

**London Stock Exchange Reg Holdings Limited**

**Report and Financial Statements**

**For the year ended 31 December 2019**

**Company Registration Number 07378551**



**LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**  
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# **LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**

## **DIRECTORS AND OFFICERS**

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### **DIRECTORS**

L Condron  
C Thomas  
M Freedman

### **COMPANY SECRETARY**

T Hogan

### **REGISTERED OFFICE**

10 Paternoster Square  
London  
EC4M 7LS

### **BANKERS**

HSBC Bank plc  
City of London Branch  
60 Queen Victoria Street  
London  
EC4N 4TR

# **LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

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The Directors present their report and the financial statements of London Stock Exchange Reg Holdings Limited (the "Company") for the year ended 31 December 2019.

### **REVIEW OF BUSINESS**

London Stock Exchange Reg Holdings Limited operates as an investment holding company and its key objective is the monitoring and review of its investments. The Company incurred a loss after tax for the year ended 31 December 2019 of £480.2k (year ended 31 December 2018: £423.6k), driven mainly by interest charges on loans payable.

During the prior year the Company made an investment of £9.6m in London Stock Exchange LEI Limited. Following a detailed review of the investments, it has been deemed that the carrying value of £11.8m (31 December 2018: £11.8m) is appropriate with no factors to indicate impairment. The Directors have concluded that there are no other relevant KPIs except for the value of the investments.

The Company is part of London Stock Exchange Group plc ("LSEG", the "parent", the "group").

### **FUTURE DEVELOPMENTS**

The Company is expected to continue to operate as an investment holding company.

### **EMPLOYEES**

The Company has no employees.

### **DIVIDENDS**

The Directors have not recommended a dividend for the year (year ended 31 December 2018: £nil).

### **DIRECTORS AND DIRECTORS' INTERESTS**

The following Directors have held office throughout the year and up to the date of approval of the financial statements:

L Condron  
C Thomas  
M Freedman

None of the Directors had any interest in the shares of the Company. There are no Directors' interests requiring disclosure under the Companies Act 2006.

### **DIRECTORS' LIABILITIES**

The Company has Directors and Officers' insurance which provides an indemnity to 1 or more of its Directors against liability in respect of proceedings brought by third parties. Such qualifying third-party indemnity provision remains in force as at the date of approving the Directors' report.

# **LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

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### **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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, 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 to 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.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

LSEG operates group wide risk management procedures which bring greater judgement to decision making as this allows management to make better, more informed and more consistent decisions based on a clear understanding of the risks involved.

LSEG has adopted a group wide risk management system that provides ongoing formal assurance that all subsidiary companies are appropriately controlling all of the risks to which they are exposed, ensuring that internal controls operate efficiently and effectively.

The Company is subject to a variety of foreseeable and unforeseeable risks and uncertainties which may have an impact on the Company's ability to execute its strategy and deliver its expected performance. The identification, assessment and management of these risks are central to the Company's operating framework. The Company's risk control structure is based on the 'three lines of defence' model:

- The First line (Management) is responsible and accountable for identifying, assessing and managing risk.

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## DIRECTORS' REPORT

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- The Second line (Risk Management and Compliance), is responsible for defining the risk management process and policy framework and providing challenge to the first line on Risk Management activities *assessing risks and reporting to the Group Board Committees on risk exposure.*
- The Third line (Internal Audit) provides independent assurance to the Board and other key stakeholders over the effectiveness of the systems of controls and the Risk Management Framework.

The Company's principal risks are considered to arise from clients and competition (with client alignment paramount to the *successful operation and growth of our business*), the *continuing changing regulatory environment and the macro economic environment* (unfavourable tax regimes, impact of Brexit on ability to conduct business with European Union ("EU") members, or the changing regulatory environment, may reduce the attractiveness of London as a major financial centre) and increasing security threats (both physical and cyber).

The Company's principal operational risks arise from *ensuring it maintains secure and stable technology performing to high levels of availability.* The Company is reliant upon secure premises to protect its employees and physical assets as well as appropriate safeguards to ensure uninterrupted operation of its IT systems and infrastructure.

