

Registration number: 6528751

Stratford City Shopping Centre (No.2) General Partner Limited

Report and Financial Statements

31 December 2022



5/7/23

2023

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

DIRECTORS

Jonathan Hodes	
Amanda Beattie	(Alternate Director)
Scott Parsons	
Thomas Jackson	(Alternate Director – resigned 3 March 2023; appointed 8 March 2023)
Marcus Peel	(resigned 3 March 2023)
Johannus Spikker	
Tom Van Ingen	(Alternate Director - resigned 27 September 2022)
Ira Panova	(appointed 3 March 2023)

COMPANY SECRETARIES

Amanda Beattie
Gillian Houinato

REGISTERED OFFICE

4th Floor
1 Ariel Way
London
W12 7SL

AUDITORS

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

DIRECTORS' REPORT

The Directors present their Report for the year ended 31 December 2022.

The Report has been prepared in accordance with the Special Provisions relating to small companies within Part 15 of the Companies Act 2006.

DIVIDENDS

The Directors do not recommend the payment of a dividend at the balance sheet date (2021: £nil). No dividends (2021: £nil) were paid by the Directors during the year.

PRINCIPAL ACTIVITY

The principal activity of Stratford City Shopping Centre (No.2) General Partner Limited ('the Company') is to act as General Partner to Stratford City Shopping Centre (No.2) Limited Partnership ('the Partnership') and the Company has a 0.5% interest in the Partnership's profits and assets. The principal activity of the Partnership is the ownership, development and management of car park property at Westfield Stratford City Shopping Centre, Stratford, London.

GOING CONCERN

Note 1 sets out the basis upon which the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

FUTURE DEVELOPMENTS

The Directors anticipate that the activity of the Company will continue for the foreseeable future.

EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant events after the balance sheet date.

DIRECTORS AND INDEMNITY

The Directors who served during the year and up to the date of this report are set out on page 1.

Each Director of the Company shall be indemnified by the Company against all liabilities, costs and expenses incurred in the execution and discharge of their duties. The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

STRATEGIC REPORT

The Company has taken the exemption under Section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report for the financial year.

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a Director at the date of approving this Report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps that they are obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Stratford City Shopping Centre (No.2) General Partner Limited

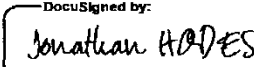
Registered No. 6528751

DIRECTORS' REPORT (Continued)

AUDITOR

Ernst & Young LLP has held office as auditors of the Company in relation to the 2022 financial year. In accordance with the EU Audit Directive, one of the Company's ultimate joint venturers Unibail-Rodamco-Westfield SE was required to appoint a new joint auditor at the end of Ernst & Young LLP's mandatory rotation period for the Unibail-Rodamco-Westfield SE Group. Following a tender process KPMG LLP will replace Ernst & Young LLP as joint auditor of the Unibail-Rodamco-Westfield SE Group. As a consequence of the above, KPMG LLP will be appointed auditor of the Company following approval of these financial statements.

Approved by the Board of Stratford City Shopping Centre (No.2) General Partner Limited

DocuSigned by:

Director:
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Name: Jonathan Hodes

Date: 28 June 2023

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) GENERAL PARTNER LIMITED

OPINION

We have audited the financial statements of Stratford City Shopping Centre (No.2) General Partner Limited for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) GENERAL PARTNER LIMITED (Continued)

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) GENERAL PARTNER LIMITED (Continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (the Companies Act 2006 and United Kingdom Accounting Standards including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"); and acting in its capacity as general partner to the Stratford City Shopping Centre (No.2) Limited Partnership; Health and Safety legislation; Bribery Act 2010; and Environmental laws.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We also obtained and read correspondence with relevant authorities, where applicable.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. In response we performed audit procedures including undertaking testing of manual journals.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of senior management, and where applicable, those charged with governance; review of board minutes; testing journals identified by specific risk criteria; and obtaining written representations from the Directors of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) GENERAL PARTNER LIMITED (Continued)

USE OF OUR REPORT

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.

Ernst & Young LLP

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Peter Campbell (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

28/06/2023
Date:.....

