

**NUPPP (CARE TECHNOLOGY AND LEARNING CENTRES)
LIMITED**

Registered in England and Wales No: 3649480

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

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NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Directors, Officers and Other Information

Directors:

D G Murphy
S Shields

Officer – Company Secretary

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Bankers

Bank of Scotland
London Chief Office
38 Threadneedle Street
London
EC2P 2EH

Registered Office

St Helen's
1 Undershaft
London
EC3P 3DQ

Company Number

Registered in England and Wales No. 3649480

Directors' Report

For the year ended 31 December 2019

The directors present their report and audited financial statements for the Company for the year ended 31 December 2019.

Directors

The current directors and those in office during the year are as follows:

I G Berry (resigned 20th January 2020)
N D G Brown (resigned 3 April 2019)
N Tebbutt (resigned 6 March 2020)
D G Murphy (appointed 24th January 2020)
S Shields (appointed 6 March 2020)

Principal Activities

The Company is parent to seven companies that are involved in Private Finance Initiatives ('PFI') with Sussex Partnership NHS Foundation Trust ('NHS Trust') and Hackney Council to provide facility management services to mental health units, council offices and a library.

The directors have reviewed the activities of the business for the year and the position as at 31 December 2019 and consider them to be satisfactory.

Future Outlook

There are no changes expected to the Company's activities for the foreseeable future.

Going Concern

At the balance sheet date the Company had net assets of £578,746 (2018: £290,966). After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Events after the reporting financial year

On January 30, 2020, the World Health Organisation declared the coronavirus (COVID-19) a public health emergency. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic, and, as a result, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

UK real estate is yet to see the full impact of COVID-19 in terms of investment and occupier activity. Liquidity and transaction volumes for all but the best quality real estate are likely to be depressed for the immediate period, although it is too early to tell what the longer-term effects may be. Various initiatives have been enacted across government and the industry to protect occupiers.

Given the emergence and spread of COVID-19 occurred in 2020, it is not considered relevant to conditions that existed at the balance sheet date. Consequently COVID-19 is considered to be a non-adjusting post balance sheet event. The Company holds loan receivables from its subsidiaries. The subsidiaries invest in real estate long income assets in the form of PFI concessions. The Directors have assessed the receivables from PFI concessions held by the subsidiaries by reviewing the borrower strength. All PFI receivables are from the NHS Trust and Hackney Council which are backed by UK Government. The Company whilst not immune from the challenges likely to be presented to the wider market, should be well positioned compared to traditional real estate because of its focus on long-term contractual cashflows from strong tenant counter parties.

Directors' Report (continued)

For the year ended 31 December 2019

Events after the reporting financial year (continued)

As at 31 December 2019, the Company had net current assets of £578,739 excluding loan receivables. Working capital requirements are typically met through interest received from its subsidiaries. The principal liability of the Company is the loan payable from Norwich Union Public Private Partnership Fund Partnership. Interest expense on the loan payable is subject to availability of interest income from loan receivables within the Company. Following the outbreak of the COVID-19 pandemic subsequent to the year end, the Directors have assessed the financial and liquidity positions of the Company and have concluded that on this basis it continues to be a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Director and there are no events to be disclosed or adjusted for in these audited financial statements, except those noted above.

Employees

The Company has no employees (2018: nil).

Statement of Disclosure of Information to the Auditors

Each person who was a director of the Company on the date that this report was approved, confirms that:

- (a) so far as the director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware; and
- (b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent Auditors

It is the intention of the directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of Section 487 of the Companies Act 2006.

Qualifying Indemnity Provisions

The directors have the benefit of an indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in section 234 of the Companies Act 2006.

Aviva plc granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985 (which continue to apply in relation to any provision made before 1 October 2007). This indemnity is a 'qualifying third party indemnity' for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the Directors' Report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Directors' Report (continued)

For the year ended 31 December 2019

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in section 415A of the Companies Act 2006. A strategic report has not been included in these audited financial statements as the Company qualifies for exemption as a small entity under Section 414B of the Companies Act 2016 relating to small entities.