The UK's exit from the EU leaves significant uncertainty concerning the political and regulatory environment, the UK's future relationship with the EU, and the overall impact on the UK and EU economies both in the short and medium term. The Company relies on a number of rights that are available to them to conduct business with other EU or EEA members. This includes, without limitation, the right for UK trading venues to offer services to members in the EU or EEA. The Company has analysed the potential impact and considered contingency plans that they may choose to execute should these rights not be replaced by rights that persist outside EU membership.

### GOING CONCERN

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. On the basis of *this review, including consideration to the item discussed in the Events After the Reporting Period section below and after making due enquiries*, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### EVENTS AFTER THE REPORTING PERIOD

Since the emergence of Novel Coronavirus (COVID-19) in China at the end of 2019 the virus has spread rapidly across the rest of the world, triggering a set of interventions across major global economies with respect to travel restrictions, border controls and quarantine protocols. Measures increasingly involve social restrictions in public domains, education centres, recreational venues and changes to professional working arrangements. These measures are putting pressure on industrial productivity, suppressing demand for commodities, impacting global supply chains and consumption of goods and services. This has the potential to significantly impact global financial markets with severe shocks to asset prices and corporate earnings, further central bank intervention and accommodative monetary measures, and an extended period of low or negative interest rates. Management have considered the potential impact on the Company and consider this to be a non-adjusting event after the reporting period. In addition to the going concern considerations noted in the Going Concern section above, management have concluded that the going concern assessment remains appropriate.

The Board considered the impact on going concern in the most recent Board meeting to review and approve the financial statements. The following matters were discussed and concluded:

# **LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

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- The business activities of the Company have continued to be operational since the outbreak;
- Being an investment holding company with a view to monitoring and reviewing its investments, demand for the services provided by the Company has continued to exist since the outbreak;
- Financial performance of the Company has not been impacted to a material extent.

On this basis, the Board continues to support that the Company will continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.

### **STRATEGIC REPORT**

In accordance with section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the Company has taken the exemption not to prepare a strategic report as the Company qualifies as a small company in accordance with sections 382 and 383 of the Companies Act 2006. In the current year and in the prior year, the Company's turnover was not more than £10,200,000 and the number of employees was not more than 50.

### **AUDIT EXEMPTION**

For the year ended 31 December 2019 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

By order of the Board:



Mark Freedman  
Director  
9 June 2020

REGISTERED OFFICE:  
10 Paternoster Square, London, EC4M 7LS

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## INCOME STATEMENT

Year ended 31 December 2019

	Notes	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Other expenses	3	(14.5)	(2.8)
<b>Total expenses</b>		<b>(14.5)</b>	<b>(2.8)</b>
<b>Operating loss</b>		<b>(14.5)</b>	<b>(2.8)</b>
Finance income	5	0.4	-
Finance expense	5	(578.7)	(521.2)
<b>Net finance expense</b>		<b>(578.3)</b>	<b>(521.2)</b>
<b>Loss before taxation</b>		<b>(592.8)</b>	<b>(524.0)</b>
Taxation	6	112.6	100.4
<b>Loss for the financial year</b>		<b>(480.2)</b>	<b>(423.6)</b>

The transactions in the current year and prior year were derived from continuing operations.

There are no other items of income or expenditure other than those included within the income statement for the year ended 31 December 2019 and for the year ended 31 December 2018.

The notes on pages 9 to 17 form an integral part of these financial statements.



# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

		31 December 2019	31 December 2018
	Notes	£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiary undertakings	7	11,850.0	11,850.0
		<b>11,850.0</b>	<b>11,850.0</b>
<b>Current assets</b>			
Other receivables	8	180.9	0.1
Current tax	8	255.0	142.3
		<b>435.9</b>	<b>142.4</b>
<b>Total assets</b>		<b>12,285.9</b>	<b>11,992.4</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other payables	9	(29,161.0)	(28,387.3)
<b>Total liabilities</b>		<b>(29,161.0)</b>	<b>(28,387.3)</b>
<b>Net current liabilities</b>		<b>(28,725.1)</b>	<b>(28,244.9)</b>
<b>Net liabilities</b>		<b>(16,875.1)</b>	<b>(16,394.9)</b>
<b>Equity</b>			
Share capital	10	9,650.0	9,650.0
Other reserves		3,265.9	3,265.9
Retained losses		(29,791.0)	(29,310.8)
<b>Total equity</b>		<b>(16,875.1)</b>	<b>(16,394.9)</b>