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

INCOME STATEMENT**for the year ended 31 December 2022**

	Note	2022 £	2021 £
Administrative expenses		<u>(3,920)</u>	<u>(4,755)</u>
Operating loss	2	<u>(3,920)</u>	<u>(4,755)</u>
Investment income	5	<u>13,651</u>	<u>11,859</u>
Profit on ordinary activities before taxation		9,731	7,104
Tax charge on profit on ordinary activities	6	<u>(1,215)</u>	<u>(623)</u>
Profit for the year		<u><u>8,516</u></u>	<u><u>6,481</u></u>

STATEMENT OF COMPREHENSIVE INCOME**for the year ended 31 December 2022**

	2022 £	2021 £
Profit for the year	<u>8,516</u>	<u>6,481</u>
Total comprehensive income for the year	<u><u>8,516</u></u>	<u><u>6,481</u></u>

All amounts relate to continuing operations.

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

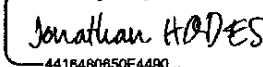
STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	7	<u>31,614</u>	<u>31,614</u>
CURRENT ASSETS			
Debtors	8	89,878	77,708
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	<u>(57,173)</u>	<u>(53,519)</u>
NET CURRENT ASSETS		<u>32,705</u>	<u>24,189</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>64,319</u>	<u>55,803</u>
NET ASSETS		<u>64,319</u>	<u>55,803</u>
CAPITAL AND RESERVES			
Called up share capital	11	28,738	28,738
Profit and loss account		<u>35,581</u>	<u>27,065</u>
SHAREHOLDER'S FUNDS		<u>64,319</u>	<u>55,803</u>

The financial statements have been prepared in accordance with Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Stratford City Shopping Centre (No.2) General Partner Limited

DocuSigned by:

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Director

Name: Jonathan Hodes

Date: 28 June 2023

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021	28,738	20,584	49,322
Profit for the year	-	6,481	6,481
Total comprehensive income for the year	-	6,481	6,481
At 31 December 2021	<u>28,738</u>	<u>27,065</u>	<u>55,803</u>
At 1 January 2022	28,738	27,065	55,803
Profit for the year	-	8,516	8,516
Total comprehensive income for the year	-	8,516	8,516
At 31 December 2022	<u>28,738</u>	<u>35,581</u>	<u>64,319</u>

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

1. ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

Stratford City Shopping Centre (No.2) General Partner Limited (the 'Company') is a private limited company incorporated in the United Kingdom. The registered office is 4th Floor, 1 Ariel Way, London, W12 7SL.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2022.

BASIS OF ACCOUNTING

The financial statements have been prepared on the going concern basis, in accordance with applicable accounting standards in the United Kingdom and in accordance with the Companies Act 2006. The financial statements are prepared in sterling which is the functional and presentational currency of the Company.

SUMMARY OF DISCLOSURE EXEMPTIONS

Group financial statements

The financial statements contain information about Stratford City Shopping Centre (No.2) General Partner Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to produce group financial statements as the results of the Company and its subsidiary undertakings are included in consolidated accounts prepared by Stratford City JV Business Manager Limited, a company incorporated in the United Kingdom.

Cash flow statement

The Company is a qualifying entity as defined by FRS 102. Consequently, the Company has taken advantage of the disclosure exemption available under FRS 102 Section 1.12(b) from preparing its own Cash Flow Statement, as a consolidated Cash Flow Statement which includes the cash flows of the Company, is published in the group financial statements of Stratford City JV Business Manager Limited.

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

1. ACCOUNTING POLICIES (Continued)

GOING CONCERN

The Directors have assessed the ability of the Company to continue as a going concern by reviewing its forecast cashflows over a period of 12 months from the date of approval of the financial statements (the 'going concern review period').

Base line and downside cashflow forecasts have been prepared for the Company, taking into consideration assumptions regarding recovery from the COVID-19 pandemic and the impact of the current macroeconomic environment.

The Directors' assessment has also taken into consideration that the Company is an obligor in connection with a £750m fixed rate external loan raised by Stratford City Shopping Centre (No.1) Limited Partnership ('SCSC1LP') which is repayable on 27 July 2026, with certain covenants and security arrangements attached (see Note 10 for further details).

Based on this assessment of forecast future cashflows as set out above, the Directors are confident that the Company will be able to: meet its liabilities as they fall due and continue in operational existence for the going concern review period. Accordingly, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the Company's financial statements.

INVESTMENTS

Investments in subsidiaries are stated at cost, less any accumulated impairment losses.

The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

DEBTORS

Debtors are initially measured at transaction price. The amounts presented in the Statement of Financial Position are net of an allowance for impairment. An allowance for impairment is made where there is an identified loss event, which evidences irrecoverability of the debtors. Any losses arising from impairment are recognised in the Income Statement in other operating expenses.

