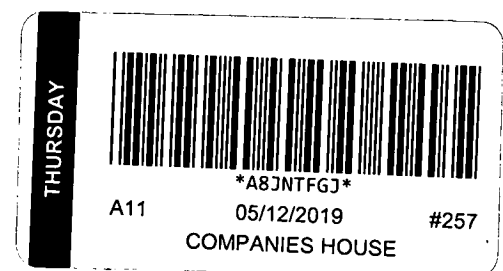


Company registration number: 03904306

Lendlease Communities Limited

Annual Report and Financial Statements

for the year ended 30 June 2019



Lendlease Communities Limited

Contents

Directors' Report	1 to 2
Statement of Directors' Responsibilities	3
Independent Auditors' Report to the Members of Lendlease Communities Limited	4 to 6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 18

Lendlease Communities Limited

Directors' Report for the Year Ended 30 June 2019

The directors of Lendlease Communities Limited (the "Company") present their report for the financial year ended 30 June 2019.

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

R J Cook (resigned 31 January 2019)

J M Emery

G J Scott (resigned 14 March 2019)

J Davies (appointed 30 January 2019)

Results

The Company's profit after tax for the year was £2.1m (2018: loss of £0.7m).

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).

Employment of disabled persons

It is the Group's policy to give full and fair consideration to applications for employment made by disabled persons having regard to their aptitudes and abilities. The Group also uses its best endeavours to provide continuing employment for employees who are disabled whilst the Group employs them and where appropriate, provides facilities for training and retraining and opportunities for career development and promotion.

Employee involvement

The Company has employment policies designed to suit the needs of individuals and comply with certain key principles, to encourage involvement within the Group. Employees are regularly advised of the Group and individual Company's achievements. Furthermore, employees benefit from a bonus scheme that enables them to identify more closely with Lendlease Group's performance and to share common objectives with shareholders.

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 investments. Previously the Company completed property developments within the Wandsworth area.

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. While the continuing political uncertainty surrounding Brexit is unsettling, Lendlease believes in the long-term viability of the UK as a place to invest.

Events after the balance sheet date

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

Lendlease Communities Limited

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

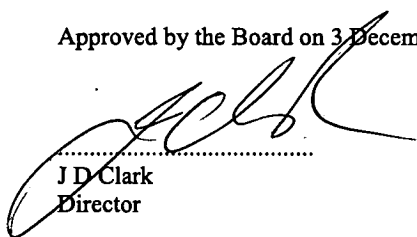
Disclosure of information to the auditor

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 3 December 2019 and signed on its behalf by:



J D Clark
Director

Lendlease Communities 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.

Independent Auditors' Report to the Members of Lendlease Communities Limited

Opinion

We have audited the financial statements of Lendlease Communities Limited (the "Company") for the year ended 30 June 2019, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant 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 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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, including the impact of Brexit, 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.

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.

Independent Auditors' Report to the Members of Lendlease Communities Limited (continued)

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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in the Statement of Directors' Responsibilities 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 the directors 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.

Auditors' responsibilities

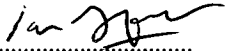
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditors' report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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.

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

Independent Auditors' Report to the Members of Lendlease Communities Limited (continued)

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: 3 December 2019

Lendlease Communities Limited

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

	Note	2019 £ 000	2018 £ 000
Cost of sales		(11)	(216)
Administrative expenses		2,518	(285)
Results from operating activities		2,507	(501)
Finance costs	4	(362)	(257)
Net finance cost		(362)	(257)
Profit/(loss) before tax		2,145	(758)
Income tax (charge)/credit	8	(64)	45
Profit/(loss) after tax		2,081	(713)
Total comprehensive income/(loss) after tax		2,081	(713)

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 18.

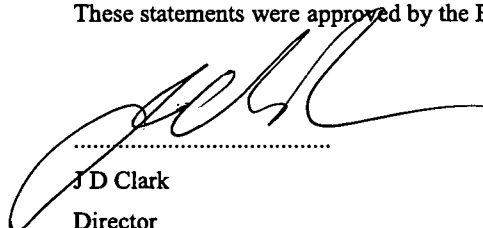
Lendlease Communities Limited

Statement of Financial Position as at 30 June 2019

	Note	2019 £ 000	2018 £ 000
Non current assets			
Inventories	10	-	2
Investments	9	2,519	-
Deferred tax assets	8	-	106
Total non current assets		2,519	108
Current liabilities			
Trade and other payables	12	(7,666)	(5,106)
Current tax payable		(8)	(2,363)
Bank overdraft		(193)	(68)
Total current liabilities		(7,867)	(7,537)
Net liabilities		(5,348)	(7,429)
Equity			
Issued capital	11	-	-
Retained earnings		(5,348)	(7,429)
Total equity		(5,348)	(7,429)

The notes to and forming part of these financial statements are set out on pages 10 to 18.

These statements were approved by the Board on 3 December 2019 and were signed on its behalf by:



JD Clark

Director

Company Registration Number: 03904306

Lendlease Communities Limited

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

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2017	-	(6,716)	(6,716)
Total comprehensive income			
Loss for the year	-	(713)	(713)
Total comprehensive income	-	(713)	(713)
At 30 June 2018	-	(7,429)	(7,429)

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2018	-	(7,429)	(7,429)
Total comprehensive income			
Profit for the year	-	2,081	2,081
Total comprehensive income	-	2,081	2,081
At 30 June 2019	-	(5,348)	(5,348)

The notes to and forming part of these financial statements are set out on pages 10 to 18.

Lendlease Communities Limited

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

1 General information

Lendlease Communities Limited (the "Company") is a private company limited by share capital incorporated and domiciled in United Kingdom. The company registration number is 03904306.