The notes on pages 9 to 17 form an integral part of these financial statements. For the year ended 31 December 2019 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the Members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with 476; and
- the Directors acknowledge their responsibilities for complying with the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 6 to 17 were approved by the Board on 5 June 2020 and signed on its behalf by:



Mark Freedman

Director

London Stock Exchange Reg Holdings Limited

9 June 2020

Registered number 07378551

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2019

	Share capital	Retained losses	Other reserves	Total attributable to equity holders
	£'000	£'000	£'000	£'000
1 January 2018	-	(28,887.2)	3,265.9	(25,621.2)
Issue of share capital	9,650.0	-	-	9,650.0
Loss for the financial year	-	(423.6)	-	(423.6)
<b>31 December 2018</b>	<b>9,650.0</b>	<b>(29,310.8)</b>	<b>3,265.9</b>	<b>(16,394.9)</b>
Loss for the financial year	-	(480.2)	-	(480.2)
<b>31 December 2019</b>	<b>9,650.0</b>	<b>(29,791.0)</b>	<b>3,265.9</b>	<b>(16,875.1)</b>

Issued share capital of the Company consists of 9,650,001 shares of nominal value of £1, fully paid as at 31 December 2019 and 31 December 2018.

The notes on pages 9 to 17 form an integral part of these financial statements.

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

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### 1. Basis of Preparation and Accounting Policies

#### Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and the Companies Act 2006 (the "Act"). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU").

The Company is a qualifying entity for the purposes of FRS 101. Note 12 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS as adopted by the EU may be obtained. The Company's date of transition to FRS 101 was 1 April 2012.

FRS 101 sets out amendments to IFRS that are necessary to achieve compliance with the Act and related regulations. The impact of these amendments to the Company's previously adopted accounting policies in accordance with IFRS as adopted by the EU was not material on the shareholders' equity as at the date of transition and as at 31 December 2019 or on the loss for the year ended 31 December 2019.

The following disclosure exemptions under FRS 101 have been considered and applied where deemed to be applicable:

- IAS 7 *Statement of Cash Flows* and related notes;
- reduced IFRS 2 disclosure for share-based payment arrangements in a subsidiary's financial statements;
- IAS 8 the listing of new or revised standards that have not been adopted (and information about their likely impact) may be omitted;
- reduced IAS 36 disclosure of impairment reviews;
- reduced IFRS 3 disclosure for business combinations during and after the period;
- reduced IFRS 5 disclosure for discounted operations;
- reduced IFRS 7 disclosure for financial instruments;
- reduced IFRS 13 disclosure relating to fair value measurement;
- IAS 24 related party disclosures for intra-group transactions and disclosure of key management compensation;
- IAS 1 the requirement to present comparatives in roll-forward reconciliations for movements on share capital, property plant and equipment, intangible assets and investment property;
- reduced IAS 1.134-1.136 disclosure on capital management;
- reduced disclosure for IFRS 15 *Revenue from Contracts with Customers*; and
- reduced disclosure for IFRS 16 *Leases*.

The following standards and amendments were endorsed by the EU during the year and have been adopted in these financial statements:

- IFRS 16 *Leases*;
- IFRIC 23 *Uncertainty over Income Tax Treatments*;
- Amendments to IAS 28 *Long-term interest in Associates and Joint Ventures*;
- Amendments to IAS 19 *Plan amendment, curtailment or settlement*;

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

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- Amendments to IFRS 9 *Prepayment features with negative compensation*; and
- Annual improvements to IFRS standards 2015-2017.

The adoption of these did not have a material impact on the results of the Company.

