

Company registration number: 03562452

AMENDED ACCOUNTS

Lendlease (Elephant & Castle) Retail Limited

Amended Annual Report and Financial Statements

for the year ended 30 June 2019

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Lendlease (Elephant & Castle) Retail Limited

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Lendlease (Elephant & Castle) Retail Limited

Revised Directors' Report for the Year Ended 30 June 2019

The directors of Lendlease (Elephant & Castle) Retail Limited present their report for the financial year ended 30 June 2019.

This revised directors' report for the year ended 30 June 2019 replaces the original directors' report for that year, which had been approved on 19th August 2019.

The directors' report has been prepared as at the date on which the original directors' report was approved by the board of directors and not as at the date of the revision and accordingly does not deal with events between those dates.

The original directors' report did not comply with the Companies Act 2006 as it was prepared in accordance with the dormant companies' regime which benefits from exemptions.

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

K S Lansdown

G G Thomas

K L White (appointed 13 March 2019)

G J Scott (resigned 14 March 2019)

Results

The Company's profit after tax for the year was £28k (2018: £58k, as restated).

Dividends

The directors do not recommend the payment of a dividend (2018: £nil).

Political donations

The Company made no political donations or incurred any political expenditure during the year (2018: £nil).

Research and development

Innovation is part of the Lendlease Group's heritage and is embedded in the approach to business.

Outlook

With the continuing support of the Lendlease group, the Company will continue to hold Elephant Park retail units.

Lendlease continues to monitor potential risks and uncertainties posed from the UK's exit from the EU. In particular, consideration has been given to specific risks relating to the workforce, investors, customers, the security of our supply chain and where possible, mitigating actions are being implemented. We are of the view that the UK, and in particular London, is one of the most resilient economies in the world. Despite the continuing political uncertainty surrounding Brexit, Lendlease believes in the long-term viability of the UK as a place to invest.

Lendlease (Elephant & Castle) Retail Limited

Revised Directors' Report for the Year Ended 30 June 2019 (continued)

Lendlease is closely monitoring the developing situation relating to COVID-19 which has emerged in early 2020. The Directors and management of the wider Lendlease Group have taken immediate and significant actions, all within management's control, to reduce costs and optimise the cash flow and liquidity position, including reduction of non-essential capital and project expenditure and overhead reduction initiatives. The full impact the pandemic will have on the Company is uncertain given the situation is evolving and the wider impact on the economy is unknown, however due to the nature of the Company, to date, there has not been a material impact. Refer to note 2 of the financial statements which provides further details around the directors assessment of the Company to continue as a going concern.

Events after the balance sheet date

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

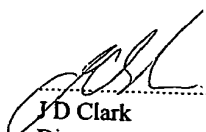
Disclosure of information to the auditor

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.

Approved by the Board on 19 January 2021 and signed on its behalf by:


JD Clark
Director

Lendlease (Elephant & Castle) Retail Limited

Statement of Directors' Responsibilities

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 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.

Under section 454 of the Companies Act 2006 the directors have the authority to revise the financial statements and the directors' report if they do not comply with the Act. The revised financial statements must be amended in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. These require that the revised financial statements show a true and fair view as if they were prepared and approved by the directors as at the date of the original financial statements and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

Independent Auditor's Report to the Members of Lendlease (Elephant & Castle) Retail Limited

Opinion

We have audited the revised financial statements of Lendlease (Elephant & Castle) Retail Limited (the "Company") for the year ended 30 June 2019, which comprise the Revised Statement of Profit or Loss and Other Comprehensive Income, Revised Statement of Financial Position, Revised Statement of Changes in Equity, and related notes, including the accounting policies in note 3.

In our opinion:

- the revised financial statements give a true and fair view, seen as at the date the original financial statements were approved, of the state of the Company's affairs as at 30 June 2019 and of its profit for the year then ended;
- the revised financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework* seen as at the date the original financial statements were approved;
- the revised financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as it has effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 ("the Regulations"); and
- the original financial statements for the year ended 30 June 2019 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in note 2 to these revised financial statements.

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.

Emphasis of matter - revision of financial statements

We draw attention to the disclosures made in note 2 to these revised financial statements concerning the need to revise the financial statements. The revised financial statements replace the original financial statements approved by the directors on 19 August 2019. They have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved on 19 August 2019. Our opinion is not modified in respect of this matter.