Directors' confirmations

The directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.

On behalf of the Board

DocuSigned by:

5C8337DFCE0F4DC...
D G Murphy
Director
4 September 2020

Independent auditors' report to the members of NUPPP (Care Technology and Learning Centres) Limited

Report on the audit of the financial statements

Opinion

In our opinion, NUPPP (Care Technology and Learning Centres) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2019; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

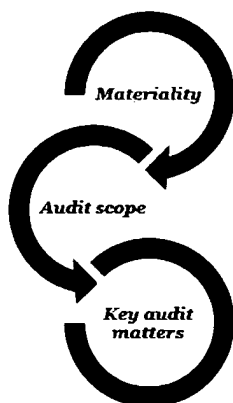
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approaches

Overview



- Overall materiality: £332,460 based on 1% of total assets.
-

- We performed a full scope audit of the complete financial information in accordance with our materiality and risk assessment.
-

- Consideration of impact of Covid-19
-

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Independent auditors' report to the members of NUPPP (Care Technology and Learning Centres) Limited (Continued)

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<i>Consideration of impact of COVID-19</i> Refer to the Directors report (page 3) and subsequent events (page 22), which disclose the impact of the COVID-19 pandemic. From a small number of cases of an unknown virus in 2019, the COVID-19 viral infection has become a global pandemic. It has caused disruption to supply chains and travel, slowed global growth and caused volatility in global markets and in exchange rates during the first and second quarter of 2020 and to date. Given the emergence and spread of COVID-19 occurred in 2020, it is not considered relevant to conditions that existed at the balance sheet date. Consequently COVID-19 is considered to be a non-adjusting post balance sheet event. The directors have prepared the financial statements of the Company on a going concern basis, and believe this assumption remains appropriate. This conclusion is based on the assessment that, notwithstanding the significant market uncertainties, they are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and that its PFI assets are backed by the UK government.	We evaluated the directors' assessment of the impact of the COVID-19 pandemic on the Company by: • We obtained and evaluated the directors' going concern assessment which reflects conditions up to the point of approval of the financial Statements. • Evaluating the reasonableness of the assumptions in the directors' evaluation. • Evaluating the directors' assessment of operational impacts, considering the consistency with other available information and our understanding of the business and assessing the potential impact on the financial statements. • We evaluated and assessed the analysis performed over the ability of the entity to continue as a going concern. Given that the income of this entity is dependent solely on the ability of its subsidiaries to continue making interest payments, the subsidiaries have been assessed and it has been found that they have sufficient reserves to continue making interest payments even if they do not receive any income for at least 12 months from the date of signing Based on the work performed and the evidence obtained, we consider the disclosure of the impact of COVID-19 in the financial statements to be appropriate.

How we tailored the audit scope

NUPPP (Care Technology & Learning Centre) Limited is a holding Company intended to hold, and make advances under, loans to subsidiaries. The company is primarily financed by loans issued to Norwich Union Public Private Partnership Fund.

We tailored the scope of our audit taking into account the types of investments within the company, the involvement of the Investment Manager, the accounting processes and controls, and the industry in which the company operates.

Independent auditors' report to the members of NUPPP (Care Technology and Learning Centres) Limited (Continued)

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£332,460
How we determined it	1% of total assets.
Rationale for benchmark applied	We believe that total assets is the primary measure used by the unit holders of Lime Property Fund Unit Trust - being the ultimate users of financial statements - in assessing the performance of the entity. Furthermore, the entity's revenue comes from its investments and as such total assets is deemed to be the appropriate benchmark.

