

LUH Financing Limited

Report and financial statements

For the year ended 31 December 2022

Company registration number 13074308

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LUH FINANCING LIMITED
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LUH FINANCING LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

Catherine Thomas
Lisa Condron

COMPANY SECRETARY

Teresa Hogan

REGISTERED OFFICE

10 Paternoster Square
London
EC4M 7LS

BANKERS

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

INDEPENDENT AUDITORS

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

LUH FINANCING LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2022.

REVIEW OF BUSINESS

LUH Financing Limited (the 'Company') is a wholly owned subsidiary of London Stock Exchange Group plc ('LSEG', the 'parent', the 'group') and is limited by guarantee. The liability of the guarantors is limited to US\$100,000. The guarantor and immediate parent is UK LSEG Financing 1 Limited, a company incorporated in England and Wales.

The Company's main purpose is to provide financial support by granting loans and securities to assist companies within the London Stock Exchange Group. The Company's profit after tax for the year ended 31 December 2022 was US\$212,530k (2021: US\$239,599k) driven mainly by finance income received from companies under common control. Its net assets as at year end were US\$8,378,989k (2021: US\$8,171,152k). Due to the nature of the business, the directors have concluded that there are no other relevant KPIs.

FUTURE DEVELOPMENTS

The Company is expected to continue to provide financial support to LSEG companies.

EMPLOYEES

The Company has no employees.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

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

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

LUH FINANCING LIMITED

DIRECTORS' REPORT

The Company's principal risks arise from the activities of those companies and include the continuing changing regulatory and macro-economic environments and increasing security threats (both physical and cyber). The risks associated with the Company's investments are disclosed in full in the consolidated financial statements of LSEG.

DISTRIBUTIONS

No distribution was paid to the parent in the current year (2021: US\$200,000k).

DIRECTORS AND DIRECTORS' INTERESTS

The following directors have held office throughout the year and up to the date of approval of the financial statements, except as noted below:

Catherine Thomas
Lisa Condrón

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

DIRECTORS' LIABILITIES

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* ('FRS 101').

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company

LUH FINANCING LIMITED

DIRECTORS' REPORT

and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

GOING CONCERN

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

STRATEGIC REPORT

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

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors of the Company at the date when this report was approved:

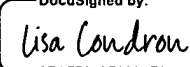
- so far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

LUH FINANCING LIMITED DIRECTORS' REPORT

AUDITORS

Ernst & Young LLP were appointed during the period have expressed their willingness to continue in office as auditors. They are deemed to be reappointed under section 487(2) of the Companies Act 2006.

By order of the board:

DocuSigned by:

2FAF7842E6034E3...
Lisa Condron

Director
LUH Financing Limited
2 August 2023

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUH FINANCING LIMITED

Opinion

We have audited the financial statements of LUH Financing Limited for the year ended 31 December 2022 which comprise the Income Statement, the Balance Sheet, Statement of Changes in Reserves, and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUH FINANCING LIMITED

Other information

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUH FINANCING LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 3-4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

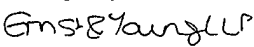
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice, and tax legislation (governed by HM Revenue and Customs)
- We understood how the company is complying with those frameworks by making enquiries of management. We also reviewed minutes of the Board and made enquiries of management for their awareness of any non-compliance with laws and regulations.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding the company's assessment of the business' susceptibility to fraud, and by considering the controls established to address risks identified by the company, or that otherwise seek to prevent, deter, or detect fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing of relevant balances as well as documenting enquiries of executive management and those responsible for legal and compliance matters. We corroborated our enquiries through review of board minutes.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUH FINANCING LIMITED

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Emma Clayton (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

02 August 2023

LUH FINANCING LIMITED
INCOME STATEMENT
Year ended 31 December 2022

	Notes	Year ended 31 st December 2022 US\$'000	Period ended 31 st December 2021 US\$'000
Administrative expenses	4	1,550	983
Operating profit		1,550	983
Finance income	5	261,139	294,588
Finance cost	5	(853)	-
Net finance income		260,286	294,588
Profit before taxation		261,836	295,571
Taxation	6	(49,306)	(55,972)
Profit for the financial year		212,530	239,599

The company was incorporated in England and Wales on 9 December 2020. Accordingly, period ended 31st December 2021 is the first year of financial statements.