CREDITORS

Creditors are initially measured at transaction price. Creditors are classified as creditors falling due within one year unless the Company has an unconditional right to defer settlement for at least 12 months from the reporting date.

INVESTMENT INCOME

Investment income is recognised when the right to receive payment is established, based upon the terms of investments provided under its Limited Partnership agreement.

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

1. ACCOUNTING POLICIES (Continued)

FINANCE INCOME AND COSTS

Interest receivable is recognised as interest accrues, using the effective interest method. All interest receivable is recognised in the Income Statement.

All costs incurred directly in the arrangement of loans are included within the carrying value of loan balances. Such costs are charged to the Income Statement over the term of the loan.

Interest payable is recognised as interest accrues, using the effective interest method. All interest payable is charged to the Income Statement.

CURRENT TAX

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current period or past reporting periods using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2. OPERATING LOSS

This is stated after charging auditor's remuneration for the audit of the financial statements of £3,900 (2021: £3,700). No non-audit services were provided during the current or prior year.

3. STAFF COSTS

The Company has no employees (2021: nil).

4. DIRECTORS' REMUNERATION

The Directors did not receive any remuneration during the year in respect of their services provided to the Company (2021: £nil).

5. INVESTMENT INCOME

	2022	2021
	£	£
Investment income from subsidiary undertakings	<u>13,651</u>	<u>11,859</u>

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

6. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

(a) Tax charge on profit on ordinary activities

The tax charge is made up as follows:

	2022 £	2021 £
Current taxation		
UK corporation tax at 19% (2021: 19%)	1,215	623
Tax on profit on ordinary activities (note 6(b))	1,215	623

(b) Factors affecting total tax charge for the year

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
<i>Profit on ordinary activities before tax on continuing operations</i>	9,731	7,104
Corporation tax at standard rate	1,849	1,350
Allowable loss not included in the accounts	(634)	(727)
Total tax charge for the year (note 6(a))	1,215	623

(c) Factors that may affect future tax charges

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. The Finance Act 2021 increases the standard rate of UK Corporation tax from 19% to 25% with effect from 1 April 2023.

(d) Deferred tax

No deferred tax liability has been provided in respect of the Company's potential deferred tax liability that would arise on the disposal of the investment property in the underlying Limited Partnership on the basis that none of the revalued amount has yet to be recognised in the Company's books. If the investment property in the Limited Partnership were sold at the revalued amount at 31 December 2022, less any indexation allowance accrued from the date of acquisition to 31 December 2022, a corporation tax liability of approximately £0.3k (2021: £1.4k) would arise on the Company's 0.5% share of the chargeable gain arising from sale applying a deferred tax rate of 25% (2021: 25%).

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

7. INVESTMENTS

	2022	2021
	£	£
<i>Investments in subsidiaries</i>	<u>31,614</u>	<u>31,614</u>

Subsidiaries

Cost and carrying amount

At 1 January 2022 and 31 December 2022

31,614

The investment in Stratford City Shopping Centre (No.2) Limited Partnership represents a 0.5% holding in the Partnership, which was established under a Limited Partnership Deed dated 15 May 2008 (as amended). The Partnership is registered in England & Wales in accordance with The Limited Partnerships Act 1907. The other member of the Partnership is Stratford City Shopping Centre Jersey Unit Trust (No.2), a Trust registered in Jersey holding a 99.5% interest. The principal place of business of the Partnership is 4th Floor, 1 Ariel Way, London, W12 7SL. A copy of the Partnership's accounts will be appended to the Company's accounts sent to the Registrar.

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

<i>Name of investment</i>	<i>Place of registration</i>	<i>Nature of business</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>
<i>Subsidiary undertakings</i>				
Stratford City Shopping Centre (No.2) Nominee A Limited	United Kingdom	Nominee Company	Ordinary shares	100%
Stratford City Shopping Centre (No.2) Nominee B Limited	United Kingdom	Nominee Company	Ordinary shares	100%
Stratford City Car Park Limited	United Kingdom	Car Parking	Ordinary shares	100%

The address of the registered office of the above entities is 4th Floor, 1 Ariel Way, London, W12 7SL.

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

8. DEBTORS

	2022	2021
	£	£
Amounts due from related parties (see Note 12)	89,878	76,978
Other debtors	-	730
	<u>89,878</u>	<u>77,708</u>

The amounts due from related parties are non-interest bearing and are repayable on demand.

9. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Amounts due to related parties (see Note 12)	50,213	47,376
Accrued expenses	5,745	5,638
Corporation tax	1,215	505
	<u>57,173</u>	<u>53,519</u>

The amounts due to related parties are non-interest bearing and are repayable on demand.

10. COMMITMENTS AND CONTINGENCIES

The Company is an obligor along with six other related-party entities for a £750m external loan owed by Stratford City Shopping Centre (No.1) Limited Partnership to Westfield Stratford City Finance No.2 plc ('the Lender'). Under the terms of the financing agreements the Company and the six other obligor entities have provided indemnities to the Lender in respect of any claim, loss, cost or expense as a result of a failure to meet the terms of the financing agreements and have provided security over all of their assets as well as the rights, title, interest and benefits in all of the contracts and agreements held by them.

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2022

11. SHARE CAPITAL

Allotted, called up and fully paid shares

	2022 £	2021 £
28,738 Ordinary shares of £1 each (2021: 28,738)	<u>28,738</u>	<u>28,738</u>

12. RELATED PARTY TRANSACTIONS

Income and receivables from related parties

	2022 Other related parties £	2021 Other related parties £
Investment income from subsidiary undertakings	<u>13,651</u>	<u>11,859</u>
Amounts receivable from subsidiary undertakings	<u>89,878</u>	<u>76,978</u>

Amounts receivable from other related parties represents amounts due from entities with the same ultimate joint controlling parties.

Expenditure with and payables to related parties

	2022 Other related parties £	2021 Other related parties £
Amounts payable to other related parties	48,011	45,174
Amounts payable to subsidiary undertakings	<u>2,202</u>	<u>2,202</u>
	<u>50,213</u>	<u>47,376</u>

Amounts payable to other related parties represents amounts due to subsidiaries of the ultimate joint controlling entities or entities with the same ultimate joint controlling parties.

Stratford City Shopping Centre (No.2) General Partner Limited

Registered No. 6528751

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

13. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The immediate parent undertaking of the Company is Stratford City JV Business Manager Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The Company is controlled by Stratford City JV Business Manager Limited which prepares consolidated financial statements including this Company.

Stratford City JV Business Manager Limited is jointly controlled by URW UK Olympic 3 B.V., a company incorporated in the Netherlands, and Canneth BM (Shareholder) Co. Limited, a company incorporated in Jersey.

In the Directors' opinion, there is no ultimate controlling party.

Registered No. LP012960

Stratford City Shopping Centre (No.2) Limited Partnership

Report and Financial Statements
31 December 2022

FRIDAY
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COMPANIES HOUSE

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

GENERAL PARTNER

Stratford City Shopping Centre (No.2) General Partner Limited
4th Floor
1 Ariel Way
London
W12 7SL

AUDITOR

Ernst & Young LLP
1 More London Place
London
SE1 2AF

**PRINCIPAL PLACE OF
BUSINESS**

4th Floor
1 Ariel Way
London
W12 7SL

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

GENERAL PARTNER'S REPORT

The General Partner presents its Report for the year ended 31 December 2022.

DISTRIBUTIONS

Distributions of £2,000,000 (2021: £nil) were made during the year.

PRINCIPAL ACTIVITY

The principal activity of Stratford City Shopping Centre (No.2) Limited Partnership ('the Partnership') continued to be development, management and ownership of the Westfield Stratford City Shopping Centre car park property during the year. The Partnership has licensed Stratford City Car Park Limited to operate the car park property. The General Partner believes the Partnership will continue these activities for the foreseeable future.

GOING CONCERN

Note 1 sets out the basis upon which the General Partner believes that it remains appropriate to prepare the financial statements on a going concern basis.

FUTURE DEVELOPMENTS

The General Partner anticipates that the activity of the Partnership will continue for the foreseeable future.

EVENTS SINCE THE BALANCE SHEET DATE

On 10 March 2023 and 13 June 2023, the Partnership paid distributions of £1m on each date to its partners.

THE GENERAL PARTNER AND INDEMNITY

Each Director of the General Partner shall be indemnified by the General Partner against all liabilities, costs and expenses incurred in the execution and discharge of their duties.

STRATEGIC REPORT

The Partnership has taken the exemption under Section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report for the financial year.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

GENERAL PARTNER'S REPORT (Continued)

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as the General Partner at the date of approving this Report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. The General Partner has taken all the steps that they are obliged to take as a General Partner in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the General Partner of Stratford City Shopping Centre (No.2) Limited Partnership

Director, Stratford City Shopping Centre (No.2) General Partner Limited

DocuSigned by:
Jonathan HODES
4416480650F4490.....

