could arise due to the ongoing economic conditions and they believe that the Company is well placed to manage its future commitments over a period of at least 12 months from the date of the financial statements.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

2 Basis of preparation (continued)

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements that comply with IFRS requires management to make judgements, estimates and assumptions which can affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis and revisions are recognised prospectively. Accounting judgements that have the most significant effects on reported amounts and further information about estimated uncertainties are highlighted in the relevant accounting policy in note 3.

3 Accounting policies

Finance income and costs

Finance income is recognised as it is earned using the effective interest method, which applies the interest rate that discounts estimated future cash receipts over the expected life of the financial instrument. The discount is then recognised as finance revenue over the remaining life of the financial instrument.

Finance costs include interest, amortisation of discounts or premiums relating to borrowings and amortisation of costs incurred in connection with the arrangement of new borrowings facilities. Costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings. Finance costs are expensed immediately as incurred unless they relate to acquisition and development of qualifying assets. Qualifying assets are assets that take more than six months to prepare for their intended use or sale. Finance costs related to qualifying assets are capitalised.

Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income for the financial year, using applicable tax rates (and tax laws) at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous financial years.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

3 Accounting policies (continued)

Deferred tax is the expected tax payable or receivable in future periods as a result of past transactions or events and is calculated by comparing the accounting balance sheet to the tax balance sheet. Temporary differences are provided for any differences in the carrying amounts of assets and liabilities between the accounting and tax balance sheets. Temporary differences are not provided for on the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they are not likely to reverse in the foreseeable future.

Measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using applicable tax rates and laws at the reporting date.

Recognition of deferred tax assets is only to the extent it is probable that future taxable profits will be available so as the related tax asset will be realised. Deferred tax assets may include deductible temporary differences, unused tax losses and unused tax credits. Management considers the estimation of future taxable profits to be an area of estimation uncertainty as a change in any of the assumptions used in budgeting and forecasting would have an impact on the future profitability of the Company. Forecasts and budgets form the basis of future profitability to support the carrying value of deferred tax assets.

Presentation of deferred tax assets and liabilities can be offset if there is a legally enforceable right to offset current tax liabilities and assets, they relate to income taxes levied by the same tax authority, and they are intended to be settled on a net basis or realised simultaneously.

Investments

Equity investments in subsidiaries, joint ventures and associates are stated at cost less impairment. Adjustments are made to the carrying value to reflect the net realisable value of the investment where these are lower than cost. Management conducts annual impairment reviews.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, bank overdrafts and other short term highly liquid investments that are readily convertible to known amounts of cash within three months and which are subject to an insignificant risk of changes in value. Bank overdrafts (if applicable) are shown as a current liability on the Statement of Financial Position.

Trade and other receivables

Trade and other receivables are non derivative financial assets with fixed or determinable payments that are not equity securities. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable.

Trade and other receivables are carried at amortised cost using the effective interest method, which applies the interest rate that discounts estimated future cash receipts over the term of the receivables. Cash flows relating to short term trade and other receivables are not discounted if the effect of discounting is immaterial. The discount, if material, is then recognised as finance income over the remaining term.

The Company assesses provision for impairment of the receivables based on irrecoverable amounts and expected credit losses, if material. The Company considers reasonable and supportable information that is relevant and reliable. This includes both quantitative and qualitative information and analysis, based on the Company's historical impairment experience, credit assessment of customers and any relevant forward-looking information. The amount of provision is recognised in the Statement of Profit or Loss.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

3 Accounting policies (continued)

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade and other payables are settled in the normal course of business. Trade and other payables are carried at amortised cost using the effective interest method, which applies the interest rate that discounts estimated future cash outflows over the term of the trade and other payables. Cash flows relating to short term trade and other payables are not discounted if the effect of discounting is immaterial. The discount, if material, is then recognised as a finance cost over the remaining term.