Going concern

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

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

Independent Auditor's Report to the Members of Lendlease (Elephant & Castle) Retail Limited (continued)

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

Directors' report

The directors are responsible for the revised 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 the revised directors' report for the financial year is consistent with the revised financial statements; and
- in our opinion the revised 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 revised 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.

Directors' responsibilities

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view; such internal control as the directors determine is necessary to enable the preparation of revised 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 revised 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

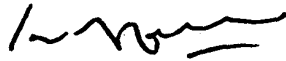
Independent Auditor's Report to the Members of Lendlease (Elephant & Castle) Retail Limited (continued)

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

The audit of revised financial statements also includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

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.



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

Date: 21 January 2021

Lendlease (Elephant & Castle) Retail Limited

**Revised Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019**

		(As restated)	
	Note	2019 £ 000	2018 £ 000
Revenue	5	35	-
Other operating income	6	-	70
Results from operating activities		35	70
Net finance income/(cost)		-	-
Profit before tax		35	70
Income tax expense	10	(7)	(12)
Profit after tax		28	58
Total comprehensive income after tax		28	58

The above results were derived from continuing operations.

The notes to and forming part of these financial statements are set out on pages 10 to 21.

The impact of the restatements to the financial statements for the year ending 30 June 2018 are detailed in note 4.

Lendlease (Elephant & Castle) Retail Limited

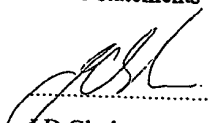
Revised Statement of Financial Position as at 30 June 2019

		(As restated)	
	Note	2019 £ 000	2018 £ 000
Non current assets			
Inventories	12	16,051	1,868
Investment properties	11	460	460
Total non current assets		16,511	2,328
Current assets			
Trade and other receivables	13	35	-
Total current assets		35	-
Total assets		16,546	2,328
Non current liabilities			
Deferred tax liabilities	10	(12)	(12)
Total non current liabilities		(12)	(12)
Current liabilities			
Trade and other payables	15	(16,441)	(2,258)
Current tax payable		(7)	-
Total current liabilities		(16,448)	(2,258)
Total liabilities		(16,460)	(2,270)
Net assets		86	58
Equity			
Issued capital	14	-	-
Retained earnings		86	58
Total equity		86	58

The notes to and forming part of these financial statements are set out on pages 10 to 21.

The impact of the restatements to the financial statements for the year ending 30 June 2018 are detailed in note 4.

These statements were approved by the Board on 19 January 2021 and were signed on its behalf by:


J D Clark

Director

Company Registration Number: 03562452

Lendlease (Elephant & Castle) Retail Limited

Revised Statement of Changes in Equity for the year ended 30 June 2019

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2017 as previously reported	-	-	-
Total comprehensive income			
Profit for the year (As restated)	-	58	58
Total comprehensive income	-	58	58
At 30 June 2018 (As restated)	-	58	58

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2018 (As restated)	-	58	58
Total comprehensive income			
Profit for the year	-	28	28
Total comprehensive income	-	28	28
At 30 June 2019	-	86	86

The notes to and forming part of these financial statements are set out on pages 10 to 21.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019

1 General information

Lendlease (Elephant & Castle) Retail Limited (the "Company") is a private company limited by share capital incorporated and domiciled in United Kingdom. The company registration number is 03562452.

With the continuing support of the Lendlease group, the Company will continue to hold Elephant Park retail units.

The principal activity is that of acquisition, sale and letting of retail properties.

2 Basis of preparation

Basis of preparation

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

These revised financial statements for the year ended 30 June 2019 replace the original financial statements for that year, which had been approved on 19th August 2019. These revised financial statements are now the statutory financial statements for that year.

The financial statements have been prepared as at the date on which the original financial statements were approved by the board of directors and not as at the date of the revision and accordingly do not deal with events between those dates.

The original financial statements did not comply with the Companies Act 2006 in as much as dormant accounts were filed when in fact the Company had traded in the period. The effect of correcting this has been to increase the profit after tax for the period by £28k and the net assets by £86k. Consequential amendments in respect of these financial statement captions have been made in the Directors' Report and this document is also revised.

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 transition to FRS101 from Adopted IFRS, the Company has made no measurement and recognition adjustments.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

2 Basis of preparation (continued)

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 that 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 Lendlease Europe Holdings 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.