Name: Jonathan Hodes

Date: 28 June 2023

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

Company law as applied to qualifying Partnerships by the Partnerships (Accounts) Regulations 2008 requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under the relevant law the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing those financial statements, the General Partner is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time, the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) LIMITED PARTNERSHIP

OPINION

We have audited the financial statements of Stratford City Shopping Centre (No.2) Limited Partnership for the year ended 31 December 2022, which comprise the Income Statement, the Statement of Comprehensive Income/(Loss), the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- *have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.*

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the qualifying partnership's ability to continue as a going concern for a period of twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the General Partner with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) LIMITED PARTNERSHIP (Continued)

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The General Partner is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006 AS APPLIED TO QUALIFYING PARTNERSHIPS

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the General Partner's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the General Partner's Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the General Partner's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to qualifying partnerships requires us 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 members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small qualifying partnerships' exemption in preparing the General Partner's report and the requirement to prepare a Strategic Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) LIMITED PARTNERSHIP (Continued)

RESPONSIBILITIES OF THE GENERAL PARTNER

As explained more fully in the Statement of General Partner's Responsibilities set out on page 4, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the General Partner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the General Partner either intends to liquidate the partnership or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the qualifying partnership and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the qualifying partnership and determined that the most significant are those that relate to the reporting framework (the Companies Act 2006 as applied to qualifying partnerships and United Kingdom Accounting Standards including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"); as well as Health and Safety legislation; Bribery Act 2010; and the Environmental laws.
- We understood how the qualifying partnership is complying with those frameworks by making enquiries of management to understand how the qualifying partnership maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We obtained and read correspondence with relevant authorities, where applicable.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATFORD CITY SHOPPING CENTRE (NO.2) LIMITED PARTNERSHIP (Continued)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS (Continued)

- We assessed the susceptibility of the qualifying partnership's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition and investment property valuation to be a fraud risk. In response, we performed audit procedures including: undertaking testing of manual journals; vouching revenue to underlying agreements, bank statements and intercompany confirmations; and considering the validity of the carrying value of investment property by assessing the appropriateness of the key assumptions utilised in the valuation prepared by the external valuer, including: forecast income; and yield; with the assistance of our Real Estate Valuation team.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of senior management, and where applicable those charged with governance; review of minutes; and obtaining written representations from the directors of the General Partner.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

.....
Peter Campbell (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 28/06/2023

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

INCOME STATEMENT**for the year ended 31 December 2022**

	Note	2022 £ 000	2021 £ 000
Turnover	2	6,843	5,277
Gross profit		6,843	5,277
Administrative expenses		(38)	(40)
Loss on revaluation of investment property		(841)	(11,110)
Operating profit/(loss)	3	5,964	(5,873)
Interest receivable and similar income	5	98	-
Interest payable and similar charges	6	(4,173)	(2,865)
Profit/(loss) for the year		1,889	(8,738)

	Note	2022 £ 000	2021 £ 000
Apportionment of profit/(loss)			
Stratford City Shopping Centre (No.2) General Partner Limited	12	9	(44)
Stratford City Managing Trustee Limited ¹	12	1,880	(8,694)
		1,889	(8,738)

STATEMENT OF COMPREHENSIVE INCOME/(LOSS)**for the year ended 31 December 2022**

	Note	2022 £ 000	2021 £ 000
Profit/(loss) for the year	12	1,889	(8,738)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		1,889	(8,738)

All amounts relate to continuing activities.

¹Stratford City Managing Trustee Limited as managing trustee for Stratford City Shopping Centre Jersey Unit Trust (No.2).

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Note	2022 £ 000	2021 £ 000
FIXED ASSETS			
Investment properties	7	120,850	121,690
CURRENT ASSETS			
Debtors	8	3,475	5,882
Cash at bank and in hand		5,092	7,348
		8,567	13,230
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	(95,562)	(100,954)
NET CURRENT LIABILITIES		(86,995)	(87,724)
TOTAL ASSETS LESS CURRENT LIABILITIES		33,855	33,966
NET ASSETS		33,855	33,966
PARTNERS' FUNDS			
Partners' capital accounts	12	-	-
Partners' subordinated debt	12	6,302	6,302
Partners' current accounts	12	27,553	27,664
		33,855	33,966

Approved by the General Partner on 28 June 2023 and signed on its behalf by:

DocuSigned by:

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Director, Stratford City Shopping Centre (No.2) General Partner Limited

