

Registered number: 09458929

LGCI HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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LGCI HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S J C Freer G B Rowbotham
Registered number	09458929
Registered office	Griffin House 161 Hammersmith Road London United Kingdom W6 8BS
Independent auditor	KPMG LLP 1 St. Peter's Square Manchester M2 3AE

LGCI HOLDINGS LIMITED

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LGCI HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Principal activities and business review

The principal activity of the company during the year was, and will continue to be, that of a holding company for Formula E Holdings Limited. Formula E Holdings Limited is the promoter of the FIA Formula E Championship (Formula E), a class of motor racing that uses only electric-powered vehicles. Further details can be found on the Formula E website www.fiaformulae.com.

The company is a wholly owned subsidiary of Liberty Global plc (Liberty Global).

Liberty Global is an international converged broadband internet, video, fixed-line telephony and mobile services company operating under the consumer brands Virgin Media (Virgin Media O2 is now a 50:50 joint venture with Telefónica SA, effective 1 June 2021), Telenet, UPC, the combined Sunrise UPC, as well as VodafoneZiggo, which is owned through a 50:50 joint venture. Liberty Global's substantial scale and commitment to innovation enable it to invest in the infrastructure and digital platforms that empower its customers to make the most of the digital revolution. Liberty Global delivers market-leading products through next-generation networks that connect customers subscribing to 49 million (31 December 2020) broadband internet, video, fixed-line telephony and mobile services across its brands. Liberty Global also has significant investments in ITV, All3Media, CANAL+ Polska, LionsGate, the Formula E racing series and several regional sports networks.

At 31 December 2020, Liberty Global's operations owned and operated networks that passed 26.9 million homes, 11.3 million fixed-line telephony subscribers and served 8.5 million mobile subscribers.

The directors do not use key performance indicators (KPI's) to assess the performance of the company as its principal activity is that of a holding company.

Principal risks and uncertainties

Financial and operational risk management is undertaken as part of the group operations as a whole. The company's operations expose it to a variety of operational and financial risks. These are considered in more detail in the 2020 Liberty Global Annual Report which is available at www.libertyglobal.com, or from the company secretary, Liberty Global plc, Griffin House, 161 Hammersmith Road, London, UK, W6 8BS.

COVID-19

In March 2020, the World Health Organization declared COVID-19 to be a global pandemic. In response to the COVID-19 pandemic, emergency measures have been imposed by governments worldwide, including travel restrictions, restrictions on social activity and the shutdown of non-essential businesses.

These measures have adversely impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. While it is not currently possible to estimate the duration and severity of the COVID-19 pandemic or the adverse economic impact resulting from the preventative measures taken to contain or mitigate its outbreak, an extended period of global economic disruption could have a material adverse impact on our business, financial condition and results of operations in future periods.

Future outlook

The directors will continue to review management policies in light of changing trading and market conditions. Further detail of the future outlook of the group is provided in the 2020 Liberty Global Annual Report which is available at www.libertyglobal.com.

Section 172 Statement

This statement is intended to disclose how our directors have approached and met their responsibilities under s172 Companies Act 2006.

In line with group's goal of enhancing the long-term value for the benefit of its shareholder, the directors of the company have been elected by our shareholder to oversee the management of the company, to help assure that the interests of our shareholder are served. The following factors are considered as part of group operations as a whole, to maintain highest standards of corporate governance, essential to our business integrity and performance:

- long-term consequences of decisions;
- employees' interests;
- business relationships with suppliers and customers;
- the impact of our operations on the environment and communities in which we operate and;
- the need to act fairly between shareholders.

Consideration of these factors and other relevant matters is embedded into all Liberty Global group decision-making, strategy development and risk assessment throughout the year. Further information is considered in more detail in the 2020 Annual Report of Liberty Global plc which is available at libertyglobal.com.

LGCI HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

This report was approved by the board on 23 September 2021 and signed on its behalf.



G B Rowbotham
Director

LGCI HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and audited financial statements of the company for the year ended 31 December 2020.

