

Engine by Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Registered Number 13925405



Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Contents

Company Information	3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Financial Statements	7 to 10
Notes to the Financial Statements	11 to 14

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Company Information

Registered Office

5th Floor
London Fruit and Wool Exchange
1 Duval Square
London
E1 6PW

Company Registration Number

13925405 (England and Wales)

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Engine By Starling Limited
Directors' Report For the period ended 31 March 2023

The Directors present their first report along with the unaudited financial statements of Engine By Starling Limited ("the Company") for the period from incorporation on 18 February 2022 to 31 March 2023.

Principal Activities and Future Developments

The principal activity of the Company is to act as the vehicle through which the Starling Bank Group ("the Group") will sell its Software-as-a-Service ("SaaS") product, based on the proprietary technology platform used to power Starling Bank Limited ("SBL").

The Company is 100% owned by Starling FS Services Limited ("SFSSL"). The ultimate parent company is Starling Bank Limited.

The Company intends to continue to undertake its principal activities for the foreseeable future

Results and Dividends

The detailed results of the Company for the period ended 31 March 2023, are shown on pages 11 to 14. During the period the Company reported a loss before tax of £75,956 due to costs incurred in setting up and establishing the Company, as well as costs in tendering for customer contracts.

The Directors do not propose the payment of any dividend in respect of the ordinary shares for the period end.

Strategic Report

The Company, under s414B of the Companies Act 2006, has elected to take exemption from preparing a strategic report.

Directors

The Directors of the Company shown below held office throughout the financial period 18 February 2022 to 31 March 2023, and up to the date of signing the financial statements:

Anne Boden (Appointed 18 February 2022 and resigned 14 June 2023)

Matthew Newman (Appointed 18 February 2022)

John Mountain (Appointed 18 February 2022)

Samuel Everington (Appointed 18 February 2022)

Adnan Ahmed (Appointed 03 February 2023)

Victoria Newton (Appointed 03 February 2023)

Directors' Indemnities

The Board of Directors have effected a Directors' and Officers' liability insurance policy to indemnify the Directors or Officers of the Company against loss arising from any claim made against them jointly or severally for any failure of duty of care in their capacity as Director or Officer of the Company.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Engine By Starling Limited
Directors' Report For the period ended 31 March 2023 (Cont.)

Going Concern

After making the necessary enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Projections for the Company have been prepared concerning its future financial performance, its capital available and requirements and its liquidity for a period of at least 12 months from the signing of these financial statements. These projections were made together with the Company's ultimate parent, Starling Bank Limited, and considered separately a base and a severe but plausible downturn scenario. To meet its projections, the Company is dependent on the continued support of its ultimate parent and the ultimate parent has confirmed their support.

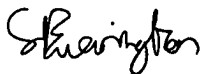
As with any company placing reliance on other entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the going concern basis of accounting has been used to prepare these financial statements.

Political and Charitable Donations

The Company made no political or charitable donations during the period.

This report was approved by the Board of Directors on 3 July 2023.



Samuel Everington
Director

Registered in England and Wales.
Company No. 13925405

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 period. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Signed on behalf of the Board by:



Samuel Everington
Director
3 July 2023

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Statement of Comprehensive Income
For the period ended 31 March

	31-Mar-23¹
	£
Total Operating Costs	(75,956)
Loss Before Taxation	(75,956)
Taxation	—
Loss After Taxation	(75,956)

¹ For the Period from Incorporation on 18 February 2022 to 31 March 2023.

The Company does not have any gains and losses other than the loss for the period to report.

The notes to these financial statements can be found on pages 11 to 14.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Statement of Financial Position
As at 31 March

	Notes	31-Mar-23 £
Current Assets		
Cash and Cash Equivalents		28,958
Prepayments and Other Assets		114,583
Intercompany Account	4	1
Total Assets		143,543
Liabilities		
Intercompany Account	4	100,000
Other Liabilities		119,498
Total Liabilities		219,498
Equity		
Called up Share Capital	3	1
Accumulated Losses		(75,956)
Total Equity		(75,955)
Total Liabilities and Equity		143,543

For the period ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes to these financial statements can be found on pages 11 to 14.

The financial statements were approved by the Board of Directors on 3 July 2023.

Signed on behalf of the Board by:



Samuel Everington
Director

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Cash Flow Statement
For the period ended 31 March

	31-Mar-23¹
	£
Cash Flows from Operating Activities	
Loss for the Period after Taxation	(75,956)
Net Changes in Operating Assets and Liabilities	
Net Increase in Creditors	119,498
Net Increase in Other Debtors & Prepayments and Other Assets	(114,583)
Net Cash Flows from Operating Activities	(71,042)
 Cash Flows from Financing Activities	
Net Increase in Intercompany Account	99,999
Issuance of Share Capital	1
Net Cash Flows from Financing Activities	100,000
 Net Increase in Cash and Cash Equivalents	28,958
Cash and Cash Equivalents at Beginning of the Period	—
Cash and Cash Equivalents at End of the Period	28,958

¹ For the Period 18 February 2022 to 31 March 2023

The notes to these financial statements can be found on pages 11 to 14.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Statement of Changes in Equity
For the Period ended 31 March

	Share Capital	Accumulated Losses	Total Equity
	£	£	£
As at 18 February 2022	1	—	1
Loss for the period	—	(75,956)	(75,956)
As at 31 March 2023	1	(75,956)	(75,955)

The notes to these financial statements can be found on pages 11 to 14.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Notes to the Financial Statements

1. Accounting Policies

a. Basis of Preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and with International Financial Reporting Standards ("IFRS") and Interpretations (IFRICs) issued by the International Accounting Standards Board ("IASB") as adopted by the United Kingdom ("UK"). The financial statements have been prepared under the historical cost convention.

b. Going Concern

After making the necessary enquires, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Projections for the Company have been prepared concerning its future financial performance, its capital available and requirements and its liquidity for a period of at least 12 months from the signing of these financial statements. These projections were made together with the Company's ultimate parent, Starling Bank Limited, and considered separately a base and a severe but plausible downturn scenario. To meet its projections, the Company is dependent on the continued support of its ultimate parent and the ultimate parent has confirmed their intention to support.