We agreed with the directors that we would report to them misstatements identified during our audit above £16,623 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of NUPPP (Care Technology and Learning Centres) Limited (Continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

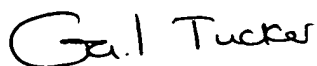
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of NUPPP (Care Technology and Learning Centres) Limited (Continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Gail Tucker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
4 September 2020

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Statement of Comprehensive Income
for the year ended 31 December 2019

	Note	2019 £	2018 (restated) £
Other interest receivable and similar income	6	2,133,058	2,133,059
Income received from investments	7	3,640,000	-
		5,773,058	2,133,059
Interest payable and similar expenses	8	2,113,780	2,113,780
Administrative expenses	9	16,498	7,213
		(2,130,278)	(2,120,993)
Operating profit		3,642,780	12,066
Profit before taxation		3,642,780	12,066
Tax on profit	10	-	(940)
Total comprehensive income for the financial year		3,642,780	11,126

In order to appropriately reflect the income and expense generated from the operations of the Company as a parent to seven companies, in the current financial statements, the prior year balances on the statement of comprehensive income have been restated to reclassify following:

- a. Interest receivable and similar income of £ 2,133,059 to operating income and
- b. Interest payable and similar expenses of £ 2,113,780 to operating expense

There is no impact on the statement of financial position, statement of changes in equity and shareholder's fund for year ended 31 December 2018.

Continuing operations

All amounts reported in the Statement of Comprehensive Income for the years ended 31 December 2019 and 31 December 2018 relate to continuing operations.

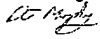
The notes on pages 14 to 23 form an integral part of these financial statements.

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Statement of Financial Position
as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	12	7	7
Current assets			
Cash at bank and in hand		578,427	285,347
Debtors: amounts falling due after more than one year	13	32,129,402	32,129,402
Debtors: amounts falling due within one year	13	-	4,630
Prepayments and accrued income	14	538,207	538,178
Total current assets		33,246,036	32,957,557
Creditors: amounts falling due within one year	15	(537,895)	(537,196)
Net current assets		32,708,141	32,420,361
Total assets less current liabilities		32,708,148	32,420,368
Creditors: amounts falling due after more than one year	16	(32,129,402)	(32,129,402)
Net assets		578,746	290,966
Capital and reserves			
Called up share capital	18	200	200
Retained earnings		578,546	290,766
Total shareholder's funds		578,746	290,966

The financial statements on pages 11 to 23 were approved by the Board of Directors on 4 September 2020 and signed on its behalf by:

DocuSigned by:

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D G Murphy
Director

The notes on pages 14 to 23 form an integral part of these financial statements.

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Statement of Changes in Equity
for the year ended 31 December 2019

	Note	Called up share capital £	Retained Earnings £	Total shareholder's funds £
Balance as at 1 January 2018		200	279,640	279,840
Profit for the financial year		-	11,126	11,126
Total comprehensive income for the year		-	11,126	11,126
Balance as at 31 December 2018		200	290,766	290,966
Balance as at 1 January 2019		200	290,766	290,966
Profit for the financial year		-	3,642,780	3,642,780
Total comprehensive income for the year		-	3,642,780	3,642,780
Dividend	11	-	(3,355,000)	(3,355,000)
Balance as at 31 December 2019		200	578,546	578,746

The notes on pages 14 to 23 form an integral part of these financial statements.

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

Notes to the financial statements
for the year ended 31 December 2019

1. General information

The NUPPP (Care Technology and Learning Centres) Limited is parent to seven companies that are involved in Private Finance Initiatives ('PFI') with Sussex Partnership NHS Foundation Trust ('NHS Trust') and Hackney Council to provide facility management services to mental health units, council offices and a library.

The Company is a private company limited by shares and is incorporated in England. The registered office is St Helen's, 1 Undershaft, London, EC3P 3DQ.

2. Statement of compliance

The individual financial statements of NUPPP (Care Technology and Learning Centres) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. 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. The company has adopted FRS 102 in these financial statements.

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 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 areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

b) Strategic report and Directors' report

A strategic report has not been included in these audited financial statements as the Company qualifies for exemption as a small entity under Section 414B of the Companies Act 2006 relating to small entities. The Directors' report has been prepared with reduced disclosures in accordance with the provisions applicable to companies entitled to the small companies exemption in section 415A of the Companies Act 2006.

c) Cash flow statement

The Company has taken advantage of the exemption, under FRS102, from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Company's cash flows are included within the consolidated statement of cash flows of its parent entity Norwich Union Public Private Partnership Fund

d) Basis of consolidation

The Company has taken advantage of exemptions under section 400 of the Companies Act 2006 not to prepare group financial statements as it and its subsidiaries are included in the consolidated financial statements of Norwich Union Public Private Partnership Fund.

e) Going concern

At the balance sheet date the Company had net assets of £578,746 (2018: £290,966). The directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future trading performance. After making enquiries, the directors 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.