Results and dividends

The loss for the year, after tax, amounted to \$2,460,000 (2019 - loss \$1,983,000).

The directors have not recommended an ordinary dividend (2019 - \$nil).

Directors

The directors who served during the year and thereafter were as follows:

S J C Freer
G B Rowbotham (appointed 6 April 2021)
E J Wolfe (resigned 6 April 2021)

The directors of the company have been indemnified against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force for directors serving during the financial period and as at the date of approving the Directors' Report.

Going concern

Notwithstanding net current liabilities of \$847,000 as at 31 December 2020 (2019 - \$320,000) and a loss for the year then ended of \$2,460,000 (2019 - \$1,983,000), the financial statements have been approved on the assumption that the company remains a going concern.

It is Liberty Global's practice for operational and financial management to be undertaken at a group level rather than for individual entities that are wholly owned by the group. As part of normal business practice, regular cash flow forecasts for both short and long term commitments are undertaken at group level.

Forecasts and projections prepared for the Liberty Global group as a whole, indicate that cash on hand, together with cash from operations and undrawn revolving credit facilities, are expected to be sufficient for the Liberty Global group's and hence the company's cash requirements through to at least 12 months from the approval of these financial statements.

Whilst the detailed cash flow forecasts are prepared at the group level, the directors have also assessed the position of the company, including the potential requirement for additional funding for its investee. This assessment indicates that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its fellow subsidiary company, Liberty Global Europe 2 Limited, to meet its liabilities as they fall due for that period. Liberty Global Europe 2 Limited has indicated its intention to continue to make available such funds for at least 12 months from the approval of these financial statements.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have prepared the financial statements on a going concern basis. Consideration of the on-going impact of COVID-19 has not altered this conclusion.

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.

Auditor

KPMG LLP will be reappointed under section 487(2) of the Companies Act 2006.

LGCI HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

This report was approved by the board on 23 September 2021 and signed on its behalf.



G B Rowbotham
Director

LGCI HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements of the company for each financial year. Under that law they have elected to prepare 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'.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LGCI HOLDINGS LIMITED

Opinion

We have audited the financial statements of LGCI Holdings Limited ("the company") for the year ended 31 December 2020 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Liberty Global PLC's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LGCI HOLDINGS LIMITED (CONTINUED)

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic Report and Directors' Report

The directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

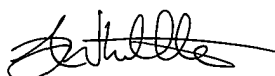
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LGCI HOLDINGS LIMITED (CONTINUED)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.



Antony Whittle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter Square
Manchester
M2 3AE
24 September 2021

LGCI HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$000	2019 \$000
Administrative (expenses)/income		(1,580)	2,199
Operating (loss)/profit	4	(1,580)	2,199
Finance income	6	-	1
Finance costs	7	(880)	(4,183)
Loss before tax		(2,460)	(1,983)
Income tax expense	8	-	-
Loss for the financial year		(2,460)	(1,983)

The notes on pages 12 to 17 form part of these financial statements.

There was no other comprehensive income or expenditure for 2020 or 2019 other than that included in the profit and loss account.

All results were derived from continuing operations.

LGCI HOLDINGS LIMITED
REGISTERED NUMBER:09458929

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 \$000	2019 \$000
Fixed assets			
Investments	9	122,473	122,473
Current assets			
Debtors: amounts falling due within one year	10	-	15
Cash and cash equivalents		95	251
		95	266
Creditors: amounts falling due within one year	11	(942)	(586)
Net current liabilities		(847)	(320)
Total assets less current liabilities		121,626	122,153
Creditors: amounts falling due after more than one year	12	(17,970)	(16,037)
Net assets		103,656	106,116
Capital and reserves			
Share capital	13	-	-
Share premium account	14	113,796	113,796
Accumulated losses	14	(10,140)	(7,680)
Total shareholder's funds		103,656	106,116

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2021.



G B Rowbotham
Director

The notes on pages 12 to 17 form part of these financial statements.

