

**ULIVING@ESSEX LIMITED**

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

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**ULIVING@ESSEX LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	D Vermeer M Fowkes R Gillespie
<b>Company secretary</b>	K Shah
<b>Registered number</b>	08038090
<b>Registered office</b>	3rd Floor South Building 200 Aldersgate Street London EC1A 4HD
<b>Independent auditor</b>	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW

**CONTENTS**

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	<b>Page</b>
<b>Strategic Report</b>	<b>1 - 3</b>
<b>Directors' Report</b>	<b>4 - 5</b>
<b>Directors' Responsibilities Statement</b>	<b>6</b>
<b>Independent Auditor's Report</b>	<b>7 - 9</b>
<b>Statement of Comprehensive Income</b>	<b>10</b>
<b>Statement of Financial Position</b>	<b>11</b>
<b>Statement of Changes in Equity</b>	<b>12 - 13</b>
<b>Notes to the Financial Statements</b>	<b>14 - 27</b>

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Introduction**

The Directors present their strategic report of ULiving@Essex Limited (the "Company") for the year ended 31 December 2019.

**Principal activities**

The principal activity of the Company is to design, build, finance and manage student accommodation for the period of 51 years from August 2012 to August 2063 pursuant to a project agreement dated 7 August 2012. The construction of the new accommodation achieved practical completion on 18 September 2013.

The Directors do not recommend the payment of a dividend (2018: £nil).

**Business review**

The loss for the year before taxation was £1,109k (2018: £1,917k).

The financial position of the Company is presented in the Statement of Financial Position. The Company had net liabilities of £17,635k (2018: 16,526k) and cash of £7,676k (2018: £7,850k) as at 31 December 2019.

Having completed the construction phase of the Meadows building in 2013, the Directors consider that the operating phase of the project is performing satisfactorily.

**Financial key performance indicators**

The Directors consider revenue, operating profit, profit before tax and profit after tax and achievement of milestones under the PFI/PPP concessions to be the key performance indicators of the Company. Through the contractual agreements in place, the SPV has to achieve various milestones during the year, in regards to financial reporting to lenders and requirements such as model submissions. The Directors are satisfied these contractual milestones have been achieved.

**Principal risks and uncertainties**

Under the terms of the PFI/PPP concession contracts, the Company is required to meet certain key performance targets. The Directors review actual performance against those targets on a regular basis to mitigate risks arising from contract activities.

**Financial management risk**

The Company's main commercial risks during the year are attributable to the collection of rent and repayment of senior loan facility.

The Company has committed term loan facilities which are secured on the assets and future revenues of the Company. Interest payments are indexed linked for the term of the loan.

The Company's cash flow risk is managed by monitoring cash flow as part of the day-to-day control procedures. The Directors consider cash flow projections to ensure appropriate facilities are available to be drawn as necessary.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Interest rate risk**

The Company has entered into a RPI linked interest rate loan to minimise risk from movement in base interest rates. Inflation risk is mitigated by linking RPI increases to rental income increases.

**Credit risk**

Credit risk is mitigated via monitoring the progress of the project against milestones under the concession agreement.

**Liquidity risk**

The Company manages its liquidity risk based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

**Section 172 Statement**

Under the requirements of section 172 Companies Act the Directors are required to make a statement on how they have carried out their duty to promote the success of the company for the benefit of its members as a whole having regard to the matters set out in section 172(1):

- (a) the likely consequences of any decision in the long-term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers, and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standard of business conduct;
- (f) the need to act fairly between members of the company.

The company is a SPV in that its purpose is to design, build, finance and manage student accommodation. All its services are sub contracted and, as such it does not have any employees. Therefore, the main stakeholders of the company are the shareholders, the university, service providers, bond guarantors and trustees.

**Shareholders**

An open communication is maintained with its shareholders on an on-going basis and as questions arise.

**The University**

A General Manager is appointed to deal with communications with the university, which are held formally on a regular basis and as well as ad hoc meetings when required to discuss any issues, nominations, student numbers, additional requirements of the university which will include major maintenance and variations.

The Board are regularly kept updated of the relationship with the university, the performance of the project, by way of quarterly management accounts and semi-annual model updates, the operational performance of the project via a General Manager's report and the KPI achievement as stated in the project agreement at the quarterly Board meetings. Robust service agreements with management service providers ensures sufficient controls are in place.