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

Consequently, the going concern basis of accounting has been used to prepare these financial statements.

c. Use of Estimates and Judgements

The preparation of these financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of: (i) assets and liabilities at the date of the financial statements and (ii) revenues and expenses during the period. The principal area where judgement has been applied is going concern. Management has applied judgements in this area to the best of their knowledge although, the amount, event or action, and ultimate result may differ from the estimates used.

d. Presentation of the Financial Statements

The financial statements are presented in British Pounds Sterling ("Sterling" or "£") and all values rounded to the nearest pound except otherwise indicated.

e. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash deposits with banks at call and on fixed term notice.

f. Prepayments and Other Assets

Prepayments and Other Assets are recognised initially at fair value and subsequently measured at amortised cost.

g. Impairment of Financial Assets

The Company recognises impairment loss allowances for Expected Credit Losses ("ECL"), where appropriate, on financial assets that are not measured at FVTPL. Impairment losses on cash and cash equivalents and other assets are measured using the simplified ECL approach under IFRS 9.

h. Taxation

Taxation in the Statement of Comprehensive Income comprises current tax and deferred tax. Income tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in shareholders' equity, in which case it is recognised in equity.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Notes to the Financial Statements

1. Accounting Policies (Cont.)

Current Tax

Current tax is the tax expected to be payable on the taxable profit, calculated using tax rates enacted or substantively enacted by the reporting date, and any adjustment to tax payable in respect of previous years. Corporation tax recoverable from losses accumulated in prior years is determined using tax rate and legislation in force in the UK at the reporting date and is carried forward for future recovery when not fully utilised in the current period.

i. Related Party Transactions

Transactions with related parties have been included in the financial statements in accordance with IAS 24. Related parties comprise persons or a person, a company or a group of companies and/or an unincorporated entity or a group of unincorporated entities who either have individual control, joint control of the Group or can exercise significant influence or is a member of the key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

j. Standards issued but not yet adopted

The Company has not yet applied the following new or amended standards in preparing these financial statements. The following new or amended standards are not expected to have a significant impact on the Company's financial statements.

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendments to IAS 12)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Disclosure Initiative - Accounting Policies (Amendments to IAS 1)

k. Other minor amendments

The IASB has issued a number of minor amendments to IFRS effective 1 January 2023. These amendments are not expected to have a material impact on the results of the Company.

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Notes to the Financial Statements

2. Directors Remuneration and Staff Costs

There were five Executive Directors at the end of the period; no remuneration was paid directly to and no pension contributions were made by the Company on behalf of the Directors.

Director remuneration is borne by the Parent Company and is not recharged to the Company.

There were no staff costs incurred for the period.

3. Share Capital

	Shares Number	Value £
As at 18 February 2022	1	1
As at 31 March 2023	1	1

Engine By Starling Limited has issued Share Capital of £1 nominal value of which 100% interest is held by its parent Starling FS Services Limited registered in England and Wales (registration number 10091094). The ordinary share has attached to it full voting, dividend and capital distribution (including on winding up) rights. It does not confer any rights of redemption.

4. Related Party Transactions

The immediate parent company is parent Starling FS Services Limited registered in England and Wales (registration number 10091094), which holds 100% interest in the Company's shares. The ultimate parent company at the end of the period was Starling Bank Limited registered in England and Wales (5th Floor, London Fruit and Wool Exchange, 1 Duval Square, London, E1 6PW, registration number 09092149). Copies of the group financial statements can be obtained from Companies House and on their website at <https://www.starlingbank.com>.

JTC Starling Holdings Limited holds 36.3% (2022: 36.0%) of the total shares in issue of Starling Bank Limited and is entitled to 36.3% (2022: 36.0%) of the voting rights. JTC Starling Holdings Limited is not the ultimate controlling party of the Starling Bank Group ("the Group") but has significant influence over the Group.

Key management personnel is defined as the Board of Directors. There were no transactions with key management personnel in the period.

Balances with other group entities are shown in the table below.

	As at 31 March 2023 £	Movement in Period £	As at 18 February 2022 £
Starling Bank Limited	(100,000)	(100,000)	—
Starling FS Services Limited	1	1	—
Intercompany Balances with Other Group Entities	(99,999)	(99,999)	—

Engine By Starling Limited
Unaudited Financial Statements
For the Period 18 February 2022 to 31 March 2023

Notes to the Financial Statements

The Company has been granted an amount of £100,000 by Starling Bank Limited to fund the costs of Starling Bank Group's expansion of its Software-as-a-Service product. The balance on the Intercompany Account is repayable on demand and is interest free.

5. Capital Commitments

As at 31 March 2023, the Company had no committed capital expenditure that had not been provided for in the accounts.

6. Events After Reporting Period

There have been no significant events between 31 March 2023 and the date of the approval of these accounts, which would require a change to or additional disclosure in the accounts.