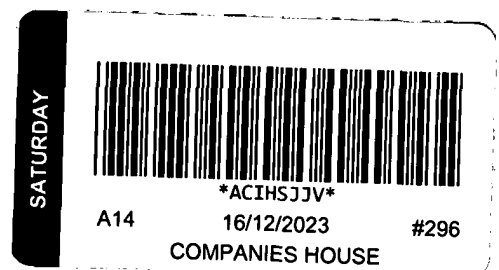


Registration number: 09881566

1 St Katharine's Way Tenant Limited

Pages for filing with Registrar

For the year ended 31 December 2022



1 St Katharine's Way Tenant Limited

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1 St Katharine's Way Tenant Limited

Company information

Directors Michael DePinho
Natalie Lovett

Company secretary Darren Barnett

Registered office 10 York Road
London
United Kingdom
SE1 7ND

Auditor RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

1 St Katharine's Way Tenant Limited**Statement of financial position
As at 31 December 2022**

	Note	2022 £	2021 £
Non-current assets			
Property, plant and equipment	6	5,681,986	6,985,618
Right-of-use assets	7	29,073,550	31,097,626
Trade and other receivables	8	7,645,700	5,294,923
		<u>42,401,236</u>	<u>43,378,167</u>
Current assets			
Trade and other receivables	8	1,192,469	843,595
Total assets		<u>43,593,705</u>	<u>44,221,762</u>
Current liabilities			
Trade and other payables	9	(7,813,436)	(5,371,678)
Lease liabilities	10	(1,458,416)	(2,544,018)
		<u>(9,271,852)</u>	<u>(7,915,696)</u>
Net current liabilities		<u>(8,079,383)</u>	<u>(7,072,101)</u>
Total assets less current liabilities		<u>34,321,853</u>	<u>36,306,066</u>
Non-current liabilities			
Lease liabilities	10	(41,095,211)	(42,567,257)
Net liabilities		<u>(6,773,358)</u>	<u>(6,261,191)</u>
Equity			
Called-up share capital	11	1	1
Retained earnings	11	(6,773,359)	(6,261,192)
Total shareholders' deficit		<u>(6,773,358)</u>	<u>(6,261,191)</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 2022.

The financial statements of 1 St Katharine's Way Tenant Limited (registration number: 09881566) were approved by the Board of Directors and authorised for issue on ~~October~~ 17, 2023

They were signed on its behalf by:

DocuSigned by:
Natalie Lovett

 Natalie Lovett
 Director

The notes on pages 3 to 14 form an integral part of these financial statements.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022

1 General information

1 St Katharine's Way 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:

10 York Road
London
United Kingdom
SE1 7ND

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 2022, 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.

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.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (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 of the Company have been prepared on a going concern basis.

The operations of the Company are intrinsically linked to the on-going trading position of the Group headed by WeWork Inc ("the Group"). The Group has incurred consolidated net losses of \$0.7 billion, \$2.3 billion, \$4.6 billion, and \$3.8 billion, for the six months ended 30 June 2023 and the years ended 31 December 2022, 2021, and 2020, respectively, and negative cash flow from operating activities of \$0.5 billion, \$0.7 billion, \$1.9 billion, and \$0.9 billion, respectively for the same periods. As of 30 June 2023, the Group had net current liabilities of \$1.4 billion. At that date the Group had \$205 million in cash and cash equivalents, including \$46 million held at its consolidated variable interest entities, and \$475 million in delayed draw note commitments, resulting in total liquidity of \$680 million. The Group drew the proceeds of the delayed draw notes subsequent to 30 June 2023.

The recent macroeconomic environment has caused higher member churn and weaker demand than contemplated under the Group's business plan. Consequently, membership as of 30 June 2023 was less than planned, resulting in a reduction in projected revenue and cash flows for the twelve-month period included in the going concern evaluation. Management is taking steps to address the risk posed to the going concern position of the Group which is contingent upon successful execution of management's intended plan over the next twelve months to improve the Group's liquidity and profitability, which includes, without limitation:

- Reducing rent and tenancy expense by taking additional restructuring actions and negotiating more favourable lease terms;
- Increasing revenue by reducing member churn and increasing new sales;
- Controlling expenses and limiting capital expenditures; and
- Seeking additional capital through the issuance of debt or equity securities, or the sale of assets.

The financial position of the Group represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that may result from the outcome of this going concern uncertainty. Such adjustments could be material.