Name: Jonathan Hodes

Strafford City Shopping Centre (No.2) Limited Partnership Registered No. LP012960

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2022

	Partners' capital accounts £ 000	Partners' subordinated debt £ 000	Share of profits £ 000	Capital reserve £ 000	Partners' current account £ 000	Total Partners' funds £ 000
At 1 January 2021	-	6,302	208	36,194	36,402	42,704
Profit/(loss) for the year	-	-	2,372	(11,110)	(8,738)	(8,738)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	2,372	(11,110)	(8,738)	(8,738)
At 31 December 2021	-	6,302	2,580	25,084	27,664	33,966
Profit/(loss) for the year	-	-	2,730	(841)	1,889	1,889
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	2,730	(841)	1,889	1,889
Distributions in the year	-	-	(2,000)	-	(2,000)	(2,000)
At 31 December 2022	-	6,302	3,310	24,243	27,553	33,855

¹The capital reserve represents the cumulative gains and losses on remeasurement of the fair value of investment property.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

1. ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

Stratford City Shopping Centre (No.2) Limited Partnership is a limited partnership registered in the United Kingdom. The principal place of business is 4th Floor, 1 Ariel Way, London, W12 7SL.

The Partnership's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Partnership for the year ended 31 December 2022.

BASIS OF ACCOUNTING

The financial statements have been prepared under Regulation 4 of the Partnerships (Accounts) Regulations 2008. They are prepared in accordance with applicable United Kingdom accounting standards and in accordance with the Second Amended and Restated Limited Partnership Agreement dated 4 October 2011.

The financial statements are prepared in sterling which is the functional and presentational currency of the Partnership and rounded to the nearest £'000.

SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

The following is the Partnership's key source of estimation uncertainty:

Investment properties

The Partnership carries its completed investment property at fair value, with changes in fair value being recognised in the Income Statement. The Partnership engaged independent external valuation specialists to determine fair value at 31 December 2022. The valuer utilised the capitalisation of net income method to value the completed investment properties. The determined fair value of the investment property is most sensitive to the estimated yield as well as the forecast car park revenue. The key assumption used to determine the fair value of investment property is further explained in Note 7.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS**as at 31 December 2022****1. ACCOUNTING POLICIES (Continued)****GOING CONCERN**

The General Partner has assessed the ability of the Partnership to continue as a going concern by reviewing its forecast cashflows over a period of 12 months from the date of approval of the financial statements (the 'going concern review period'). The General Partner notes that the Partnership is in a net current liability position at the year end of £86,995k of which £93,353k relates to repayable on demand related party loans from Westfield UK Finance Limited ('WUKFL') and Canneth Limited Partnership, Inc ('CLP').

Base line and downside cashflow forecasts have been prepared for the Partnership, taking into consideration assumptions regarding recovery from the COVID-19 pandemic and the impact of the current macroeconomic environment. Further, the General Partner notes that waiver letters have been received from WUKFL and CLP, waiving repayment of the related party loans provided, for the going concern review period.

The General Partner's assessment has also taken into consideration that the Partnership is an obligor in connection with a £750m fixed rate external loan raised by Stratford City Shopping Centre (No.1) Limited Partnership ('SCSC1LP') which is repayable on 27 July 2026, with certain covenants and security arrangements attached (see Note 10 for further details).

Based on this assessment of forecast future cashflows and the related party loan waiver letters received, as set out above, the General Partner is confident that the Partnership will be able to meet its liabilities as they fall due and continue in operational existence for the going concern review period. Accordingly, the General Partner considers it appropriate to continue to adopt the going concern basis in preparing the Partnership's financial statements.

CASH FLOW STATEMENT

The Partnership is a qualifying entity as defined by FRS 102. Consequently, the Partnership has taken advantage of the disclosure exemption available under FRS 102 Section 1.12(b) from preparing its own Cash Flow Statement, as a consolidated Cash Flow Statement which includes the cash flows of the Partnership, is published in the group financial statements of Stratford City JV Business Manager Limited.

NOTES TO THE FINANCIAL STATEMENTS**as at 31 December 2022****1. ACCOUNTING POLICIES (Continued)****INVESTMENT PROPERTIES**

Investment properties are initially recognised at cost which includes development costs and any directly attributable expenditure. Investment properties are subsequently measured at fair value at the reporting date with changes being recognised in the Income Statement. Gain and losses on revaluation and sale of investment properties are recognised in the Income Statement. Gains and losses on revaluation of investment property are transferred to a non-distributable reserve. The fair value is based on a valuation by an independent valuer as at 31 December 2022.

