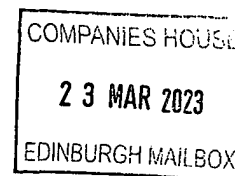


**Lloyd's Register Finance Limited
Report and financial statements
30 June 2022**



Company registration number: SC320138



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Director and advisers

Director

H Blakeley

J A Turner

Secretary

T Bigmore

Bankers

HSBC UK Bank Plc

Level 6

71 Queen Victoria Street

London

EC4V 4AY

Registered office

Lloyd's Register

Kingswells Causeway

Prime Four Business Park

Kingswells

Aberdeen

Scotland

AB15 8PU

Registered number

SC320138

Directors' report

The directors present their report and financial statements for the year ended 30 June 2022.

This report is prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under s415(a) of the Companies Act 2006.

The exemption available from the requirement to prepare a strategic report has been taken in line with s414B of the Companies Act 2006.

Board of directors

The director of the Company during the year and subsequently was:

	Appointed	Resigned
H Blakeley	30 June 2022	
J A Turner	30 June 2022	
N McCollam		30 June 2022

Principal activities

The principal activity of the company is the provision of loans to other companies in the Lloyd's Register Group Limited's group.

Future developments

The directors do not foresee any material change in the nature of the business or trading results.

Dividend

The directors do not recommend a dividend (6 months to 30 June 2021: none).

Principal risks and uncertainties

The Company is exposed to credit risk relating to the recoverability of inter-company balances.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Parent and ultimate parent

The ultimate parent is Lloyd's Register Foundation, a company registered in England and Wales and a registered charity. The immediate parent is Lloyd's Register Group Limited, a company registered in England and Wales.

Going concern

After making enquiries and considering the Company's current and forecast liquidity, the directors of Lloyd's Register Finance Limited have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



By order of the Board

T Bigmore

14 March 2023

Company registration number: SC320138

Statement of the director's responsibilities in respect of the financial statements

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed;
- 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 proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Profit and loss account for the year ended 30 June 2022

		12 months to 30 June	6 months to 30 June
	Note	2022 \$'000	2021 \$'000
Investment income			
Interest receivable from group undertakings		1,118	739
Administrative expenses: foreign exchange (loss) / gain		(1,097)	135
Profit before taxation		<u>21</u>	<u>874</u>
 Taxation	5	 —	 —
Profit for the financial period		<u>21</u>	<u>874</u>

All items presented above relate to continuing operations.

During the current and preceding period there have been no gains and losses other than those recognised in the profit and loss account and consequently no separate statement of comprehensive income is presented.

Balance sheet as at 30 June 2022

		30 June 2022 \$'000	30 June 2021 \$'000
Current assets			
Debtors: amounts due from Group undertakings		158,521	158,500
Total net assets		158,521	158,500
Capital and reserves			
Share capital	3	1	1
Share premium	4	143,999	143,999
Profit and loss account		14,521	14,500
Shareholders' funds		158,521	158,500

For the year ending 30 June 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with s386 of the Companies Act 2006, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the period, and of its result for the financial period in accordance with s393 and which otherwise comply with the requirements of the Companies Act 2006, so far as applicable to the company.

The financial statements were approved by the Board on 14 March 2023 and signed on its behalf by:

Helen Blakeley

Helen Blakeley (Mar 14, 2023 09:56 GMT)

H Blakeley

Director

Statement of changes in equity for the year ended 30 June 2022

	Share capital \$'000	Share Premium \$'000	Profit and loss account \$'000	Total \$'000
At 1 January 2021	1	143,999	13,626	157,626
Profit for the financial period and total comprehensive income	—	—	874	874
At 30 June 2021	<u>1</u>	<u>143,999</u>	<u>14,500</u>	<u>158,500</u>
Profit for the financial period and total comprehensive income	—	—	21	21
At 30 June 2022	<u>1</u>	<u>143,999</u>	<u>14,521</u>	<u>158,521</u>

Notes to the financial statements for the year ended 30 June 2022 (continued)

1. Legal information, basis of accounting and accounting policies

Lloyd's Register Finance Limited (the Company) is a private company limited by shares under the Companies Act 2006, registered in Scotland. Its registered office is disclosed on page 1 and its principal activities are disclosed within the Director's report.