**Service providers**

A service provider manager handles the management of the project company's relationships with the University and its subcontractors through monthly operational meetings. The Board at the quarterly meetings reviews these relationships to ensure they are positive and deal with any issues promptly.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Bond guarantors and trustees**

Communication is maintained with its bond guarantors and trustees on an on-going basis and as questions arise. Information undertakings in the credit agreements ensure that semi-annual model updates are sent for approval to the security trustee as well as associated compliance certificates, submission of financial and operational reports and regular face to face project updates. The Security trustee also conducts site visit on an ad hoc basis and is encouraged to have discussions with the University. In addition Standard & Poor's, the credit rating agency, do a ratings confirmation on the listed bond taken out by the project and have review meetings on an annual basis with management.

Interactions for the appointment of the company's auditors, lawyers etc. are dealt with at Board level and reviewed at quarterly Board meetings.

The Board recognises its responsibility for promoting the long-term success of the company for the benefit of its members as a whole through the achievement of milestones under the PFI concessions.

This report was approved by the board on 26 June 2020 and signed on its behalf.



**R Gillespie**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Directors present their report and the financial statements for the year ended 31 December 2019.

**Results and dividends**

The loss for the year, after taxation, amounted to £1,109k (2018 - loss £1,917k).

There were no dividends declared or paid (2018:£Nil).

**Directors**

The Directors who served during the year were:

D Vermeer  
M Fowkes  
R Gillespie

**Going concern**

The Company meets its day to day working capital requirements principally through a mixture of shareholder loans and bond finance. The bond finance loans are in place to 2058 and interest payments have both fixed and variable elements, with the variable elements being linked to movements in RPI for the term of the loan.

The Company's forecasts and projections, taking into account reasonably possible changes in trading performance show that the Company should be able to operate within the level of its current facilities.

Even though the Company has a net liabilities position currently, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Directors continue to adopt the going concern basis on preparing the financial statements.

**Future developments**

The Directors of the Company are not aware of any circumstances by which the principal activity of the Company would alter or cease.

**Post balance sheet events**

Since the balance sheet date, the outlook of the UK and Global economy has become increasingly uncertain due to the spread of the COVID-19 virus. The Directors have held discussions with the University of Essex regarding their ability to pay Uliving@Essex Limited the committed rental amounts for the foreseeable future and, based on these discussions and to having a long term PFI contract in place with the University of Essex, they do not believe there to be any significant impact to the trading activities of the Company in the short to medium term.

**Qualifying third party indemnity provisions**

The Directors of ULiving@Essex Limited have qualifying third party indemnity provisions put in place through other companies of which they are also Directors.

**Matters covered in the strategic report**

The Company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out matters in the Strategic Report as required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, including all risk management policies.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

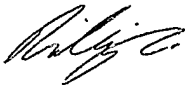
- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditor**

BDO LLP resigned as auditor in the year, and UHY Hacker Young LLP were appointed in their place.

The auditors, UHY Hacker Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 June 2020 and signed on its behalf.



R Gillespie  
Director



**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Directors are responsible for preparing the Strategic Report, 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ULIVING@ESSEX LIMITED**

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**Opinion**

We have audited the financial statements of ULiving@Essex Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the 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.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ULIVING@ESSEX LIMITED (CONTINUED)**

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misstatement in 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 in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ULIVING@ESSEX LIMITED (CONTINUED)**

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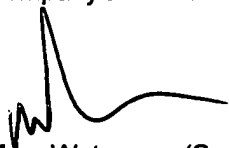
**Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Use of our report**

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



Marc Waterman (Senior Statutory Auditor)

for and on behalf of  
**UHY Hacker Young LLP**  
**Statutory Auditor, Chartered Accountants**

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

26 June 2020

**ULIVING@ESSEX LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
Turnover	4	7,459	7,021
Cost of sales		(2,964)	(2,814)
<b>Gross profit</b>		<b>4,495</b>	<b>4,207</b>
Administrative expenses		(1,594)	(1,579)
<b>Operating profit</b>	5	<b>2,901</b>	<b>2,628</b>
Interest receivable and similar income	8	340	337
Interest payable and expenses	9	(4,350)	(4,882)
<b>Loss before tax</b>		<b>(1,109)</b>	<b>(1,917)</b>
<b>Loss for the financial year</b>		<b>(1,109)</b>	<b>(1,917)</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 14 to 27 form part of these financial statements.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