DEBTORS

Debtors are initially measured at transaction price. The amounts presented in the Statement of Financial Position are net of provisions for doubtful debts. An allowance for impairment is made where there is an identified loss event, which evidences irrecoverability of the debtor. Any losses arising from impairment are recognised in the Income Statement in other operating expenses.

FINANCIAL INSTRUMENTS

Financial instruments principally comprise: cash and cash equivalents; trade and other receivables; trade and other payables and related party loans.

Financial instruments are initially measured at the transaction price (including transaction costs) unless the arrangement constitutes a financing transaction. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Basic debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash expected to be paid or received (i.e. net of impairment) unless the arrangement constitutes a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

EQUITY

The Partners' Subordinated debt is categorised as equity in accordance with FRS102 22.3A(b) as it is only required to be settled upon dissolution of the Partnership.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS**as at 31 December 2022****1. ACCOUNTING POLICIES (Continued)****REVENUE RECOGNITION**

Revenue is recognised to the extent that the Partnership obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received or receivable excluding Value Added Tax and discounts allowed from the rendering of services to related parties.

Revenue principally represents amounts earned in the form of licence fee income from Stratford City Car Park Limited. Revenue is recognised on an accruals basis for services rendered by reference to the stage of completion of the activity at the end of the reporting period, when the outcome can be estimated reliably.

FINANCE INCOME AND COSTS

Interest receivable is recognised as interest accrues, using the effective interest method. All interest receivable is recognised in the Income Statement.

All costs incurred directly in the arrangement of loans are included within the carrying value of loan balances. Such costs are charged to the Income Statement over the term of the loan.

Interest payable is recognised as interest accrues, using the effective interest method. All interest payable is charged to the Income Statement.

TAXATION

The Partnership is regarded as transparent for UK tax purposes and each Partner is responsible for its own tax liabilities. Accordingly, no provision for taxation has been made in these financial statements.

2. TURNOVER

	2022	2021
	£ 000	£ 000
Other income	85	29
Licence fee income	6,758	5,248
	<u>6,843</u>	<u>5,277</u>

3. OPERATING PROFIT/(LOSS)

This is stated after charging auditor's remuneration for the audit of the financial statements of £9,650 (2021: £9,150). No non-audit services were provided during the current or prior year.

4. STAFF COSTS

The Partnership has no employees (2021: nil).

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£ 000	£ 000
Bank interest receivable	<u>98</u>	<u>-</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2022	2021
	£ 000	£ 000
Interest payable to related parties	<u>4,173</u>	<u>2,865</u>

7. INVESTMENT PROPERTIES**£ 000****Freehold investment properties****Fair value:**

At 1 January 2022	121,690
Investment properties additions	1
Loss arising on revaluation	<u>(841)</u>
At 31 December 2022	<u>120,850</u>

Reconciliation to fair value:

Fair value at 31 December 2022	<u>120,850</u>
Fair value at 31 December 2021	<u>121,690</u>

Independent valuations are conducted in accordance with RICS Appraisal and Valuation Standards which is mandatory for Chartered Surveyors for the United Kingdom properties. The independent valuation uses the capitalisation of net income method.

The freehold investment properties were valued by an independent external valuer, Avison Young (UK) Limited, with a recognised and relevant professional qualification and with recent experience in the location and class of the investment property being valued at 31 December 2022. Avison Young (UK) Limited prepared their valuation on an open market basis in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. The critical assumptions made relating to the valuations are set out below:

	2022	2021
Equivalent yield	6.85%	6.6%

The historical cost of the freehold investment properties held at fair value at the balance sheet date was £96,607,618 (2021: £96,606,227).

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS**as at 31 December 2022****8. DEBTORS**

	2022	2021
	£ 000	£ 000
Trade debtors	2	-
Amounts due from related parties (see Note 13)	3,473	5,882
	<u>3,475</u>	<u>5,882</u>

Amounts due from related parties are repayable on demand.

9. CREDITORS: amounts falling due within one year

	2022	2021
	£ 000	£ 000
Trade creditors	35	-
Amounts due to related parties (see Note 13)	95,077	100,750
Other creditors	436	185
Accruals	14	19
	<u>95,562</u>	<u>100,954</u>

Amounts due to related parties are repayable on demand.