LGCI HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Share capital	Share premium account	Accumulated losses	Total shareholder's funds
	\$000	\$000	\$000	\$000
At 1 January 2020	-	113,796	(7,680)	106,116
Comprehensive income for the year				
Loss for the year	-	-	(2,460)	(2,460)
Total comprehensive income for the year	-	-	(2,460)	(2,460)
At 31 December 2020	-	113,796	(10,140)	103,656

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital	Share premium account	Accumulated losses	(Deficit)/ Total shareholder's funds
	\$000	\$000	\$000	\$000
At 1 January 2019	-	-	(5,697)	(5,697)
Comprehensive income for the year				
Loss for the year	-	-	(1,983)	(1,983)
Total comprehensive income for the year	-	-	(1,983)	(1,983)
Issue of share capital	-	113,796	-	113,796
At 31 December 2019	-	113,796	(7,680)	106,116

The notes on pages 12 to 17 form part of these financial statements.

LGCI HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Company information

LGCI Holdings Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 09458929. The registered address is Griffin House, 161 Hammersmith Road, London, W6 8BS.

2. Accounting policies

A summary of the principal accounting policies is set out below. All accounting policies have been applied consistently, unless noted below.

2.1 Basis of accounting

These financial statements have been prepared on a going concern basis and under the historical cost basis in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Accounting Standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006, and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The financial statements are presented in US dollars ('\$') and rounded to the nearest thousand.

The company's immediate parent undertaking, Liberty Global plc, includes the company in its consolidated financial statements. The consolidated financial statements of Liberty Global plc are prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and are available to the public and may be obtained from Liberty Global's website at www.libertyglobal.com.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of related party transactions with fellow group undertakings;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

2.2 Going concern

Notwithstanding net current liabilities of \$847,000 as at 31 December 2020 (2019 - \$320,000) and a loss for the year then ended of \$2,460,000 (2019 - \$1,983,000), the financial statements have been approved on the assumption that the company remains a going concern.

It is Liberty Global's practice for operational and financial management to be undertaken at a group level rather than for individual entities that are wholly owned by the group. As part of normal business practice, regular cash flow forecasts for both short and long term commitments are undertaken at group level.

Forecasts and projections prepared for the Liberty Global group as a whole, indicate that cash on hand, together with cash from operations and undrawn revolving credit facilities, are expected to be sufficient for the Liberty Global group's and hence the company's cash requirements through to at least 12 months from the approval of these financial statements.

Whilst the detailed cash flow forecasts are prepared at the group level, the directors have also assessed the position of the company, including the potential requirement for additional funding for its investee. This assessment indicates that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its fellow subsidiary company, Liberty Global Europe 2 Limited, to meet its liabilities as they fall due for that period. Liberty Global Europe 2 Limited has indicated its intention to continue to make available such funds for at least 12 months from the approval of these financial statements.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

LGCI HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.2 Going concern (continued)

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have prepared the financial statements on a going concern basis. Consideration of the on-going impact of COVID-19 has not altered this conclusion.

2.3 Finance income and costs

Finance income and costs are recognised as interest receivable and payable accrued according to the effective interest rate method, which uses the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount.

2.4 Investments

Investments are recorded at cost, less provision for impairment as appropriate. The company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. A previously recognised impairment loss is reversed only if there was an event not foreseen in the original impairment calculations, such as a change in use of the investment or a change in economic conditions. The reversal of impairment loss would be to the extent of the lower of the recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years.

2.5 Trade and other debtors

Trade and other debtors are initially measured at fair value and subsequently reported at amortised cost, net of an allowance for impairment of receivables.

The company uses a forward looking impairment model which uses a lifetime expected loss allowance which is estimated based upon our assessment of anticipated loss related to uncollectible accounts receivable. We use a number of factors in determining the allowance, including, among other things, collection trends, prevailing and anticipated economic conditions, and specific customer credit risk. The allowance is maintained until either payment is received or the likelihood of collection is considered to be remote.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

2.7 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Creditors are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.8 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are taken to the profit and loss account.