**ULIVING@ESSEX LIMITED**  
**REGISTERED NUMBER: 08038090**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Intangible assets	11	56,474	57,767
		<u>56,474</u>	<u>57,767</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	12	31,251	31,257
Debtors Within One Year	12	1,031	990
Cash at bank and in hand	13	7,676	7,850
		<u>39,958</u>	<u>40,097</u>
Creditors: amounts falling due within one year	14	(5,717)	(5,943)
<b>Net current assets</b>		<u>34,241</u>	<u>34,154</u>
<b>Total assets less current liabilities</b>		<u>90,715</u>	<u>91,921</u>
Creditors: amounts falling due after more than one year	15	(108,350)	(108,447)
<b>Net liabilities</b>		<u>(17,635)</u>	<u>(16,526)</u>
<b>Capital and reserves</b>			
Called up share capital	18	15	15
Profit and loss account		(17,650)	(16,541)
		<u>(17,635)</u>	<u>(16,526)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2020.



**R Gillespie**  
Director

The notes on pages 14 to 27 form part of these financial statements.

The notes on pages 14 to 27 form part of these financial statements.

R Gillespie  
Director

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2020.

Capital and reserves		Note		
Profit and loss account	Called up share capital		2019 £000	2018 £000
(17,620)	12	18	(17,620)	12
(16,241)				
<u>(16,256)</u>			<u>(17,632)</u>	<u>(16,256)</u>
Net liabilities				
Creditors: amounts falling due after more than one year			2019 £000	2018 £000
12		12	(108,320)	(108,417)
<u>Total assets less current liabilities</u>			<u>90,712</u>	<u>91,921</u>
Net current assets				
Creditors: amounts falling due within one year			2019 £000	2018 £000
14		14	(2,717)	(2,943)
13		13	39,928	40,097
12		12	7,676	5,820
12		12	1,031	890
12		12	31,251	31,227
Debtors: amounts falling due after more than one year				
<u>Current assets</u>			<u>56,474</u>	<u>57,767</u>
Intangible assets				
Fixed assets			2019 £000	2018 £000
11		11	56,474	57,767

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019

REGISTERED NUMBER: 08038090  
ULIVING@ESSEX LIMITED

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**ULIVING@ESSEX LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2019	15	(16,541)	(16,526)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,109)	(1,109)
<b>Total comprehensive income for the year</b>	-	(1,109)	(1,109)
<b>At 31 December 2019</b>	15	(17,650)	(17,635)

The notes on pages 14 to 27 form part of these financial statements.



The notes on pages 14 to 27 form part of these financial statements.

	At 31 December 2018	At 31 December 2017	At 31 December 2016
Total comprehensive income for the year	(1,108)	(1,108)	(1,108)
Loss for the year	(1,108)	(1,108)	(1,108)
Comprehensive income for the year	(1,108)	(1,108)	(1,108)
At 1 January 2018	(14,241)	(14,241)	(14,241)
	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000

FOR THE YEAR ENDED 31 DECEMBER 2018  
STATEMENT OF CHANGES IN EQUITY

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**ULIVING@ESSEX LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2018	15	(14,624)	(14,609)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,917)	(1,917)
<b>Total comprehensive income for the year</b>	-	(1,917)	(1,917)
<b>At 31 December 2018</b>	15	(16,541)	(16,526)

The notes on pages 14 to 27 form part of these financial statements.

The notes on pages 14 to 22 form part of these financial statements.

At 31 December 2018			
	12	(16,241)	(16,236)
Total comprehensive income for the year	-	(1,345)	(1,345)
Loss for the year	-	(1,345)	(1,345)
Comprehensive income for the year	-	(1,345)	(1,345)
At 1 January 2018	12	(14,884)	(14,808)
	£000	£000	£000
Share capital			
Called up			
Profit and			

FOR THE YEAR ENDED 31 DECEMBER 2018  
STATEMENT OF CHANGES IN EQUITY

NTVING@ESSEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

Uliving@Essex Limited is a private company limited by shares and incorporated and domiciled in England and Wales. The registered office is as stated on the company information page.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational currency is Sterling (£), which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £000.

FRS 102 allows a qualifying entity certain disclosures exemptions, subject to certain conditions, which have been complied with. The Company is included in the consolidated financial statements of its parent undertaking ULiving@Essex HoldCo Limited. The company information page provides details of where those consolidated financial statements may be obtained from, which is the registered office address.

