

NU LOCAL CARE CENTRES (FARNHAM) LIMITED

Registered in England and Wales No. 4187974

ANNUAL REPORT AND FINANCIAL STATEMENTS 2015



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Directors, Officers and Other Information

Directors

F J Helliwell
H Murphy

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

No.1 Poultry
London
EC2R 8EJ

Company Number

Registered in England and Wales: No. 4187974

Other Information

NU Local Care Centres (Farnham) Limited (the 'Company') is a member of the Aviva plc group of companies (the 'Aviva Group').

Directors' Report for the year ended 31 December 2015

The directors present their report and audited financial statements for the Company for the year ended 31 December 2015.

Directors

The current directors and those in office throughout the year, except as noted, are as follows:

F J Helliwell appointed 17 June 2015

H Murphy appointed 17 June 2015

D A S Dahan resigned 30 June 2015

I B Womack resigned 30 June 2015

Principal Activities

The Company's principal activity is to provide facilities management services to a healthcare unit constructed under a private finance initiative ("PFI") with the Surrey and Hampshire Borders NHS Trust.

The directors have reviewed the activities of the business for the year and the position as at 31 December 2015 and consider them to be satisfactory.

Future Outlook

The directors expect the level of activity to be maintained in the foreseeable future.

Dividend

The directors do not recommend the payment of a dividend for the financial year ending 31 December 2015 (2014:£nil).

Going Concern

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.

Events after the reporting financial year

On 23 June 2016 the UK electorate voted to leave the European Union. This decision commences a process that is likely to take a minimum of two years to complete, and during this time the UK remains a member of the European Union. There will be a resulting period of uncertainty for the UK economy, with increased volatility expected in the financial markets. This does not impact the fair value of assets and liabilities, reported at the balance sheet date of 31 December 2015.

Employees

The Company has no employees (2014: nil).

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.

Directors' Report for the year ended 31 December 2015 (continued)

Independent Auditors

It is the intention of the directors to reappoint the auditors 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, the Company's ultimate parent, 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.

Statement of Directors' Responsibilities

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

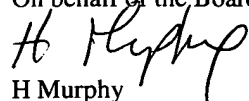
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) comprising Financial Reporting Standards 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholder's in writing about the use of disclosure exemptions, if any, on FRS 102 used in the preparation of 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 and 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.

In preparing their report, the directors' have taken advantage of the exemption for small companies in accordance with section 415(A) of the Companies Act 2006.

On behalf of the Board 22 July 2016:


H Murphy
Director

Independent auditors' report to the members of NU Local Care Centres (Farnham) Limited

Report on the financial statements

Our opinion

In our opinion, NU Local Care Centres (Farnham) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.
-

What we have audited

The financial statements, included within the Annual Report and Financial Statements 2015, comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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 from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Sandra Dowling (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

22 July 2016

Statement of Comprehensive Income
for the year ended 31 December 2015

	Note	2015 £	2014 (restated) £
Turnover	5	3,163,805	3,082,709
Cost of sales	6	(3,070,079)	(2,980,292)
Gross profit		93,726	102,417
Administrative expenses	7	(101,760)	(100,410)
Operating (loss)/profit		(8,034)	2,007
Interest receivable and similar income	8	20,580	19,114
Profit on ordinary activities before taxation		12,546	21,121
Tax on profit on ordinary activities	9	(8,767)	(37,100)
Total comprehensive income/(loss) for the year		3,779	(15,979)

Continuing operations

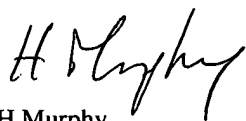
All amounts reported in the statement of comprehensive income for the years ended 31 December 2015 and 31 December 2014 relate to continuing operations.

The notes on pages 10 to 18 form an integral part of these financial statements.

Statement of Financial Position
as at 31 December 2015

	Note	2015 £	2014 (restated) £
Current assets			
Debtors: amounts falling due after more than one year	10	2,157,330	2,159,830
Debtors: amounts falling due within one year	10	1,902	902
Prepayments and accrued income	11	319,502	287,132
Cash at bank and in hand	12	4,188,749	3,529,389
Total current assets		6,667,483	5,977,253
Creditors: amounts falling due within one year	13	(6,088,065)	(5,401,614)
Net current assets		579,418	575,639
Net assets		579,418	575,639
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account		579,318	575,539
Total shareholders' funds		579,418	575,639

These audited financial statements were approved and authorised for issue by the Board of Directors on 22 July 2016 and were signed on its behalf by:



H Murphy
Director

The notes on pages 10 to 18 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2015

	Note	Called up share capital £	Profit and loss account £	Total Shareholders' funds £
Restated balance as at 1 January 2014	18	100	591,518	591,618
Loss for the financial year	18	-	(15,979)	(15,979)
Total comprehensive loss for the financial year		-	(15,979)	(15,979)
Restated balance as at 31 December 2014		100	575,539	575,639
Balance as at 1 January 2015		100	575,539	575,639
Profit for the financial year		-	3,779	3,779
Total comprehensive income for the financial year		-	3,779	3,779
Balance as at 31 December 2015		100	579,318	579,418

The notes on pages 10 to 18 form an integral part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2015

1. General information

NU Local Care Centres (Farnham) Limited provide facilities management services to a healthcare unit constructed under a private finance initiative ("PFI") with the Surrey and Hampshire Borders NHS Trust.