These financial statements are prepared under the historical cost convention as modified by the revaluation of assets and liabilities held at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

These financial statements contain information about London Stock Exchange Reg Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken the exemption from producing consolidated financial statements afforded by section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of London Stock Exchange Group plc which prepares consolidated financial statements which are publicly available.

The Company is a private limited company, limited by shares incorporated and domiciled in England and Wales. The address of its registered office is 10 Paternoster Square, London, EC4M 7LS.

### Going concern

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. On the basis of this review, including consideration to the item discussed in note 13, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

## Accounting Policies

### Income Statement

#### Foreign currencies

These financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency.

Foreign currency transactions are converted into the functional currency of the reporting entity using the rate ruling at the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### Finance income and expense

Finance income and expense comprise interest earned on cash deposited with financial counterparties and interest paid on borrowings which reflect the agreed market-based or contractual rate for each transaction undertaken during the period and calculated using the effective interest rate method. In conditions where negative interest rates apply, the Company recognises interest paid on cash deposits as an expense and interest received on liabilities as income.

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

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### *Statement of Financial Position*

#### *Investment in subsidiary undertakings*

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are stated in the Company's financial statements at cost less impairment, if any. On disposal, the difference between the net disposal proceeds and the investment's carrying amount is included in the income statement. Loans to subsidiaries which are determined as capital contributions are recorded as investments in subsidiary undertakings.

#### *Current taxation*

Income tax on the result for the period comprises current tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income and any adjustment to tax payable in respect of previous years.

#### *Financial instruments*

Financial assets and liabilities are initially recognised on their settlement date. The Company classifies its financial instruments as fair value through profit or loss ("FVPL") or amortised cost. The classification depends on the Company's business model for managing its financial instruments and whether the cash flows generated are 'solely payments of principal and interest' ("SPPI").

##### *Initial recognition:*

- a) *Financial assets at amortised cost* are financial assets that are held in order to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. The Company's other receivables fall within this category.
- b) *Financial assets at FVPL* include all other financial assets not classified as amortised cost. This category includes derivatives, equity and debt instruments.
- c) *Financial liabilities at FVPL* are liabilities that must be held at fair value.
- d) *Financial liabilities at amortised cost* are all financial liabilities that are not included within financial liabilities at FVPL. This comprises the Company's other payables balances.

##### *Subsequent measurement:*

The Company adopts a forward-looking approach to estimate impairment losses on financial assets. An expected credit loss ("ECL") is calculated based on the difference between the contractual cash flows due and the expected cash flows. The difference is discounted at the asset's original effective interest rate and recognised as an allowance against the original value of the asset.

- e) *Financial assets at amortised cost* - the ECL for other receivables is calculated using IFRS 9's simplified approach using lifetime ECL. The allowance is based on the Company's historic experience of collection

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

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rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix.

The ECL on other financial assets held at amortised cost is measured using the general approach. The Company calculates an allowance based on the 12-month ECL at each reporting date until there is a significant increase in the financial instrument's credit risk, at which point the Company will calculate a loss allowance based on the lifetime ECL. A significant increase in credit risk is considered to have occurred when contractual payments are more than 30 days past due.

- f) *Financial assets at FVPL* - no ECL is calculated for assets held at FVPL as any expected loss is already recognised in the fair value.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### *Other receivables*

Other receivables include amounts due from subsidiary undertakings on loans and interest on these loans and are measured at amortised cost using the interest rate method. Interest is charged at variable rates as stated within the relevant group loan agreement as set out by management. These loans are repayable either on demand or on dates stipulated within the relevant group loan agreement.

The ECLs for other receivables are calculated using IFRS 9's simplified approach of lifetime ECL. The simplified approach is based on historic experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix. The carrying amount of the asset is reduced through the use of an allowance account for ECL and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts previously written off are credited in the income statement.

### *Other payables*

Other payables relate to loans from other companies within the group. Other payables are classified as 'other payables' within current liabilities, if payment is due within 1 year or less (or in the normal operating cycle of the business if longer). If not, they are presented as 'other non-current payables' within non-current liabilities.

### *Share capital*

The share capital of the Company consists of only 1 class of ordinary shares and these are classified as equity.