NUPPP (Care Technology and Learning Centres) Limited
Registered in England and Wales: No. 3649480

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

3. Accounting policies (continued)

f) Taxation

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

g) Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

h) Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Basic financial assets, including debtors and cash at bank and in hand balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets that are classified as receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be received, net of impairment.

NUPPP (Care Technology and Learning Centres) Limited
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Notes to the financial statements (continued)
for the year ended 31 December 2019

3. Accounting policies (continued)

h) Financial instruments

(i) Financial assets (continued)

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Basic financial liabilities are initially measured at transaction price (including transaction costs).

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Debt instruments that are classified as payable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid, net of impairment.

Other debt instruments not meeting these conditions are measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, is cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Interest receivable and similar income

Interest receivable on cash and cash on deposit is recognised on an accruals basis.

Interest receivable on loans is charged to the Statement of Comprehensive Income using the effective interest rate (EIR) method.

j) Dividend income

Dividend income is recognised when the right to receive payment is established.

k) Interest payable and similar expenses

Interest payable on loans is charged to the Statement of Comprehensive Income using the effective interest rate (EIR) method.

l) Distributions

Dividends to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's Directors. These amounts are recognised in the statement of changes in equity.

m) Functional currency

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

NUPPP (Care Technology and Learning Centres) Limited
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Notes to the financial statements (continued)

for the year ended 31 December 2019

3. Accounting policies (continued)

n) Related party transactions

The Company, being an indirect wholly owned subsidiary of Norwich Union Public Private Partnership Fund, has taken advantage of the exemption under the terms of the FRS 102 from disclosing related party transactions with entities that are part of the group headed by Norwich Union Public Private Partnership Fund.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for fund investment advisory and assessing performance of the operating segments, has been identified as the Directors of NUPPP (GP) Limited (the "General Partner") who act as General Partner to Norwich Union Public Private Partnership Fund the parent of the Company and make strategic decisions for the Company.

4. Critical accounting adjustments and estimation uncertainty

The preparation of the Company's Financial Statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

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.

Non-financial assets and financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an assets net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

In the process of applying the Company's accounting policies, the directors do not believe there are any judgements and estimates which have a significant effect on the amounts recognised in the Financial Statements.

5. Segment information

The Directors of the General Partner make the strategic investment decisions on behalf of the parent which is applied to the Company. The Company has determined the operating segments based on the reports reviewed by the Directors of the General Partner, which are used to make strategic decisions. The Directors of the General Partner are responsible for the parent's entire portfolio of investments and consider the business to have a single operating segment. The Directors' investment advisory decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis. The Company holds debt receivables from the subsidiaries for funding the construction of investment properties leased out under PFI agreement. The internal reporting provided to the Directors of the General Partner for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of FRS 102. There were no changes in the reportable segments during the year. The Company is domiciled in the United Kingdom. All of the Company's income is from investments in entities incorporated in the United Kingdom. The Company, being an indirect, wholly owned subsidiary of Norwich Union Public Private Partnership Fund.

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

6. Other interest receivable and similar income

	2019 £	2018 £
Interest receivable on loans due from group undertakings	2,133,058	2,133,059
Total interest receivable and similar income	<u>2,133,058</u>	<u>2,133,059</u>

All revenue consists of interest from related entities within the UK. Chief operating decision makers have not identified separate reportable segments and rely on information presented in the Statement of Comprehensive Income and the Statement of Financial Position for decision making purposes.