In preparing the financial statements, the Company has taken advantage of the following exemptions:

- from disclosing key management personal compensation, as required by paragraph 7 of Section 33 Related Party Disclosures;
- from presenting a reconciliation of the number of shares outstanding at the beginning and of the year, as required by paragraph 12 of Section 4 Statement of Financial Position; and
- from presenting a statement of cash flows, as required by Section 7 Statement of Cash Flows.

On the basis that equivalent disclosures are given in the consolidated accounts of the parent company, the Company has also taken advantage of the exemption not to provide certain disclosures as required by Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues.

The following principal accounting policies have been applied:

The following principal accounting policies have been applied:

issues:

as required by Section 11 Basic Financial Instruments and Section 15 Other Financial Instruments, the Company has also taken advantage of the exemption not to provide certain disclosures. On the basis that equivalent disclosures are given in the consolidated accounts of the parent:

- from presenting a statement of cash flows as required by Section 7 Statement of Cash Flows;
- from presenting a reconciliation of the number of shares outstanding at the beginning and of the related party disclosures;
- from disclosing key management personnel compensation as required by paragraph 7 of Section 33.

In preparing the financial statements, the Company has taken advantage of the following exemptions:

registered office address:

details of where those consolidated financial statements may be obtained from, which is the parent undertaking Ulling@Essex Holdings Limited. The company information page provides which have been complied with. The Company is included in the consolidated financial statements of FRS 105 allows a qualifying entity certain disclosures exemptions, subject to certain conditions.

Monetary amounts in these financial statements are rounded to the nearest £000.

The presentation currency is Sterling (£), which is the functional currency of the Company.

Company's accounting policies (see note 3).

critical accounting estimates. It also requires management to exercise judgement in applying the preparation of financial statements in compliance with FRS 105 requires the use of certain

Companies Act 2006.

the Financial Reporting Standards applicable in the UK and the Republic of Ireland and the specified within those accounting policies and in accordance with Financial Reporting Standard 105. The financial statements have been prepared under the historical cost convention unless otherwise

## 5.1 Basis of preparation of financial statements

### 5 Accounting policies

and Wales. The registered office is as stated on the company information page.

Ulling@Essex Limited is a private company limited by shares and incorporated and domiciled in England

### 1 General information

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

ULLING@ESSEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.2 Going concern**

The Directors have considered the global pandemic of Covid-19 in respect of going concern and they do not believe it to have a significant impact to the Company. This has been discussed further in the strategic report under post balance sheet events.

The Company meets its day to day working capital requirements principally through a mixture of shareholder loans and bond financing following the refinancing. The RPI linked bonds are in place to 2058 and interest payments are RPI linked for the term of the loan. Exposure to RPI movements are mitigated by the RPI linked increases in rental income.

The Company's forecasts and projections, taking into account of reasonably possible changes in trading performance show that the Company should be able to operate within the level of its current facilities,

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The refinancing exercise undertaken during the year end has not materially affected the Director's view on the going concern, and accordingly the financial statements have been prepared on a going concern basis.

**2.3 Revenue**

Turnover represents income received in the ordinary course of business for services provided and excludes value added tax.

Rental income - this represents income which is receivable from the University of Essex. Income is based on a guaranteed percentage of available units available for rental at a contractually agreed date. Income is received in quarterly installments and recognised over the period the income relates to. A provision is made for amounts that may become refundable under annual university retention arrangement, once the rental floor has been exceeded.

Third party revenue - this relates to income received from a rental agreement with Compass Group to hire and fit out a convenience shop on site.

Pass through income - this relates to money received from the University for damages caused by students within the student accommodation, and is passed on to Derwent FM who carry out the repairs.

**2.4 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The Company believes that this is an infrastructure asset with the right to charge for use of the infrastructure assets to the University, either directly or via a 3rd party who would then take letting risk on a similar arrangement to the existing one with the University.

The intangible asset will be amortised over the length of the concession through to August 2063, at which point ownership will pass to the University.

which bond ownership will pass to the University. The intangible asset will be amortised over the length of the concession through to August 2063 at

less on a similar surrogement to the existing one with the University.

The intangible assets to the University, either directly or via a third party who would then take selling losses. The Company believes that this is an intangible asset with the right to capital for use of assets are measured at cost less any accumulated amortisation and any accumulated impairment intangible assets are initially recognised at cost. After recognition under the cost model, intangible

### 5.4 Intangible assets

intangible within the student accommodation, and is based on to Devenport FM who carry out the repairs base through income - this relates to money received from the University for damages caused by fire and fit out a convenience shop on site. Third party revenue - this relates to income received from a rental agreement with Compass Group to

surrogement, once the rental floor has been exceeded.

for a provision is made for amounts that may become refundable under similar university retention date. Income is received in directly instalments and recognised over the period the income relates passed on a straight-line percentage of available units available for rental at a contractually agreed Rental income - this represents income which is receivable from the University of Essex. Income is excludes value added tax.