Summary of significant accounting policies and key accounting estimates

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

Impact of New and Revised Accounting

New standards, interpretations and amendments effective

None of the standards applied for the first time from 1 July 2018 have had a material effect on the financial statements.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

2 Basis of preparation (continued)

Going concern

Notwithstanding net current liabilities of £16,413k and net assets of £86k as at 30 June 2019 the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided to it by Lendlease Europe Holdings Limited ("LLEH"), the Company's ultimate UK parent entity. LLEH has indicated its intention to continue to make available financial support for twelve months from the signing date of these financial statements, or earlier, to such period when either LLEH or the Company ceases to be part of the group headed by LLEH, to enable the Company to trade, and not to call for settlement of amounts owing to LLEH where to do so would place the Company in an insolvent position. LLEH itself has been provided with a letter of support from Lendlease International Pty Limited which accepts responsibility of providing and undertakes to provide, sufficient financial assistance to the Company, as and when it is required, to enable the Company to continue its operations and fulfil all of its financial obligations. This support covers a period of at least 12 months from the date of approval of these financial statements. As with any company placing reliance on other group entities for financial support, the directors of the Company 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.

The Directors have considered the liquidity of the Company going forward, in particular adverse effects that could arise due to the ongoing COVID-19 pandemic and have deemed that due to the letters of support, they believe that the Company is well placed to manage its financing and future commitments over a period of at least 12 months from the date of the financial statements.

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

Revenue recognition

Rental revenue

Rental revenue, including lease incentives granted, is recognised in the Statement of Profit or Loss on a straight line basis over the term of the lease.

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. The current tax payable or receivable includes amounts awaiting settlement of group relief with other Lendlease Europe Holdings Limited subsidiary entities.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (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.

Investment property

Investment properties on initial recognition are measured at cost, including transaction costs and subsequently stated at fair value. The fair value for all properties, except those under construction, is based on periodic, but at least triennial, valuations by qualified external independent valuers. It is the policy of the Company to review the fair value of each property every 6 months.

Fair value is based on current prices in an active market for similar properties in the same location and condition. If this information is not available, the Company uses alternative calculation methods such as discounted cash flow projections, recent prices on less active markets or capitalised income projections. Capitalised income projections are based on perpetuity of net operating income and deferred management fees using a capitalisation rate derived from market evidence. Any gain or loss arising from a change in fair value is recognised in the Statement of Profit or Loss.

Management considers the calculation of the fair value to be an area of estimation uncertainty. While this represents the best estimation of fair value at the reporting date, actual sale prices achieved (should the investment properties be sold) may be higher or lower than the most recent valuation. This is particularly relevant in periods of market illiquidity or uncertainty.

Rental revenue from investment properties is accounted for as described in the Revenue recognition policy. Expenses capitalised to properties may include the cost of acquisition, additions, refurbishments, redevelopments, borrowing costs and certain fees incurred.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

3 Accounting policies (continued)

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.

Inventories

Development properties

Property acquired for development and sale in the ordinary course of business is carried at the lower of cost and net realisable value. The cost of development properties includes expenditure incurred in acquiring the property, preparing it for sale and borrowing costs incurred. The net realisable value is the estimated selling price, less the estimated costs of completion and selling expenses. Management considers the estimation of both selling prices and costs of completion to be an area of estimation uncertainty, as these estimations take into consideration market conditions affecting each property and the underlying strategy for selling the property.

The recoverable amount of each property is assessed at each Statement of Financial Position date and accounting judgement is required to assess whether a provision is raised where cost (including costs to complete) exceeds net realisable value.

Inventories are expensed as a cost of sales in the Statement of Profit or Loss. Management uses accounting judgement in determining:

- The apportionment of cost of sales through either land area or sales revenue;
- The amount of cost of sales, which includes costs incurred to date and final forecast costs; and
- The nature of the expenditure, which may include acquisition costs, development costs, borrowing costs and those costs incurred in preparing the property for sale.

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.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

4 Restatement of comparative information

In the prior financial year leases were granted from Lendlease Residential (BH) Limited and Lendlease (Elephant & Castle) Limited to Lendlease (Elephant & Castle) Retail Limited for retail units in the Elephant Park development. These were not recorded in the financial statements for the year ended 30 June 2018, and as such revenue and net assets were understated. The Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity has been restated to recorded these transactions. The impact of this restatement is as follows:

Statement of Profit or Loss and Other Comprehensive Income	Previously reported £ 000	Effect of restatement £ 000	Restated balance £ 000
Revenue	-	70	70
Income tax credit/(expense)	-	(12)	(12)
Statement of Profit or Loss and Other Comprehensive Income	-	58	58

Statement of Financial Position	Previously reported £ 000	Effect of restatement £ 000	Restated balance £ 000
Non current assets			
Inventories	-	1,868	1,868
Investment Property	-	460	460
Non current liabilities			
Deferred tax liabilities	-	(12)	(12)
Current liabilities			
Trade and other payables	-	(2,258)	(2,258)
Net assets	-	58	58
Retained Earnings	-	58	58

5 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2019 £ 000	2018 £ 000
Rental revenue	35	-
Total revenue	35	-

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

6 Other income

The analysis of the Company's other operating income for the year is as follows:

	(As restated)	
	2019	2018
	£ 000	£ 000
Increase in fair value of investment property	-	70
Total other income	-	70

7 Employees

The Company did not employ any staff during the year (2018: nil).