7. Income received from investments

	2019 £	2018 £
Dividends received	3,640,000	-
Total income received from investments	<u>3,640,000</u>	<u>-</u>

8. Interest payable and similar expenses

	2019 £	2018 £
Interest payable on loans due to group undertakings	2,113,780	2,113,780
Total interest payable and similar charges	<u>2,113,780</u>	<u>2,113,780</u>

9. Administrative expenses

	2019 £	2018 £
Independent auditors' fees – audit services	5,853	4,179
Taxation services	3,416	1,243
Other costs	2,599	1,791
Impairment of debtors	4,630	-
Total administrative expenses	<u>16,498</u>	<u>7,213</u>

The Company had no employees during the financial year (2018: nil). The Directors received no emoluments for services to the Company for the financial year (2018: £nil)

During the year no non-audit fees were paid to statutory auditors (2018: £nil).

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

10. Tax on profit

(a) Tax reconciliation

	2019 £	2018 £
Current tax		
UK corporation tax charge on profit for the year	-	940
Tax on profit	-	940

(b) Factors affecting current tax charge for the year

	2019 £	2018 £
Profit before taxation	3,642,780	12,066
Current charge at standard UK corporation tax rate of 19% (2018: 19%)	692,128	2,293
Effects of:		
Income not chargeable for tax purposes	(691,600)	-
Group Relief surrendered	(528)	-
Adjust opening deferred tax to average rate of 19% (2018: 19%)	-	(143)
Deferred tax not recognised	-	(1,210)
Total tax charge	-	940

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly the Company's profit for this accounting year are taxed at a standard rate of 19%. (2018: 19%)

Legislation already enacted at the balance sheet date meant that the corporate tax rate was expected to reduce to 17% from 1st April 2020. However, the March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge.

11. Dividends

	2019 £	2018 £
Dividends paid: £3,355,000 (2018: £ nil) per share	3,355,000	-

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

12. Investments

	2019 £	2018 £
At 1 January and 31 December 2019	7	7

Investments in group undertakings are stated at cost less impairment.

The Company's 100% trading subsidiaries are as follows:

NU Local Care Centres (Chichester No 1) Limited
NU Local Care Centres (Chichester No 2) Limited
NU Local Care Centres (Chichester No 3) Limited
NU Local Care Centres (Chichester No 4) Limited
NU Local Care Centres (Chichester No 5) Limited
NU Local Care Centres (Chichester No 6) Limited
NU Technology and Learning Centres (Hackney) Limited

The results and net assets of these subsidiaries are consolidated in the financial statements of Norwich Union Public Private Partnership Fund, which are publicly available.

NUPPP (Care Technology and Learning Centres) Limited holds one £1 ordinary share in each of the above companies. The principal activity of the companies is to provide facility management services to mental health units in Chichester and council offices and a library in Hackney.

NUPPP (Care Technology and Learning Centres) Limited also held one £1 ordinary share in each of the following dormant 100% subsidiary undertakings which were dissolved during the prior year:

NU Local Care Centres Limited
NU Technology and Learning Centres Limited

The registered address of all the Company's trading subsidiaries is St Helen's, 1 Undershaft, London, EC3P 3DQ

13. Debtors

	2019 £	2018 £
Amounts falling due after more than one year:		
Amounts owed by group undertakings (7.00%)	8,929,402	8,929,402
Amounts owed by group undertakings (6.50%)	23,200,000	23,200,000
Total debtors amounts falling due after more than one year	32,129,402	32,129,402
Amounts falling due within one year:		
Other debtors	-	4,630
Total debtors amounts falling due within one year	-	4,630
Total debtors	32,129,402	32,134,032

The loans are unsecured and repayable in full on 31 March 2031. Interest is charged on these loans at an annual rate of 7.00% and 6.50% (2018: 7.00% and 6.50%).

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

14. Prepayments and accrued income

	2019 £	2018 £
Accrued income	537,648	537,648
Prepayments	559	530
Total prepayments and accrued income	<u>538,207</u>	<u>538,178</u>

15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	1,309
Amounts owed to group undertakings	941	941
Accruals and deferred income	536,954	534,946
Total creditors amounts falling due within one year	<u>537,895</u>	<u>537,196</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings		
Loan (6.94%)	8,929,402	8,929,402
Loan (6.44%)	23,200,000	23,200,000
Total amounts owed to group undertakings	<u>32,129,402</u>	<u>32,129,402</u>

The loans are unsecured and repayable in full on 31 March 2031. Interest is charged on these loans at an annual rate of 6.94% and 6.44% (2018: 6.94% and 6.44%).