Turnover represents income received in the original course of business for services provided and

### 5.5 Revenue

financial statements have been prepared on a going concern basis.

Asset and has not materially affected the Directors' view on the going concern, and accordingly the in operational existence for the foreseeable future. The restructuring exercise undertaken through the The Directors have a reasonable expectation that the Company has adequate resources to continue activities.

Trading performance show that the Company should be able to operate within the level of its current The Company's forecasts and projections taking into account of reasonably possible changes in

withstand by the RPI linked increases in rental income.

2028 and interest payments are RPI linked for the term of the loan. Exposure to RPI movements are shareholder loans and bond financing following the refinancing. The RPI linked bonds are in place to The Company meets its day to day working capital requirements principally through a mixture of strategic rebuy under best practice sheet, equity.

do not believe it to have a significant impact to the Company. This has been discussed further in the The Directors have considered the global pandemic of Covid-19 in respect of going concern and they

### 5.6 Going concern

## 5. Accounting policies (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019  
NOTES TO THE FINANCIAL STATEMENTS

UTLIVING@ESSEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Financial instruments**

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. The Company has not classified any of its financial assets as held to maturity or available-for-sale.

**Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value.

**Loans and receivables**

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors) under PFI contracts but also incorporate other types of contractual monetary asset. They are carried at cost less any provision for impairment.

**Impairment of financial asset**

Impairment of financial assets relates to trade debtors. They are assessed for indicators of impairment at each balance sheet date. When a trade debtors is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risk and rewards of ownership of the asset to another entity.

**Financial liabilities and equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.



the substance of the contractual arrangement.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with

#### Financial liabilities and equity

ownership of the asset to another entity.

The asset expires or when it transfers the financial asset and substantively all the risk and rewards of the Company derecognises a financial asset only when the contractual rights to the cash flows from

#### Derecognition of financial assets

are recognised in profit or loss.

credited against the allowance account. Changes in the carrying amount of the allowance account off against the allowance account. Subsequent recoveries of amounts previously written off are impairment of financial assets relates to trade debtors. They are assessed for indicators of

#### Impairment of financial asset

monetary asset. They are carried at cost less any provision for impairment.

customers (trade debtors) under FFI contracts but also incorporate other types of contractual dispute in an active market. They arise principally through the provision of goods and services to these assets are non-derivative financial assets with fixed or determinable payments that are not

#### Loans and receivables

value established by the market concerned, and are initially measured at fair value.

financial asset is under a contract whose terms require delivery of the financial asset within the time. All financial assets are recognised and derecognised on a trade date where the purchase or sale of a

#### Financial assets

Company has not classified any of its financial assets as held to maturity or available-for-sale.

Position when the Company becomes a party to the contractual provisions of the instrument. The financial assets and financial liabilities are recognised in the Company's Statement of Financial

### 3.1 Financial instruments

cost using the effective interest method, less any impairment.

measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost. Loan debtors are measured at transaction price, less any impairment. Loans receivable are

### 3.2 Debtors

amounts of cash with insignificant risk of change in value.

more than three months from the date of acquisition and that are readily convertible to known on notice of not more than 24 months. Cash equivalents are highly liquid investments that mature in no cash is represented by cash in hand and deposits with financial institutions repayable without penalty

### 3.3 Cash and cash equivalents

## 3 Accounting policies (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

PLIMING@ESSEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.7 Financial instruments (continued)**

**Equity instruments**

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at the proceeds received.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**2.8 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.9 Annual University Retention**

A retention has been put in place against the current year's rental revenue to provide for the 18/19 Annual University Retention to defer income into the next academic year, which provides additional financial security for the University. This is money that will be deducted from the 18/19 rental income, released in September 2019.

**2.10 Finance costs**

Upfront finance costs of procuring senior debt facilities are capitalised during construction and subsequently amortized over the life of the relevant loans and charged to the profit and loss account. Arrangement fees for these facilities have been capitalised against the cost of the loan.

Finance costs that are directly attributable to the cost of construction of the fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditure for the assets are being incurred and activities that are necessary to get the assets ready for use are in progress. