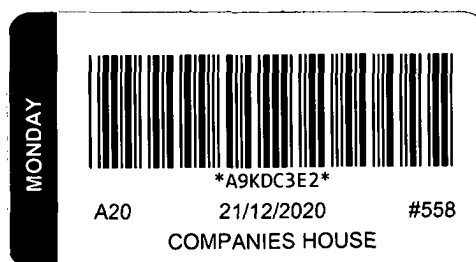


Registration number: 09881413

## 65-70 White Lion Street Tenant Limited

Pages for filing with Registrar

For the year ended 31 December 2019



## **65-70 White Lion Street Tenant Limited**

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## **65-70 White Lion Street Tenant Limited**

### **Company information**

<b>Directors</b>	Abraham Safdie Anthony Yazbeck
<b>Company secretary</b>	7Side Secretarial Limited
<b>Registered office</b>	c/o Legalinx Limited Tallis House 2 Tallis Street Temple London EC4Y 0AB
<b>Auditor</b>	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB

**65-70 White Lion Street Tenant Limited****Statement of financial position  
As at 31 December 2019**


	Note	2019 £	2018 £
<b>Current assets</b>			
Trade and other receivables	6	<u>2,316</u>	<u>2,312</u>
<b>Total assets</b>		<u>2,316</u>	<u>2,312</u>
<b>Current liabilities</b>			
Trade and other payables	7	<u>(5,000)</u>	<u>(5,000)</u>
<b>Total assets less current liabilities</b>		<u>(2,684)</u>	<u>(2,688)</u>
<b>Non-current liabilities</b>			
Borrowings	8	<u>(989)</u>	<u>(885)</u>
<b>Net liabilities</b>		<u>(3,673)</u>	<u>(3,573)</u>
<b>Equity</b>			
Called-up share capital	9	1	1
Retained earnings	9	<u>(3,674)</u>	<u>(3,574)</u>
<b>Total shareholders' deficit</b>		<u>(3,673)</u>	<u>(3,573)</u>

The Company's annual accounts and reports have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

As permitted by Section 444 of the Companies Act 2006, the Directors have not delivered to the Registrar a copy of the Company's statement of comprehensive income for the year ended 31 December 2019.

The financial statements of 65-70 White Lion Street Tenant Limited (registration number: 09881413) were approved by the Board of Directors and authorised for issue on 17 December 2020.

They were signed on its behalf by:

  
 .....  
 Abraham Safdie  
 Director

The notes on pages 3 to 9 form an integral part of these financial statements.

## **65-70 White Lion Street Tenant Limited**

### **Notes to the financial statements For the year ended 31 December 2019**

#### **1 General information**

65-70 White Lion Street Tenant Limited (the 'Company') is a private company limited by share capital, incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered office is:

c/o Legalinx Limited  
Tallis House  
2 Tallis Street  
Temple  
London  
EC4Y 0AB

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

#### **2 Adoption of new and revised standards**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2019, have had a material impact on the Company.

#### **3 Accounting policies**

##### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared on a going concern basis in accordance with Financial Reporting Standards 100 issued by the Financial Reporting Council, and applicable legal and regulatory requirements of the Companies Act 2006.

##### **Basis of accounting**

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets, fair value measurement and related party transactions.

Where required, equivalent disclosures have been given in the consolidated accounts of WeWork Inc. (previously The We Company).

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

## 65-70 White Lion Street Tenant Limited

### Notes to the financial statements For the year ended 31 December 2019 (continued)

#### 3 Accounting policies (continued)

##### **Basis of accounting (continued)**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The Directors have prepared projections for at least twelve months from the date of approval of these financial statements. These projections have been prepared using assumptions which the Directors consider to be appropriate to the current financial position of the Company as regards to current expected revenues and its cost base. Additionally, WeWork Companies LLC, the operating company and wholly owned subsidiary of WeWork Inc. (previously The We Company), the Company's ultimate parent, has confirmed its willingness and ability to provide ongoing financial support for the Company to continue to meet its liabilities as and when they fall due for a period of at least twelve months from the date of approval of these financial statements.

The Directors therefore consider it appropriate to continue to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that may be necessary in the event that adequate funding was not made available.

Subsequent to 31 December 2019, the global outbreak of the COVID-19 pandemic has become a worldwide crisis. Please see note 11 for further details.

##### **Tax**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable loss for the year. Taxable loss differs from net loss as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting year.

##### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## 65-70 White Lion Street Tenant Limited

### Notes to the financial statements For the year ended 31 December 2019 (continued)

#### 3 Accounting policies (continued)

##### **Tax (continued)**

##### ***Deferred tax (continued)***

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the end of each reporting year. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### ***Current and deferred tax for the year***

Current and deferred tax are recognised in the statement of comprehensive income, other than when they relate to items that are recognised in other comprehensive income or directly in equity. In such circumstances, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

##### **Financial risk management**

The Company's principal financial liabilities are comprised of loans and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company has market risk exposure arising from changes in interest rates on the Company's non-current loan obligations due to and from group undertakings with variable interest rates.

Foreign currency risk arises as a result of transactions denominated in a currency other than the Company's functional currency, primarily attributable to transactions with group undertakings. Changes in foreign currency exchange rates can impact the foreign currency gain/(loss) recorded in the statement of comprehensive income.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company mitigates its credit risk attributable to trade receivables by maintaining a diverse member portfolio with members across varying industries. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. This risk is minimised as cash and cash equivalent assets are held on highly liquid cash holdings and borrowings are solely made up of loans due to group undertakings.

##### **Trade and other receivables**

Trade and other receivables are amounts due from members for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## **65-70 White Lion Street Tenant Limited**

### **Notes to the financial statements For the year ended 31 December 2019 (continued)**

#### **3 Accounting policies (continued)**

##### **Trade and other receivables (continued)**

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Management determines an allowance that reflects its best estimate of the accounts receivable due from members, related parties, landlords, and others that will not be collected. Management considers many factors in evaluating its reserve with respect to these accounts receivable, including historical data, experience, creditworthiness and income trends. Recorded liabilities associated with members' service retainers are also considered when estimating the allowance for doubtful accounts.

Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

##### **Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and provided to the Company prior to the end of the financial year and which are unpaid. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

##### **Borrowings**

Interest-bearing loans are recorded at the proceeds received net of direct issue costs. Borrowing costs are recognised in profit or loss in the year in which they are incurred, unless the costs are incurred as part of the development of a qualifying asset, when they will be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company did not have any qualifying assets and therefore, no borrowing costs have been capitalised in the current year or in the prior year.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax from the proceeds.

#### **4 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

No critical accounting judgements have been made by the Directors in the current year.



**65-70 White Lion Street Tenant Limited****Notes to the financial statements  
For the year ended 31 December 2019 (continued)****5 Staff numbers and costs**

Other than its Directors, the Company does not have any employees in the current year (2018: none). The Company incurred no expenses in regards to its Directors for the year ended 31 December 2019 (2018: £nil).

No director was a member of a money purchase scheme in either the current year or prior year.

**6 Trade and other receivables**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	2,316	2,215
Social security and other taxes	-	97
	<u>2,316</u>	<u>2,312</u>

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

**7 Trade and other payables**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<u>5,000</u>	<u>5,000</u>

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

**8 Borrowings**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year</b>		
Loan payable to group undertakings	<u>989</u>	<u>885</u>

The loan payable to group undertakings is unsecured and repayable within 5 years. An interest rate of 2.66% - 2.81% per annum was applicable during the year (2018: 2.02% - 2.30%).

## 65-70 White Lion Street Tenant Limited

### Notes to the financial statements For the year ended 31 December 2019 (continued)

#### 9 Called-up share capital and reserves

##### Authorised, allotted, called-up and not fully paid shares

	2019 No.	2019 £	2018 No.	2018 £
Ordinary shares of £0.01 each	<u>100</u>	<u>1</u>	<u>100</u>	<u>1</u>

The Company has one class of ordinary shares which carry no right to fixed income.

#### Reserves

The Company's other reserves are as follows:

##### *Retained earnings*

The retained earnings represents cumulative profits or losses and other adjustments.