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

There are no other items of income or expenditure other than those included within the income statement for the year ended 31 December 2022 and period 31 December 2021.

The notes on pages 13 to 19 form an integral part of these financial statements.

LUH FINANCING LIMITED**BALANCE SHEET**

As at 31 December 2022

	Notes	2022 US\$'000	2021 US\$'000
Assets			
Current assets			
Trade and other receivables	8	8,392,694	8,226,124
Cash and cash equivalents	9	108	18
Total assets		8,392,802	8,226,142
Liabilities			
Current liabilities			
Trade and other payables	10	(11,459)	-
Current tax		(2,354)	(54,990)
Total liabilities		(13,813)	(54,990)
Net current assets		8,378,989	8,171,152
Net assets		8,378,989	8,171,152
Reserves			
Retained earnings		252,129	44,292
Capital contribution reserve		8,126,860	8,126,860
Total reserves		8,378,989	8,171,152

The notes on pages 13 to 19 form an integral part of these financial statements.

The financial statements on pages 10 to 19 were approved by the board on 2 August 2023 and signed on its behalf by:

DocuSigned by:

 2EAF7942F6034E3...
 Lisa Condron
 Director
 LUH Financing Limited
 2 August 2023

Registered number 13074308

LUH FINANCING LIMITED
STATEMENT OF CHANGES IN RESERVES
Year ended 31 December 2022

	Note	Retained earnings US\$'000	Capital contribution reserve US\$'000	Total reserves US\$'000
9 December 2020		-	-	-
Profit for the financial period		239,599	-	239,599
Capital contribution		4,693	8,126,860	8,131,553
Distributions paid	7	(200,000)	-	(200,000)
31 December 2021		44,292	8,126,860	8,171,152
Profit for the financial year		212,530	-	212,530
Reversal of capital contribution		(4,693)	-	(4,693)
31 December 2022		252,129	8,126,860	8,378,989

The notes on pages 13 to 19 form an integral part of these financial statements.

LUH FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

1. Basis of preparation and accounting policies

Basis of preparation

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

The Company is a qualifying entity for the purposes of FRS 101. Note 12 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

FRS 101 sets out amendments to IFRS that are necessary to achieve compliance with the Act and related regulations.

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

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

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

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

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

LUH FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

Going concern

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

Accounting policies

Income statement

Foreign currencies

These financial statements are presented in US dollars, which is the Company's presentation and functional currency. Foreign currency transactions are converted into the functional currency of the reporting entity using the rate ruling at the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Finance income and expense

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

Current and deferred taxation

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

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if it arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that affects neither accounting nor taxable profit or loss at that time. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority.

LUH FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

Statement of financial position

Financial instruments

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

- a) Financial assets at amortised cost are financial assets that are held in order to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. This includes cash and cash equivalents and trade and other receivables.

After initial recognition these assets are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in the income statement and presented in other income or operating expenses together with foreign exchange gains and losses.

Financial liabilities at amortised cost are all financial liabilities that are not included within financial liabilities at 'Fair Value Through Profit or Loss' (FVPL). This comprises the Company's trade and other payables.

Impairment

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

- a) *Financial assets at amortised cost* - the ECL for trade receivables, contract assets and cash and cash equivalents is calculated using IFRS 9's simplified approach using lifetime ECL. The allowance is based on the Company's historic experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix.

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

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

Trade and other receivables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and is subject to insignificant risk of changes in value.

LUH FINANCING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2022

Trade and other payables

Other payables relate to amounts due to companies within the group. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital

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

Distributions

Distributions to the Company's guarantors are recognised as a liability in the financial statements in the period in which the distribution is approved by the Company.

Reserves

Capital contributions

Contributions from the Company's guarantors are recognised as capital contributions and classified as reserves of the Company.

2. Significant judgements and estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events. There were no significant judgements or estimates applied by management.

3. Directors' remuneration

No remuneration was received by the directors in respect of qualifying services to this Company in the year (2021: nil).