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management has made estimates and judgements that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and assumptions

Carrying value of investments

Investments are held at cost less any necessary provision for impairment. Where the impairment assessment did not provide any indication of impairment, no provision is required. If any such indications exist, the carrying value of an investment is written down to its recoverable amount.

4. Operating (loss)/profit

The operating profit is stated after (charging)/crediting:

	2020 \$000	2019 \$000
Net (loss)/gain on foreign currency translation	(1,528)	2,396

Certain expenses are specifically attributable to the company. Where costs are incurred by other group companies on behalf of the company, expenses are allocated to the company on a basis that, in the opinion of the directors, is reasonable.

The directors received no remuneration for the qualifying services as directors of this company.

Auditor's remuneration of \$13,000 (£9,200) (2019 - \$12,200 (£9,200)) for the audit of the financial statements has been borne by a fellow group undertaking and not recharged.

5. Employees

The company does not have any directly employed staff and is not charged an allocation of staff costs by the group.

6. Finance income

	2020 \$000	2019 \$000
Other finance income	-	1

7. Finance costs

	2020 \$000	2019 \$000
Interest on amounts owed to group undertakings	880	4,183

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Income tax expense

Tax expense included in profit or loss:

	2020 \$000	2019 \$000
Current tax	-	-
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on loss	-	-

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 \$000	2019 \$000
Loss before tax	(2,460)	(1,983)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(467)	(377)
Effects of:		
Expenses not deductible for tax purposes	10	38
Group relief surrendered without payment	457	339
Tax expense	-	-

Factors affecting current and future tax charges

In the 11 March 2020 Budget it was announced that the UK tax rate will remain at 19% and not reduce to 17% from 1 April 2020. The 19% rate was enacted in the Finance Bill 2020 on 22 July 2020. In the 3 March 2021 Budget, it was announced that the UK tax rate would increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge.

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Investments

	Investment in associate \$000
Cost	
At 1 January 2020	122,473
At 31 December 2020	<u>122,473</u>
Net book value	
At 31 December 2020	<u>122,473</u>
At 31 December 2019	<u>122,473</u>

The investment in associate in which the company holds is unlisted and represents 32.9% interest in Formula E Holdings Limited, a holding company that is registered at Level 54, Hopewell Centre, 183 Queens Road East, Hong Kong. The interest held includes A Preferred Shares, B Preferred Shares, Ordinary Shares, Base Shares and Growth Shares.

In the opinion of the directors the aggregate value of the investments in associate is not less than the amount at which they are stated in the financial statements.

10. Debtors

	2020 \$000	2019 \$000
Due within one year		
Amounts owed by group undertakings	<u>-</u>	<u>15</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

11. Creditors: amounts falling due within one year

	2020 \$000	2019 \$000
Amounts owed to group undertakings	<u>942</u>	<u>586</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Creditors: amounts falling due after more than one year

	2020 \$000	2019 \$000
Amounts owed to group undertakings	17,970	16,037

Amounts owed to group undertakings falling due after more than one year represent loan notes which had a carrying value of \$17,970,000 (2019 - \$16,037,000) at the balance sheet date. Loan notes are denominated in Euros, bear interest of 5.16% and mature in 2024.

13. Share capital

	2020 \$	2019 \$
Allotted, called up and fully paid		
3 (2019 - 3) Ordinary shares fully paid of £1 each	4	4

14. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Accumulated losses

Includes all current and prior period retained profits and losses net of dividends paid.

15. Controlling parties

The company's immediate parent undertaking and controlling party is Liberty Global plc, a company incorporated in the UK.

The smallest and largest group of which the company is a member and in to which the company's accounts were consolidated at 31 December 2020 is Liberty Global plc.

Copies of group accounts referred to above which include the results of the company are available on Liberty Global's website at www.libertyglobal.com or from the company secretary, Liberty Global plc, Griffin House, 161 Hammersmith Road, London, UK, W6 8BS.