8 Directors' remuneration

The directors of the Company were all directly employed by Lendlease Construction (Europe) Limited however their costs were recharged to the following entities:

G G Thomas: Lendlease Development (Europe) Limited
J D Clark: Lendlease Development (Europe) Limited
K L White: Lendlease Development (Europe) Limited
K S Lansdown: Lendlease Development (Europe) Limited

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.

9 Auditor's remuneration

	2019	2018
	£ 000	£ 000
Audit of financial statements	11	2

The auditor's remuneration has been borne by a fellow group undertaking.

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

10 Taxation

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

	(As restated)	
	2019 £ 000	2018 £ 000
Current tax		
Current year	(7)	-
Total current tax	(7)	-
Deferred tax		
Current year	-	(13)
Effects of tax rate changes	-	1
Total deferred tax	-	(12)
Total income tax (charge)/credit	(7)	(12)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2018: lower than the standard rate of corporation tax in the UK) of 19% (2018: 19%).

The differences are reconciled below:

	(As restated)	
	2019 £ 000	2018 £ 000
Profit before tax	35	70
Income tax using the domestic corporation tax rate 19% (2018: 19%)	(7)	(13)
Changes in tax rate	-	1
Total income tax (charge)/credit	(7)	(12)

The effective rate of taxation will vary as a result of any dividends paid by shareholdings, overseas tax rates, prior year tax claims and the utilisation of tax losses brought forward. The effective rate of taxation will vary as a result of any prior year tax claims and the utilisation of tax losses brought forward. A reduction in the corporate tax rate to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016. This will reduce the company's future current tax charge accordingly. The Company's profits for the accounting period are taxed at a statutory rate of 19% (2018: 19%).

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

10 Taxation (continued)

Deferred tax

Deferred tax assets and liabilities are attributable to the following:

2019	Liability £ 000
Investment property	<u>12</u>
2018	(As restated) Liability £ 000
Investment property	<u>12</u>

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

10 Taxation (continued)

Deferred tax movement during the year:

	(As restated) At 1 July 2018 £ 000	Recognised in income £ 000	At 30 June 2019 £ 000
Investment property	<u>12</u>	<u>-</u>	<u>12</u>

Deferred tax movement during the prior year:

	At 1 July 2017 £ 000	(As restated) Recognised in income £ 000	(As restated) At 30 June 2018 £ 000
Investment property	<u>-</u>	<u>12¹</u>	<u>12</u>

11 Investment properties

	(As restated)
	30 June 2019 £ 000
At 1 July	<u>-</u>
Additions	460
Fair value adjustments	-
At 30 June	<u>460</u>

12 Inventories

	(As restated)
	30 June 2019 £ 000
Non current	<u>16,051</u>
Development properties	1,868
Total non current inventories	<u>16,051</u>

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

13 Trade and other receivables

	30 June 2019 £ 000	30 June 2018 £ 000
Current		
Other receivables	35	-
Total trade and other receivables	35	-

Provision for impairment

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

14 Issued capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary A 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.

15 Trade and other payables

	(As restated)	
	30 June 2019 £ 000	30 June 2018 £ 000
Current		
Amounts due to related parties	<u>(16,441)</u>	<u>(2,258)</u>

Lendlease (Elephant & Castle) Retail Limited

Notes to the revised Financial Statements for the year ended 30 June 2019 (continued)

16 Parent and ultimate parent undertaking

The Company's immediate parent is Lendlease (Elephant & Castle) Limited.

The ultimate parent is Lendlease Corporation Limited. The most senior parent entity producing publicly available financial statements is Lendlease Corporation Limited.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Lendlease Corporation Limited, 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 that group may be obtained from www.lendlease.com.

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

The address of Lendlease Europe Holdings Limited is:

20 Triton Street
Regent's Place
London NW1 3BF

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

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

17 Subsequent events

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