4 Finance income and costs

| | 2022 £ 000 | 2021 £ 000 |
|--|----------------|----------------|
| Finance income | | |
| Interest receivable from related parties | 5,606 | 2,128 |
| Other finance income | <u>77</u> | <u>135</u> |
| Total finance income | <u>5,683</u> | <u>2,263</u> |
| Finance costs | | |
| Interest payable to related parties | (4,786) | (1,986) |
| Other finance costs | <u>(37)</u> | <u>(1)</u> |
| Total finance costs | <u>(4,823)</u> | <u>(1,987)</u> |
| Net finance income | <u>860</u> | <u>276</u> |

5 Staff costs

The Company had no employees throughout the year (2021: nil).

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

6 Directors' remuneration

The directors are employees of the following entities:

F Bianchi - Starwood Capital Europe Advisers LLP

T M Tolley - Greenberg Traurig LLP

L Dhanoa - Starwood Capital Europe Advisers LLP

K A M Nikolic - Starwood Capital Europe Advisers LLP

J D Clark - Lendlease Europe Limited¹

S T Leckie - Lendlease Investment Management Holdings (Europe) Limited¹

R J Seeley - Lendlease Development (Europe) Limited¹

J R Mathie - Lendlease Development (Europe) Limited and Lendlease Europe Limited¹

Any qualifying services in respect of the Company are considered to be incidental and part of the directors' overall management services for the above entities. The directors' remuneration for the current year and prior year is included in the financial statements of the above entities.

1. The director was directly employed by Lendlease Construction (Europe) Limited during the financial year, however their costs were recharged to the above entities.

7 Auditor's remuneration

| | 2022 £ 000 | 2021 £ 000 |
|-------------------------------|---------------|---------------|
| Audit of financial statements | (5) | (5) |

8 Taxation

Tax (credited)/charged in the Statement of Profit or Loss

| | 2022 £ 000 | 2021 £ 000 |
|---|---------------|---------------|
| Current tax | | |
| Current year | 159 | 538 |
| Adjustments in respect of prior years | - | 245 |
| Total current tax | 159 | 783 |
| Deferred tax | | |
| Current year | (563) | (3) |
| Change in tax rate | (9) | (30) |
| Adjustments in respect of prior years | - | (377) |
| Total deferred tax | (572) | (410) |
| Total income tax (credit)/charge | (413) | 373 |

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

8 Taxation (continued)

The (credit)/charge for the year can be reconciled to the result per the Statement of Profit or Loss as follows:

The differences are reconciled below:

| | 2022 £ 000 | 2021 £ 000 |
|---|---------------|---------------|
| Profit before tax | 843 | 224 |
| Tax on profit/loss at standard UK tax rate of 19% (2021: 19%) | 160 | 43 |
| Adjustments in respect of prior years | - | (132) |
| Income not taxable | (1) | - |
| Expenses not deductible | - | 495 |
| Attribution of partnership losses | (367) | (3) |
| Current year rate differential | (196) | - |
| Change in tax rate | (9) | (30) |
| Total income tax (credit)/charge | (413) | 373 |

Budget 2021 announced an increase to the main rate of UK corporation tax from 19% to 25%. This was substantively enacted on 24 May 2021 and will be effective from 1 April 2023.

Residential Property Developer Tax (RPDT)

The new Residential Property Developer Tax (RPDT), introduced by Finance Act 2022, applies from 1 April 2022 at a rate of 4% to profits arising from residential property developer activities, in excess of an annual £25 million group allowance. The company, as a member of a Group participating in residential property developer activities, anticipates no charge in relation to RPDT for the period ending 30 June 2022.

9 Investments

| | 2022 £ 000 | 2021 £ 000 |
|--------------------------|---------------|---------------|
| Subsidiaries | 22,209 | 22,209 |
| Total investments | 22,209 | 22,209 |

Reconciliation of subsidiaries

| | 2022 £ 000 | 2021 £ 000 |
|--|---------------|---------------|
| Carrying amount at the beginning of year | 22,209 | 22,209 |
| Carrying amount at end of year | 22,209 | 22,209 |
| Subsidiaries cost | 22,209 | 22,209 |
| Carrying amount at end of year | 22,209 | 22,209 |