- a. The financial statements are prepared under the historical cost convention and in accordance with applicable Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

US dollars is considered the currency of the primary economic environment in which the Company operates. The financial statements are also presented in US dollars and all values are rounded to the nearest thousand dollars (\$'000), except where otherwise indicated.

Lloyd's Register Finance Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments, intra-group transactions, presentation of a cash flow statement and remuneration of key management personnel.

- b. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not, that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

- c. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).
- d. Foreign currencies are dealt with as follows:
- i. Foreign currency denominated monetary assets and liabilities of Lloyd's Register Finance Limited are translated at the rate of exchange ruling at the balance sheet date. Income and expenditure for the period are translated at the appropriate rates prevailing during the period, updated on a monthly basis.
 - ii. Exchange differences are shown in the profit and loss account.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements for the year ended 30 June 2022 (continued)

Recoverability of intercompany receivables

At 30 June 2022, the Company's intercompany debtors had a carrying value of \$158.5m. The Directors use their judgement in estimating the recoverable amount of each debtor by considering each counterparty's net asset position and expected future performance. Forecasts of future performance require judgement based upon historical experience as well as input from external sources where applicable. To the extent that actual recovery experience differs significantly from the assumptions on recovery the profit and loss account of the Company in future years may be materially affected.

2. Ownership of share capital

The issued share capital is held by Lloyd's Register Group Limited, a company registered in England and Wales. The ultimate beneficial interest in the issued share capital of the Company is held by Lloyd's Register Foundation, a company registered in England and Wales and a registered charity.

3. Share capital

	30 June 2022	30 June 2021
	\$	\$
Issued, called up and fully paid		
1 Ordinary share of £1 each	1	1
1,000 Ordinary shares of \$1.29 each	1,290	1,290
	<u>1,291</u>	<u>1,291</u>

4. Share premium

	30 June 2022	30 June 2021
	\$'000	\$'000
1,000 Ordinary shares with a premium of \$143,998.71 each	143,999	143,999

Notes to the financial statements for the year ended 30 June 2022 (continued)

5. Taxation

There is no current tax or deferred tax charge for either period.

The standard rate of tax applied to the reported profit is 19% (2021: 19%).

On 10 June 2021, new measures to increase the main corporation tax rates to 25% from 1 April 2023 were enacted. There is no deferred tax recognised and therefore no impact on the deferred tax balance from the rate increase.

The differences between the total tax charge and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows:

Factors affecting the charge for the period	12 months to 30 June	6 months to 30 June
	2022	2021
	\$'000	\$'000
Profit before taxation	21	874
Profit multiplied by average standard rate of United Kingdom corporation tax of 19% (2021: 19%)	4	166
Effects of:		
• Group relief claimed	(4)	(166)
	<u>—</u>	<u>—</u>

There are no recognised or unrecognised deferred tax assets as at 30 June 2022 (30 June 2021: \$nil).

6. Related party transactions and parent entities

The ultimate parent is Lloyd's Register Foundation, a company registered in England and Wales and a registered charity. The immediate parent is Lloyd's Register Group Limited, a company registered in England and Wales.

The Company has taken advantage of the exemption in Financial Reporting Standard 102, whereby transactions with fellow subsidiary companies ultimately 100% owned by the same parent are not required to be disclosed.

These financial statements are included in the consolidated financial statements of Lloyd's Register Foundation, whose financial statements are available from 71 Fenchurch Street, London, EC3M 4BS.

The parent of the smallest group for which consolidated accounts are prepared of which this Company is a part is Lloyd's Register Group Limited, a Company registered in England and Wales. The financial statements of Lloyd's Register Group Limited are available from the above address.