The address of its registered office is:

20 Triton Street
Regent's Place
London
NW1 3BF
United Kingdom

The principal activity is to hold investments. Previously the Company has completed property development within the Wandsworth area.

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 transition to FRS 101 from Adopted IFRS, the Company has made no measurement and recognition adjustments.

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;
- 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 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.

Significant accounting policies

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

Lendlease Communities Limited

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

2 Basis of preparation (continued)

Changes in accounting policy

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.

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate. 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. As with any company placing reliance on other group entities for financial support, the directors of LLEH 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.

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

Interest receivable and interest payable is recognised in the Statement of Profit or Loss as it accrues, using the effective interest method.

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 Communities Limited

Notes to the 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.

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 this differs from 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.

Inventories

The gross amount of work in progress consists of costs attributable to work performed, including recoverable pre contract and project bidding costs and emerging profit after providing for any foreseeable losses. In applying the accounting policies on providing for these losses accounting judgement is required.

Work in progress is presented as part of inventories for all contracts in which costs incurred exceeds cost of sales. If cost of sales exceed costs incurred, then the difference is presented in trade and other payables as an other payable.

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.

Lendlease Communities Limited

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

	2019 £ 000	2018 £ 000
Finance costs		
Interest payable to related parties	<u>(362)</u>	<u>(257)</u>

5 Employees

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

6 Directors' remuneration

The directors of the Company were all directly employed by Lendlease Construction (Europe) Limited during the financial year. Their remuneration was recharged to the Company apart from the following directors whose costs were recharged to the following entities:

J Clark: Lendlease Development (Europe) Limited
R Cook: Lendlease Development (Europe) Limited
J M Emery: Lendlease Development (Europe) Limited
G Scott: Lendlease Development (Europe) Limited
J Davies: 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 entity. The directors' remuneration for the current year and prior year is included in the financial statements of the above entity

7 Auditors' remuneration

	2019 £ 000	2018 £ 000
Audit of financial statements	<u>(6)</u>	<u>(6)</u>

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

Lendlease Communities Limited

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

8 Taxation

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

	2019 £ 000	2018 £ 000
Current tax		
Adjustments for prior years	42	58
Total current tax	42	58
Deferred tax		
Origination and reversal of temporary differences	(119)	(26)
Change in tax rate	13	(13)
Adjustments for prior years	-	26
Total deferred tax	(106)	(13)
Total income tax (charge)/credit	(64)	45

The tax on profit before tax for the year is lower than 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:

	2019 £ 000	2018 £ 000
Profit/(loss) before tax	2,145	(758)
Income tax using the domestic corporation tax rate 19% (2018: 19%)	(408)	144
Adjustments for prior year tax claim	42	84
Deferred tax relating to changes in tax rates	13	(13)
Allocated taxable income from partnerships	(59)	-
Expenses not deductible	-	(51)
Income not taxable	479	-
Amounts not recognised	(10)	-
Share of gains from joint venture	(121)	-
Effects of group relief	-	(119)
Total income tax (charge)/credit	(64)	45

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. 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 Communities Limited

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

8 Taxation (continued)

Deferred tax

Deferred tax movement during the year:

	At 1 July 2018 £ 000	Recognised in income £ 000	At 30 June 2019 £ 000
Property, plant and equipment	106	(106)	-

Deferred tax movement during the prior year:

	At 1 July 2017 £ 000	Recognised in income £ 000	At 30 June 2018 £ 000
Property, plant and equipment	119	(13)	106

9 Investments

Reconciliation of associates

	2019 £ 000	2018 £ 000
Carrying amount at beginning of year	-	269
Impairment reversal / (charge)	2,519	(269)
Carrying amount at end of year	2,519	-
Associates cost	2,519	2,519
Accumulated impairment	-	(2,519)
Carrying amount at end of year	2,519	-

In the current year the directors assessment of the expected future cash flows from the Company's investment in First Base 4 Stratford LLP was such that it supported the reversal of the impairment recorded in prior financial years. Consequently an impairment reversal of £2,519k was recognised in the year to 30 June 2019. This impairment reversal has been included within administrative expenses presented in the statement of profit or loss and other comprehensive income.

Lendlease Communities Limited

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

9 Investments (continued)

Associates

Details of the associates as at 30 June 2019 are as follows:

Name of associate	Principal activity	Country of incorporation	Note	Ownership and voting rights %	
				2019	2018
First Base 4 Stratford LLP	Property Development	United Kingdom	1	49%	49%
Triathlon Homes LLP	Property Development	United Kingdom	2	21.6%	21.6%

Notes - registered addresses:

1. 40 Queen Anne Street, London, W1G 9EL

2. Fleet House 59-61 Clerkenwell Road, London, EC1M 5LA

10 Inventories

	2019 £ 000	2018 £ 000
Non current		
Work in progress	-	2
Total non current inventories	-	2

Lendlease Communities Limited

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

11 Issued capital

Allotted, called up and fully paid shares

	2019		2018	
	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 holder 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.

12 Trade and other payables

	Note	2019 £ 000	2018 £ 000
Current			
Trade payables		(36)	(88)
Amounts due to related parties		(7,624)	(4,917)
Retentions and deferred payments		(6)	(6)
Other payables		<u>-</u>	<u>(95)</u>
Current trade and other payables		<u>(7,666)</u>	<u>(5,106)</u>

Lendlease Communities Limited

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

13 Parent and ultimate parent undertaking

The Company's immediate parent is Lendlease Europe Retail Investments Limited.

The ultimate parent 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.

14 Subsequent events

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