Revenue recognition

The Company recognises revenue under the five-step methodology required under IFRS 15, which requires the Company to identify the relevant contract with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations identified and recognise revenue when (or as) each performance obligation is satisfied.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Revenue recognition (continued)

The Company's primary revenue categories, related performance obligations, and associated recognition patterns are as follows:

Membership and Service Revenue - The Company sells memberships to individuals and companies that provide access to office space, use of a shared internet connection, access to certain facilities (kitchen, common areas, etc.), a monthly allowance of conference room hours, printing and copying and access to the WeWork mobile application. The price of each membership is based on factors such as the particular characteristics of the office space occupied by the member, the geographic location of the workspace, and the amount of desk space per office.

Membership revenue consists primarily of fees from members, net of discounts and is recognised over time, evenly on a rateable basis, over the life of the agreement, as services are provided and the performance obligation is satisfied. All services included in a monthly membership allowance that remain unused at the end of a given month expire.

Service revenue consists of additional billings to members for the ancillary services they may access through their memberships, in excess of monthly allowances included in membership revenue, commissions earned by the Company on various services and benefits provided to members. Members may elect whether they want to add on additional services at the inception of their agreement. Additional fees for add-on services are included in the transaction price when elected by the member. To the extent a member elects an add-on service subsequent to the commencement of a commitment period, the additional add on fee will be added to the transaction price at that point in time.

Billing terms and conditions generally vary by contract category. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g. upfront, monthly, or quarterly) or upon achievement of contractual milestones. For most of the standard memberships, which are typically invoiced monthly, the payment terms are immediate. In most cases where timing of revenue recognition significantly differs from the timing of invoicing, the Company has determined that its contracts do not include a significant financing component. The Company elects the financing component practical expedient and does not adjust the promised amount of consideration in contracts where the time between cash collection and performance is less than one year.

Members' Service Retainers - Prior to moving into an office, members are generally required to provide the Company with a service retainer as detailed in their membership agreement. In the event of non-payment of membership or other fees by a member, pursuant to the terms of the membership agreements, the amount of the service retainer may be applied against the member's unpaid balance. The Company recognises members' retainers as a liability as the Company expects to refund some or all of that consideration to the customer.

Deferred Revenue - Deferred revenue represents collections from customers for which revenue has not been recognised to date. Deferred revenue is classified as a current liability as it is expected to be recognised as revenue within the next twelve months.

Accrued Revenue - Accrued revenue includes amounts of revenue recognized in advance of billing members.

Taxes collected from customers and remitted to governmental authorities are presented on a net basis.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting year, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date and included in administrative expenses. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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 profit for the year. Taxable profit differs from profit for the financial year 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.

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.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Financial risk management

The Company's principal financial liabilities are comprised of loans, lease liabilities 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.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write-off the costs of assets less their residual value, other than land and properties under construction, over their estimated useful lives, using the straight-line method from the month the asset is brought into use, on the following basis:

Asset class	Depreciation rate
Leasehold improvements	Shorter of term of lease or useful life
Furniture, fittings and equipment	3 - 7 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Property and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that the asset may have been impaired. When there is an indication of impairment, the Company will evaluate the asset for recoverability, by considering the future discounted cash flows expected to result from the use of the asset and the eventual disposal of the asset. If the sum of the expected future discounted cash flows, is less than the carrying amount of the asset, an impairment loss equal to the excess of the carrying amount over the fair value of the asset is recognised. The Company's management performed an impairment assessment and, where appropriate, recorded an impairment charge where asset carrying values were deemed no longer recoverable.

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.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Trade and other receivables (continued)

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.

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. The Company continues to actively monitor its account receivable balances throughout the year.

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.

Leases

At the commencement date of the lease (i.e. the date the underlying asset is available to use), the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments and variable lease payments that depend on an index or a rate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which they are incurred.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of the lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

A right-of-use asset is also recognised at the commencement date of a lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the lease asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment testing.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

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.

There were no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately above), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Lease term

The lease term is a significant component in the measurement of both the right-of-use assets and lease liabilities. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment of non-financial assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that the asset may have been impaired. When there is an indication of impairment, the Company will evaluate the asset for recoverability, by considering the future discounted cash flows expected to result from the use of the asset and the eventual disposal of the asset. If the sum of the expected future discounted cash flows, is less than the carrying amount of the asset, an impairment loss equal to the excess of the carrying amount over the fair value of the asset is recognised. The future discounted cash flows have been determined based on value-in-use calculations, which incorporate a number of key estimates and assumptions including estimated discount rates based on the current cost of capital, occupancy rates, average revenue rates and growth rates of the estimated future cash flows.

Provision for expected credit loss of trade and other receivables

The Company measures losses for trade receivables at an amount equal to lifetime expected credit losses. Management considers many factors in considering its reserve with respect to these accounts receivable, including historical data, experience, creditworthiness, and income trends. Recorded liabilities for members' service retainers are also considered when estimating the expected credit loss.