17. Deferred taxation

	2019 £	2018 £
Balance as at 1 January	-	1,210
Change for the year	-	(1,210)
Balance as at 31 December	<u>-</u>	<u>-</u>

18. Called up share capital

	2019 £	2018 £
The allotted, called up and fully paid share capital of the Company at 31 December was:		
200 (2018: 200) ordinary shares of £1 each	<u>200</u>	<u>200</u>

19. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the balance sheet date (2018: £nil).

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

20. Related party transactions

The Company, being an indirect, wholly owned subsidiary of Norwich Union Public Private Partnership Fund, has taken advantage of the exemption under the terms of the FRS 102 from disclosing related party transactions with entities that are part of the group headed by Norwich Union Public Private Partnership Fund.

Copies of the financial statements of Norwich Union Public Private Partnership Fund are available on application to the Company Secretary, Aviva Investors, St Helen's, 1 Undershaft, London, EC3P 3DQ.

21. Parent and ultimate controlling entity

The Company's immediate parent undertaking is NU3PS Limited. Norwich Union Public Private Partnership Fund Partnership, which has 100% interest of the immediate parent undertaking is the smallest group of undertakings to provide consolidated financial statements for the years ended 31 December 2019 and 31 December 2018. The consolidated financial statements of Norwich Union Public Private Partnership Fund are available on application to:

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft, London
EC3P 3DQ

The General Partner of the Norwich Union Public Private Partnership Fund is NUPPP (GP) Limited, a company incorporated in Great Britain and registered in England and Wales.

The Norwich Union Public Private Partnership Fund is controlled by NUPPP (GP) Limited however, the beneficial interest is held by The Lime Property Fund Limited Partnership. The Lime Property Fund Limited Partnership is the largest group to provide consolidated financial statements for the years ended 31 December 2019 and 31 December 2018, including the results of the Norwich Union Public Private Partnership Fund (and therefore this company) and are available on application to:

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft, London
EC3P 3DQ

The Lime Property Fund Limited Partnership is controlled by The Lime (General Partner) Limited but its ultimate parent undertaking is Lime Property Fund Unit Trust, which is registered in Jersey.

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

22. Subsequent events

On January 30, 2020, the World Health Organisation declared the coronavirus (COVID-19) a public health emergency. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic, and, as a result, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

UK real estate is yet to see the full impact of COVID-19 in terms of investment and occupier activity. Liquidity and transaction volumes for all but the best quality real estate are likely to be depressed for the immediate period, although it is too early to tell what the longer-term effects may be. Various initiatives have been enacted across government and the industry to protect occupiers.

Given the emergence and spread of COVID-19 occurred in 2020, it is not considered relevant to conditions that existed at the balance sheet date. Consequently COVID-19 is considered to be a non-adjusting post balance sheet event. The Company holds loan receivables from its subsidiaries. The subsidiaries invest in real estate long income assets in the form of PFI concessions. The Directors have assessed the receivables from PFI concessions held by the subsidiaries by reviewing the borrower strength. All PFI receivables are from the NHS Trust and Hackney Council which are backed by UK Government. The Company whilst not immune from the challenges likely to be presented to the wider market, should be well positioned compared to traditional real estate because of its focus on long-term contractual cashflows from strong tenant counter parties.

As at 31 December 2019, the Company had net current assets of £578,739 excluding loan receivables. Working capital requirements are typically met through interest received from its subsidiaries. The principal liability of the Company is the loan payable from Norwich Union Public Private Partnership Fund Partnership. Interest expense on the loan payable is subject to availability of interest income from loan receivables within the Company. Following the outbreak of the COVID-19 pandemic subsequent to the year end, the Directors have assessed the financial and liquidity positions of the Company and have concluded that on this basis it continues to be a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Director and there are no events to be disclosed or adjusted for in these audited financial statements, except those noted above.