4. Administrative expenses

	Year ended 31 st December 2022	Period ended 31 st December 2021
	US\$'000	US\$'000
Professional fees	(20)	-
Foreign exchange gain	1,570	983
	1,550	983

LUH FINANCING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2022

5. Net finance income

	Year ended 31 st December 2022	Period ended 31 st December 2021
	US\$'000	US\$'000
Finance income		
Interest from companies under common control	261,139	294,588
	261,139	294,588
Finance expense		
Other finance cost	(853)	-
	(853)	-
Net finance income	260,286	294,588

Finance income arises from the loans to companies under common control. See Note 8 for details.

6. Taxation

The standard UK corporation tax rate was 19% for the current year (2021: 19%).

	Year ended 31 st December 2022	Period ended 31 st December 2021
	US\$'000	US\$'000
Taxation charged to the income statement		
Current tax		
UK corporation tax for the year	(49,457)	(55,972)
Adjustments in respect of previous years	151	-
Taxation	(49,306)	(55,972)

Factors affecting the tax charge for the year

The income statement tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2021: 19%) as explained below:

	Year ended 31 st December 2022	Period ended 31 st December 2021
	US\$'000	US\$'000
Profit before taxation	261,836	295,571
Profit multiplied by standard rate of corporation tax in the UK	(49,749)	(56,158)
Adjustments in respect of previous years	151	-
Income not taxable	292	186
Taxation charge	(49,306)	(55,972)

An increase in the UK Corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly.

LUH FINANCING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2022

7. Distributions

No distribution was paid to the parent in the current year (2021: US\$200,000k).

8. Trade and other receivables

	2022 US\$'000	2021 US\$'000
Amounts due from companies under common control	8,343,350	8,181,612
Interest on amounts due from companies under common control	49,344	44,512
	8,392,694	8,226,124

A loan is due from LSEGH (Luxembourg) Limited, a company under common control, of US\$416,490k (2021: US\$254,753k) which has interest charged at SOFR +1% pa and is repayable with 5 days' notice or by 22 July 2030.

A loan is due from LSEGA Inc, a company under common control, of US\$6,151,860k (2021: US\$6,151,860k) which has interest charged at 3.12% pa and is repayable with 30 days' notice or by 28 January 2028.

Several loans are due from LSEG US HoldCo as follows; US\$175,00k (2021:US\$ 175,000k) with interest charged at 2.116% pa and repayable with 30 days' notice or by 29 November 2024; US\$250,000k (2021:US\$ 250,000k) with interest charged at 2.702% pa and repayable with 30 days' notice or by 29 November 2026; US\$250,000k (2021:US\$ 250,000k) with interest charged at 3.088% pa and repayable with 30 days' notice or by 29 November 2028; and US\$1,100,000k (2021: US\$1,100,000k) with interest charged at 3.516% pa and repayable with 30 days' notice or by 29 November 2031.

Loans with interest rates based on LIBOR have transitioned to SOFR rates from 1 January 2022.

The carrying values of trade and other receivables are reasonable approximations of fair value. Trade and other receivables not past due are not considered to be impaired.

9. Cash and cash equivalents

	2022 US\$'000	2021 US\$'000
Cash at bank	108	18
	108	18

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10. Trade and other payables

	2022 US\$'000	2021 US\$'000
Amounts owed to ultimate parent company	11,459	-
	11,459	-

Other payables are interest free and repayable on demand. The carrying values of payables are reasonable approximations of fair value.

11. Commitments and contingencies

Contracted commitments and other contracted contingencies not provided for in the financial statements of the Company were nil (2021: nil) respectively.

12. Ultimate parent company

As at 31 December 2022, the Company's ultimate parent company and the parent that headed the smallest and largest group of undertakings for which consolidated financial statements were prepared was London Stock Exchange Group plc. Its immediate parent is UK LSEG Financing 1 Limited which has provided a guarantee of the amount US\$100,000. Both companies are incorporated in England and Wales.

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

13. Other statutory information

Audit fees of US\$20,787 (2021: US\$22,014) payable to Ernst & Young LLP are borne and paid by another group company. Statutory information in remuneration for other services provided by the Company's auditors for the group is given in the consolidated financial statements of London Stock Exchange Group plc, which is the largest group into which the results of the Company are consolidated. There were no non-audit services provided to the Company in the current year.