10. COMMITMENTS AND CONTINGENCIES

The Partnership is an obligor along with six other related-party entities for a £750m external loan owed by Stratford City Shopping Centre (No.1) Limited Partnership to Westfield Stratford City Finance No.2 plc ('the Lender'). Under the terms of the financing agreements the Partnership and the six other obligor entities have provided indemnities to the Lender in respect of any claim, loss, cost or expense as a result of a failure to meet the terms of the financing agreements and have provided security over all of their assets as well as the rights, title, interest and benefits in all of the contracts and agreements held by them.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS**as at 31 December 2022****11. LOANS**

Loans repayable included within creditors are analysed as follows:

	2022 £ 000	2021 £ 000
Wholly repayable within five years	94,668	98,515
	<u>94,668</u>	<u>98,515</u>

Loans, wholly repayable within one year, are included in amounts due to related parties in Note 9.

Loans from Westfield UK Finance Limited and Canneth Limited Partnership Inc. of £46,676,442 (2021: £46,676,442) each are repayable on demand. These entities are subsidiaries of the respective ultimate joint controlling parties. At the balance sheet date interest is charged at the floating rate of SONIA (2021: LIBOR) plus margin per annum over the term of the loans.

12. PARTNERS' ACCOUNTS

	Stratford City Shopping Centre (No.2) General Partner Limited £ 000	Stratford City Managing Trustee Limited¹ £ 000	Total £ 000
<u>Capital accounts</u>			
At 1 January 2022 and 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>
<u>Subordinated debt</u>			
At 1 January 2022 and 31 December 2022	<u>32</u>	<u>6,270</u>	<u>6,302</u>
<u>Current accounts</u>			
At 1 January 2022	137	27,527	27,664
Share of profit for the year	9	1,880	1,889
Distribution in the year	<u>(10)</u>	<u>(1,990)</u>	<u>(2,000)</u>
At 31 December 2022	<u>136</u>	<u>27,417</u>	<u>27,553</u>
<u>Total Partners' Accounts</u>			
At 31 December 2022	<u>168</u>	<u>33,687</u>	<u>33,855</u>
At 31 December 2021	<u>169</u>	<u>33,797</u>	<u>33,966</u>

No interest is charged on the Partners' capital, subordinated debt or current accounts.

Distributions of £2,000,000 were made to the Partners during the year (2021: £nil).

¹Stratford City Managing Trustee Limited as managing trustee for Stratford City Shopping Centre Jersey Unit Trust (No.2)

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

13. RELATED PARTY TRANSACTIONS**Income and receivables from related parties**

	2022 Other related parties £ 000	2021 Other related parties £ 000
Sales to related parties	7,131	5,248
Amounts receivable from related parties	3,473	5,882

Expenditure with and payables to related parties

	2022 Other related parties £ 000	2021 Other related parties £ 000
Purchases from related parties	16	16
Amounts payable to related parties	409	2,235

Loans from related parties

	2022 Other related parties £ 000	2021 Other related parties £ 000
At start of period	98,515	95,650
Repaid	(8,020)	-
Interest charged	4,173	2,865
At end of period	94,668	98,515

Terms of loans from related parties

At the balance sheet date the rate of interest payable on related party loans is SONIA (2021: LIBOR) plus margin over the term of the loans.

Other related parties represent subsidiaries of the ultimate joint controlling parties or are entities with the same ultimate joint controlling parties.

Stratford City Shopping Centre (No.2) Limited Partnership

Registered No. LP012960

NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2022

14. PARENT UNDERTAKING AND CONTROLLING PARTY

The Partners of the Partnership are Stratford City Shopping Centre Jersey Unit Trust (No.2), a Trust registered in Jersey holding a 99.5% interest in the Partnership and Stratford City Shopping Centre (No.2) General Partner Limited (the immediate parent undertaking), a company incorporated in the United Kingdom and registered in England and Wales holding a 0.5% interest in the Partnership. The smallest and largest group that consolidates the Partnership is Stratford City JV Business Manager Limited.

Stratford City JV Business Manager Limited and Stratford City Managing Trustee Limited, as managing trustee for Stratford City Shopping Centre Jersey Unit Trust (No.2), are jointly controlled by URW UK Olympic 3 B.V., a company incorporated in the Netherlands, and Canneth BM (Shareholder) Co. Limited, a company incorporated in Jersey.

In the General Partner's opinion, there is no ultimate controlling party.

15. EVENTS SINCE THE BALANCE SHEET DATE

On 10 March 2023 and 13 June 2023, the Partnership paid distributions of £1m on each date to its partners.