The Company which was incorporated in the United Kingdom is registered as a private company limited by its shares and its registered address is No.1 Poultry, London, EC2R 8EJ.

2. Statement of compliance

The individual financial statements of NU Local Care Centres (Farnham) 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. Details of the transition to FRS 102 are disclosed in note 20.

A first-time adopter of FRS 102 that is an operator in a service concession arrangement is not required to apply paragraphs 34.12I to 34.16A of FRS 102 to arrangements that were entered into before the date of transition to the standard. Therefore the Company's concession arrangements continue to be accounted for using the same accounting policies being applied at the date of transition.

a) Basis of preparation

The financial statements have been 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.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 20.

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.

b) Strategic 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 382 of the Companies Act 2006 relating to small companies.

c) Going concern

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.

d) Cash flow statement

The Company has taken advantage of the exemption, under FRS 102, from preparing a statement of cash flows, on the basis that it is a wholly owned subsidiary of the Norwich Union Public Private Partnership Fund and the Company's cash flows are included within the consolidated statement of cash flows of Norwich Union Public Private Partnership Fund.

Notes to the financial statements (continued)
for the year ended 31 December 2015

3. Accounting policies (continued)

e) Cash at bank and in hand

Cash at bank and in hand comprises of cash and cash on deposit, both of which are immediately available and cash held within the sinking fund which is not immediately available.

f) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102. Deferred tax assets are recognised to the extent that it is regarded as more likely than not profits will be available against which they can be realised.

Tax is based on profit for the year and charged at the standard UK corporation tax rate.

g) Other payables

Other payables are recognised on an accruals basis.

h) Administrative expenses

Administrative expenses include audits fees and other consultancy fees and are recognised on an accruals basis.

i) 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 FRS 102 from disclosing related party transactions with entities that are part of the group headed by Norwich Union Public Private Partnership Fund.

j) 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 trade and other receivables, 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 costs 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.

Notes to the financial statements (continued)
for the year ended 31 December 2015

3. Accounting policies (continued)

j) Financial instruments (continued)

(i) Financial assets (continued)

If there is 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.

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), except for those financial liabilities classified as at fair value through the Statement of Comprehensive Income, which are initially measured at fair value (which is normally the transaction price excluding 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 or received, 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, 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.

4. Critical accounting judgements and key sources of 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.

Notes to the financial statements (continued)
for the year ended 31 December 2015

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

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.

In the process of applying the Company's accounting policies, the directors has made the following judgements which have the most significant effect on the amounts recognised in the Financial Statements:

i. Non-financial assets are reviewed for impairment at each balance sheet date. 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 asset's 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.

5. Turnover

Turnover which excludes value added tax, represents rents and service charges due for the year, amounts invoiced in respect of facilities management services provided, and other income earned under a PFI concession agreement, dated 29 October 2001.

There is no geographical business segment and thus segmental disclosures of turnover are not provided.

6. Cost of sales

Cost of sales includes amounts invoiced in respect of facilities management services provided, and other expenses incurred on an accruals basis.

7. Administrative expenses

	2015	2014 (restated)
	£	£
Auditors' fees - audit services	3,860	3,784
Fund Manager's Fees	7,498	6,938
Asset & Operations Management Fees	86,682	85,127
Taxation services	3,614	4,542
Other costs	106	19
Total interest receivable and similar income	101,760	100,410

The Company had no employees during the financial year (2014: nil).

The directors received no emoluments for services to the Company for the financial year (2014: nil).

8. Interest receivable and similar income

	2015	2014
	£	£
Interest receivable	20,580	19,114
Total interest receivable and similar income	20,580	19,114

Notes to the financial statements (continued)
for the year ended 31 December 2015

9. Tax on profit on ordinary activities

(a) Tax reconciliation

	2015 £	2014 £
Current tax		
UK Corporation tax on profits for the year	-	38,112
Adjustments in respect of prior years	8,767	(1,012)
Total current tax	8,767	37,100
Deferred tax		
Short term timing differences	5,140	11,336
Accelerated capital allowances	2,165	5,196
Total deferred tax	7,305	16,532
Total tax on profit on ordinary activities	16,072	53,632

(b) Factors affecting current tax charge for the year

	2015 £	2014 £
Profit on ordinary activities before taxation	12,546	21,121
Current charge at standard UK corporation tax rate of 20.25% (2014: 21.50%)	2,540	4,540
Effects of:		
Other tax adjustments, reliefs and transfers	(159,329)	-
Group relief surrendered	150,439	-
Adjustments in respect of prior years	8,767	(1,012)
Adjustments in respect of previous years – deferred tax	(8,206)	-
Adjust closing deferred tax to average rate of 20.25% (2014: 21.50%)	17,945	4,339
Adjust opening deferred tax to average rate of 20.25% (2014: 21.50%)	(1,663)	(5,712)
Deferred tax asset not recognised	(1,726)	34,945
Current tax charge for the year	8,767	37,100
Total tax charge on ordinary activities for the year	8,767	37,100

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly the Company's profit for this accounting year are taxed at an effective rate of 20.25% (31 December 2014: 21.49%).