When there is any uncertainty surrounding the collectability of a receivable, it must be continually assessed for any changing circumstances that may affect such collectability. The Company uses judgement in conjunction with the relevant facts and circumstances discussed above to determine whether it is appropriate for a receivable to be written off. The Company considers various factors which include, but are not limited to: recent communications with the member, membership status, any payments in progress, any memberships in other locations, the date of last payment, the existence of service retainers, payment plans, or credit balances in other locations, and whether any balances have been sent to an outside collections agency.

The Company considers the probability of default upon initial recognition of a receivable and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period.

5 Staff numbers and costs

Other than its Directors, the Company does not have any employees in the current year (2021: none). The Company incurred no expenses in regards to its Directors for the year ended 31 December 2022 (2021: £nil).

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

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

6 Property, plant and equipment

	Leasehold improvements £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2022	7,720,734	1,860,342	9,581,076
Additions	-	11,675	11,675
Write off	(638,477)	-	(638,477)
At 31 December 2022	<u>7,082,257</u>	<u>1,872,017</u>	<u>8,954,274</u>
Depreciation			
At 1 January 2022	1,512,295	1,083,163	2,595,458
Charge for the year	396,509	280,321	676,830
At 31 December 2022	<u>1,908,804</u>	<u>1,363,484</u>	<u>3,272,288</u>
Carrying amount			
At 31 December 2022	<u>5,173,453</u>	<u>508,533</u>	<u>5,681,986</u>
At 31 December 2021	<u>6,208,439</u>	<u>777,179</u>	<u>6,985,618</u>

7 Right-of-use assets

	2022 £	2021 £
Land and buildings: Right-of-use asset	37,018,300	37,082,518
Less: accumulated depreciation	<u>(7,944,750)</u>	<u>(5,984,892)</u>
	<u>29,073,550</u>	<u>31,097,626</u>
Change in Right-of-use assets during the year	<u>(64,218)</u>	<u>(78,167)</u>

8 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year		
Trade receivables, net	177,128	121,066
Amounts owed by group undertakings	554,855	597,989
Other receivables	6,378	5,525
Prepayments and accrued income	<u>454,108</u>	<u>119,015</u>
	<u>1,192,469</u>	<u>843,595</u>

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

1 St Katharine's Way Tenant Limited**Notes to the financial statements
For the year ended 31 December 2022 (continued)****8 Trade and other receivables (continued)**

	2022	2021
	£	£
Amounts falling due after more than one year		
Loans receivable from group undertakings	7,609,894	5,294,923
Prepayments and accrued income	35,806	-
	<u>7,645,700</u>	<u>5,294,923</u>

Loans receivable from group undertakings are unsecured and repayable within 5 years. An interest rate of 1.56% - 4.64% per annum was applicable during the year (2021: 2.38% - 2.44%).

9 Trade and other payables

	2022	2021
	£	£
Trade payables	72,770	1,422
Amounts owed to group undertakings	5,781,086	4,042,336
Social security and other taxes	57,339	154,590
Other payables	1,163,443	1,017,292
Accruals and deferred income	738,798	156,038
	<u>7,813,436</u>	<u>5,371,678</u>

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

10 Lease liabilities

	2022	2021
	£	£
Analysed as:		
Leases due within one year	1,458,416	2,544,018
Leases due after more than one year	41,095,211	42,567,257
Total lease liabilities	<u>42,553,627</u>	<u>45,111,275</u>

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

10 Lease liabilities (continued)

The profile of the outstanding undiscounted contractual payments fall due as follows:

	2022 £	2021 £
Within one year	4,582,234	4,582,234
In two to five years	19,633,768	19,307,560
In over five years	44,674,913	49,583,355
	<u>68,890,915</u>	<u>73,473,149</u>

11 Called-up share capital and reserves

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

	2022 No.	2022 £	2021 No.	2021 £
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.

12 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. The ultimate parent company and the smallest and the largest group in which the results of the Company are consolidated is WeWork Inc., a Delaware corporation registered in the USA. Copies of those statutory accounts are available from:

10 York Road
London
United Kingdom
SE1 7ND

1 St Katharine's Way Tenant Limited

Notes to the financial statements For the year ended 31 December 2022 (continued)

13 Audit report

As the income statement 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 but contained a material uncertainty related to going concern;

Material uncertainty relating to going concern

We draw attention to the going concern statement in the financial statements which highlights that the Company's operations are intrinsically linked to the on-going trading position of the Group headed by WeWork Inc. As set out on page 4 that Group has revised its projected revenue which requires actions to be taken to protect the going concern status of the Group. The financial position of the Group and the events and conditions set out on page 4 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

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