## 2. Significant Judgements and Estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events. The significant estimates for the year ended 31 December 2019 are as follows:

- Valuation of investment in subsidiary undertakings: for the purposes of impairment assessment, this is determined based on forecast cashflows and an appropriate discount rate. The basis of such values cannot be precise and is subject to market variations in both cases.

There were no principal judgements applied by management for the year ended 31 December 2019.

**LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended 31 December 2019

### 3. Expenses by Nature

Expenses comprise the following:

	Year ended 31 December 2019	Year ended 31 December 2018
	£'000	£'000
IT costs	(10.0)	(10.0)
Other operating expenses	(5.7)	(0.5)
Foreign exchange gain	1.2	7.7
	<b>(14.5)</b>	<b>(2.8)</b>

The Company is exempt from audit and therefore no audit fees were incurred by the Company for the year ended 31 December 2019 (year ended 31 December 2018: £nil).

### 4. Directors' Remuneration

No remuneration was received by the Directors in respect of qualifying services to this Company in the year (year ended 31 December 2018: £nil).

### 5. Finance Income and Expense

	Year ended 31 December 2019	Year ended 31 December 2018
	£'000	£'000
<b>Finance income</b>		
Interest on loan to subsidiaries	0.4	-
	<b>0.4</b>	<b>-</b>
<b>Finance expense</b>		
Interest on loan payable to parent	(455.9)	(390.6)
Interest on loan payable to group companies	-	(130.6)
Interest on loan payable to subsidiaries	(122.8)	-
	<b>(578.7)</b>	<b>(521.2)</b>
<b>Net finance expense</b>	<b>(578.3)</b>	<b>(521.2)</b>

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 December 2019

## 6. Taxation

The standard UK corporation tax rate was 19% for the year ended 31 December 2019 (year ended 31 December 2018: 19%).

	Year ended 31 December 2019	Year ended 31 December 2018
	£'000	£'000
<b>Taxation credited to the income statement</b>		
<b>Current tax</b>		
UK corporation tax for the year	112.6	99.5
Adjustment in respect of previous years	-	0.9
<b>Taxation credit</b>	<b>112.6</b>	<b>100.4</b>

### Factors affecting the tax credit for the year

The income statement tax credit for the year differs from the standard rate of corporation tax in the UK of 19% (year ended 31 December 2018: 19%) as explained below:

	Year ended 31 December 2019	Year ended 31 December 2018
	£'000	£'000
Loss before taxation	(592.8)	(524.0)
Loss multiplied by standard rate of corporation tax in the UK	112.6	99.5
Adjustment in respect of previous years	-	0.9
<b>Taxation credit</b>	<b>112.6</b>	<b>100.4</b>

On 11 March 2020 it was announced (and substantively enacted on 17 March 2020) that the UK corporation tax rate would remain at 19% and not reduce to 17% (the previously enacted rate) from 1 April 2020.

## 7. Investment in Subsidiary Undertakings

	£'000
At 31 December 2018	11,850.0
<b>At 31 December 2019</b>	<b>11,850.0</b>



# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

A list of the Company's subsidiaries as at 31 December 2019 is given below. The entire share capital of subsidiaries is held within the Company except where the Company's ownership percentages are shown. These percentages give the Company's ultimate percentage and therefore allow for the situation where subsidiaries are owned by partly owned intermediate subsidiaries.

Name of subsidiary undertaking	Country of incorporation and principal operations	Identity of each class of share held in the subsidiary undertaking	Direct or indirect holding	Percentage of class by direct parent	Registered office address	Ultimate Company percentage
GlobeSettle S.a.r.l	Luxembourg	Ordinary	Direct	100	1 Boulevard de la Foire L-1528 Luxembourg	100
UnaVista Ltd	England and Wales	Ordinary	Direct	100	10 Paternoster Square, London, EC4M 7LS	100
London Stock Exchange LEI Ltd	England and Wales	Ordinary	Direct	100	10 Paternoster Square, London, EC4M 7LS	100
UnaVista TRADEcho B.V.	Netherlands	Ordinary	Direct	100	Suite 108, Nieuwezijds, Voorburgwal 162, Amsterdam, 1012 SJ, Netherlands	100

## 8. Other Receivables

	31 December 2019 £'000	31 December 2018 £'000
Amounts due from subsidiary undertakings	180.9	0.1
Corporation tax	255.0	142.3
	435.9	142.4

# LONDON STOCK EXCHANGE REG HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

Amounts due from subsidiary undertakings comprise a loan to UnaVista B.V. of £180.1k (€210.8k) (31 December 2018: £nil (€nil)) with interest charged at EURIBOR plus 1.2% per annum, and repayable on demand or by May 2024.