#### 10 Controlling parties

The Company's immediate parent company is WeWork International Limited, a company incorporated in the United Kingdom and registered in England and Wales. Following the reorganisation of WeWork Companies Inc., which occurred on July 15, 2019, the ultimate parent company and the smallest and the largest group in which the results of the Company are consolidated is WeWork Inc. (previously The We Company), a Delaware corporation registered in the USA. Copies of those statutory accounts are available from:

c/o Legalinx Limited  
Tallis House  
2 Tallis Street  
Temple  
London  
EC4Y 0AB

Effective 14 October 2020, The We Company changed its name to WeWork Inc.

#### 11 Post reporting date subsequent event

##### *COVID-19:*

Subsequent to 31 December 2019, the global outbreak of the COVID-19 pandemic has become a worldwide crisis and as of the date of this report, is still evolving. WeWork Inc. (previously The We Company) as a whole, including its operations in the United Kingdom, is facing a period of uncertainty and expects there will be a material impact on the global demand for our space-as-a-service offering in the short-term, which may adversely affect the 2020 results for the Company. Across WeWork Inc. (previously The We Company) space-as-a-service locations in the United Kingdom as a whole, we have generally experienced, on average, lower than historic occupancy levels, a reduction in new sales volume across both our existing locations and new locations, slower than historic cash collection rates (prompting incremental reserves for receivables to be recorded), lowered credit limits provided by a number of suppliers and an increase in discounts to members. We have also engaged with certain members in the United Kingdom as it relates to COVID-19 related payment deferral programs.

## **65-70 White Lion Street Tenant Limited**

### **Notes to the financial statements**

#### **For the year ended 31 December 2019 (continued)**

##### **11 Post reporting date subsequent event (continued)**

WeWork Inc. (previously The We Company) management has also been proactive in taking steps to mitigate the operational and financial impact of COVID-19 across our business globally and in the United Kingdom through proactive negotiations with landlords using a location-by-location based approach for deferrals and abatements, continued evaluation of costs with the goal of creating a leaner, more efficient organisation, temporarily delaying certain new location openings and the capital investment associated with the expansion of the number of locations and taking steps to reduce spending during this period of disruption in areas such as marketing, professional fees and maintenance capital. This is in addition to significant organic reductions in variable expenses globally such as consumables, utilities, sales commissions and broker referrals among others, related to overall lower business activity. In response to COVID-19, WeWork Inc.'s (previously The We Company's) product, design, technology and member experience teams are also working together to enhance our spaces globally and to help ensure WeWork Inc. (previously The We Company) is prepared to satisfy our members' changing needs for space as they consider a return to work in the coming months. These enhancements include implementing professional distancing standards, de-densifying common areas and reconfiguring offices.

In determining whether the Company's accounts can be prepared on a going concern basis, the Directors considered WeWork Inc.'s (previously The We Company's) global business activities and cash requirements together with factors likely to affect its performance and financial position, including the current and future anticipated impact of COVID-19. The extent to which COVID-19 could continue to impact WeWork Inc.'s (previously The We Company's) global business and its operations in the United Kingdom depends on future developments, which are uncertain, cannot be predicted and are outside our control, including new information which may quickly emerge regarding the severity of the virus, the scope of the outbreak and the actions to contain the virus or treat its impact and how quickly we can resume normal operations, among others.

Management of WeWork Inc. (previously The We Company) have considered a range of potential scenarios within the key markets the business serves and how these might impact group cash flows. WeWork Inc. (previously The We Company) management also considered what mitigating actions could be taken to limit any adverse consequences. The key judgements in relation to the going concern assessment include the timing of recovery to pre-COVID-19 trading levels and the likelihood and impact of further lockdowns, including their duration and the impact on members' demand in the markets in which WeWork Inc. (previously The We Company) subsidiaries operate. When making these judgements, WeWork Inc. (previously The We Company) management considered trading levels experienced during lock-down and the outlook for the group against their detailed base case scenario. WeWork Inc. (previously The We Company) management have also considered further downside scenarios and the further mitigating actions which could be taken. Based on these assessments, the Directors believe the liquidity position of WeWork Companies LLC and ultimately WeWork Inc. (previously The We Company) will be sufficient to help the Company mitigate the near-term uncertainty associated with COVID-19.

##### **12 Audit report**

As the statement of comprehensive income has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with Section 444 (5B) of the Companies Act 2006:

- the audit report was unqualified;
- the senior statutory auditor was David Clark FCA; and
- the auditor was RSM UK Audit LLP.