Notes to the financial statements (continued)
for the year ended 31 December 2015

9. Tax on profit on ordinary activities (continued)

(c) Deferred tax

	2015 £	2014 £
Balance as at 1 January	136,471	119,939
Charge for the year	7,305	16,532
Balance as at 31 December	143,776	136,471

The provision for deferred taxation is made up of:

	2015 £	2014 £
Short term timing differences	118,075	112,935
Accelerated capital allowances	25,701	23,536
Deferred tax asset not provided	143,776	136,471

The above deferred tax assets have not been recognised because there is insufficient evidence under FRS 102 as to the availability of suitable taxable profits in the foreseeable future.

Legislation already enacted at the balance sheet date means that the corporate tax rate is expected to reduce to 19% from 1 April 2017 and then 18% from 1 April 2020. On this basis, the closing unrecognised deferred tax asset balance has been tax effected at the rate of 18%.

10. Debtors

	2015 £	2014 £
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,157,330	2,159,830
Total debtors amounts falling due after more than one year	2,157,330	2,159,830
Amounts falling due within one year:		
Other debtors	1,902	902
Total debtors amounts falling due within one year	1,902	902
Total debtors	2,159,232	2,160,732

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

11. Prepayments and accrued income

	2015 £	2014 £
Prepayments	8,698	10,669
Accrued income	310,804	276,463
Total prepayments and accrued income	319,502	287,132

12. Cash at bank and in hand

Cash at bank and in hand includes £3,103,468 (2014: £2,870,731) which relates to amounts paid by Surrey and Hampshire Borders NHS Trust into a sinking fund to fund the replacement and repair of certain assets. The cash cannot be accessed by the Company.

Notes to the financial statements (continued)
for the year ended 31 December 2015

13. Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	36,984	34,220
Sinking fund	3,103,468	2,870,731
Amounts owed to group undertakings	2,271,563	1,118,992
Sundry creditors - VAT	145,386	145,743
Accruals and deferred income	530,664	1,231,928
Total creditors amounts falling due within one year	<u>6,088,065</u>	<u>5,401,614</u>

Income received into the sinking fund is not recognised until the contractual obligations of the corresponding maintenance contract have been fulfilled. The amounts invoiced are recognised as a liability. Once the Company has fulfilled its contractual obligations under the maintenance contract it recognises the expenditure incurred and a corresponding amount is recognised as turnover in its Statement of Comprehensive Income.

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

14. Called up share capital

	2015 £	2014 £
The allotted, called up and fully paid share capital of the Company at 31 December was:		
100 (2014: 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

15. Contingent liabilities and capital commitments

There were no contingent liabilities or commitments at the balance sheet date (2014: £nil).

16. 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, No.1 Poultry, London EC2R 8EJ.

Notes to the financial statements (continued)
for the year ended 31 December 2015

17. Parent and ultimate controlling entity

The immediate parent undertaking is NU 3PS Limited.

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

The immediate parent undertaking of NUPPP (GP) Limited is Norwich Union (Shareholder GP) Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent undertaking and controlling party is Aviva plc, a company incorporated in the United Kingdom whose registered office is situated at St Helen's, 1 Undershaft, London EC3P 3DQ.

The consolidated financial statements of Aviva plc are available on application to the:

Group Company Secretary
Aviva plc
St Helen's
1 Undershaft, London
EC3P 3DQ

18. Events after the reporting financial year

On 23 June 2016 the UK electorate voted to leave the European Union. This decision commences a process that is likely to take a minimum of two years to complete, and during this time the UK remains a member of the European Union. There will be a resulting period of uncertainty for the UK economy, with increased volatility expected in the financial markets. This does not impact the fair value of assets and liabilities, reported at the balance sheet date of 31 December 2015.

Notes to the financial statements (continued)
for the year ended 31 December 2015

19. Prior year adjustments

Expenses that were invoiced to the Company in 2015 relating to prior years have now been allocated to the correct year. Set out below are the prior year adjustments which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between as previously reported in these financial statements.

	2014
Loss for the financial year	£
As previously reported	76,086
Administrative expenses	(92,065)
Restated loss	<u>(15,979)</u>

	1 January 2014	31 December 2014
Total shareholder's funds	£	£
As previously reported	1,327,030	1,403,116
Administrative expenses	(735,412)	(827,477)
Restated equity	<u>591,618</u>	<u>575,639</u>

Prior year expenses

During the year, the Company received invoices relating to expenses incurred in prior years. At 1 January 2014, an increase in the carrying value of the accruals and a corresponding reduction in equity of £735,412 was recognised, and administrative expenses of £92,065 were recognised in the year ended 31 December 2014. At that date an increase in liabilities and a reduction of equity of £827,477 was recognised.

20. Transition to FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. The transition to FRS 102 has resulted in no changes to the Company's equity as at 1 January 2014 or 31 December 2014, or to the Company's results for the year ended 31 December 2015.