Remaining amounts are interest free and repayable on demand.

The carrying values of other receivables are reasonable approximations of fair value.

### 9. Other Payables

	31 December 2019 £'000	31 December 2018 £'000
Amounts owed to parent	(24,493.2)	(20,533.0)
Amounts owed to subsidiary undertakings	(4,667.8)	(7,854.3)
	(29,161.0)	(28,387.3)

Amounts owed to parent include a loan from the parent of £92.3k (€108.1k) (31 December 2018: £4,471 (€4,959)). Interest on this loan is charged at EURIBOR +1.2%. The loan is repayable on demand or by July 2023.

Amounts owed to parent include a loan from the parent of £24,280.9k (31 December 2018: £20,428.0k). Interest on this loan is charged at LIBOR +1.2%. The loan is repayable on demand or by July 2023.

Amounts owed to subsidiary undertakings include a loan from UnaVista Limited of £4,644.8k (31 December 2018: £7,816.7k). Interest on this loan is charged at LIBOR +1.2%. The loan is repayable on demand or by March 2024.

The carrying values of other payables are reasonable approximations of fair value.

### 10. Share Capital

	31 December 2019		31 December 2018	
	Number of shares	Share capital £'000	Number of shares	Share capital £'000
<b>Issued, called up and fully paid</b>				
Ordinary shares of £1 each	9,650,001	9,650,001	9,650,001	9,650,001

In the prior year there was a capital injection from the parent of 9,650,000 ordinary £1 shares, which have been issued and fully paid.

# **LONDON STOCK EXCHANGE REG HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 December 2019

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### **11. Commitments and Contingencies**

Contracted commitments and other contracted contingencies not provided for in the financial statements of the Company were nil (2018: nil) and nil (2018: nil), respectively.

### **12. Ultimate Parent Company**

As at 31 December 2019, the Company's parent and ultimate parent company and the parent that headed the smallest and largest group of entities for which consolidated financial statements were prepared was London Stock Exchange Group plc, a company incorporated in England and Wales. 100% of the issued share capital of the Company was beneficially owned by LSEG.

A copy of the London Stock Exchange Group plc consolidated financial statements can be obtained from London Stock Exchange Group plc, 10 Paternoster Square, London EC4M 7LS.

### **13. Events After the Reporting Period**

Since the emergence of Novel Coronavirus (COVID-19) in China at the end of 2019 the virus has spread rapidly across the rest of the world, triggering a set of interventions across major global economies with respect to travel restrictions, border controls and quarantine protocols. Measures increasingly involve social restrictions in public domains, education centres, recreational venues and changes to professional working arrangements. These measures are putting pressure on industrial productivity, suppressing demand for commodities, impacting global supply chains and consumption of goods and services. This has the potential to significantly impact global financial markets with severe shocks to asset prices and corporate earnings, further central bank intervention and accommodative monetary measures, and an extended period of low or negative interest rates. Management have considered the potential impact on the Company and consider this to be a non-adjusting event after the reporting period. In addition to the going concern considerations noted in the Going Concern section of note 1 to these financial statements, management have concluded that the going concern assessment remains appropriate.

The Board considered the impact on going concern in the most recent Board meeting to review and approve the financial statements. The following matters were discussed and concluded:

- The business activities of the Company have continued to be operational since the outbreak;
- Being an investment holding company with a view to monitoring and reviewing its investments, demand for the services provided by the Company has continued to exist since the outbreak;
- Financial performance of the Company has not been impacted to a material extent.

On this basis, the Board continues to support that the Company will continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.