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

9 Investments (continued)

Details of the subsidiaries as at 30 June 2022 are as follows:

| Name of subsidiary | Principal activity | Country of Incorporation | Note | Ownership and voting right % | |
|--------------------------------|----------------------|--------------------------|------|------------------------------|--------|
| | | | | 2022 | 2021 |
| Starlend UK CPL Ltd | Investor company | United Kingdom | 1 | 100% | 100% |
| The Silvertown Partnership LLP | Property development | United Kingdom | 1 | 99.99% | 99.99% |

Notes - registered addresses:

1. 5 Merchant Square, Level 9, London, W2 1BQ

10 Trade and other receivables

| | 2022 £ 000 | 2021 £ 000 |
|--|---------------|---------------|
| Current | | |
| Other receivables | 22 | 14 |
| Non current | | |
| Amounts owing from related parties | 77,744 | 64,433 |
| Total trade and other receivables | <u>77,766</u> | <u>64,447</u> |

There is no impairment recognised on any receivables and no receivables past due.

11 Trade and other payables

| | 2022 £ 000 | 2021 £ 000 |
|---|-----------------|-----------------|
| Current | | |
| Trade payables | (30) | - |
| Amounts due to related parties | - | - |
| Accrued expenses | - | (23) |
| Current trade and other payables | <u>(30)</u> | <u>(23)</u> |
| Non current | | |
| Amounts due to related parties | (78,733) | (64,702) |
| Contingent consideration | (17,949) | (18,026) |
| Non current trade and other payables | <u>(96,682)</u> | <u>(82,728)</u> |
| Total trade and other payables | <u>(96,712)</u> | <u>(82,751)</u> |

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

12 Issued capital

Allotted, called up and fully paid shares

| | 2022 | | 2021 | |
|----------------------------|----------|----------|----------|----------|
| | No. | £ | No. | £ |
| Ordinary Shares of £1 each | <u>1</u> | <u>1</u> | <u>1</u> | <u>1</u> |

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

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

13 Related party transactions

13.1 Summary of transactions with related parties

Summary of transactions with parent entities

Transactions with the parent entity include a loan to fund working capital. Interest was incurred on this balance at a rate of 10% (2021: 10%).

During the year, the Company received the following income and incurred the following costs with related parties:

| | 2022 £ 000 | 2021 £ 000 |
|-----------------------|---------------|---------------|
| Finance costs: | | |
| Parent entities | <u>4,786</u> | <u>1,986</u> |

13.2 Related party receivables

| | 2022 £ 000 | 2021 £ 000 |
|--|---------------|---------------|
| Subsidiaries | <u>77,744</u> | <u>64,433</u> |
| Total related parties receivables | <u>77,744</u> | <u>64,433</u> |

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

13 Related party transactions (continued)

13.3 Related party payables

| | 2022 £ 000 | 2021 £ 000 |
|-------------------------------------|------------------------|------------------------|
| Parent entities | <u>(78,733)</u> | <u>(64,646)</u> |
| Total related party payables | <u><u>(78,733)</u></u> | <u><u>(64,646)</u></u> |

14 Parent and ultimate parent undertaking

The Company's immediate parent is Starlend Developments Limited.

The ultimate parents are Lendlease Corporation Limited and SOF-11 International SCSp.

Lendlease Corporation Limited is incorporated in Australia.

The address of Lendlease Corporation Limited is:

Level 14 Tower Three
International Towers Sydney
Exchange Place
300 Barangaroo Avenue
Barangaroo NSW 2000

The consolidated financial statements of the group may be obtained from www.lendlease.com

SOF-11 International SCSp is incorporated in Luxembourg. The registered address of SOF-11 International SCSp is 2-4, rue Eugène Ruppert L-2453 Luxembourg. The financial statements of the company are not publicly available.

The parent of the smallest group in which these financial statements are consolidated is Starlend Developments Limited, incorporated in England and Wales.

The address of Starlend Developments Limited is:

5 Merchant Square
Level 9
London
W2 1BQ

The consolidated financial statements of that group may be obtained from:

The Registrar of Companies
Companies House
Crown Way
Maindy, Cardiff.

Starlend UK HoldCo Ltd

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

15 Subsequent events

There has been no event or circumstance since the balance sheet date that would significantly affect the Company.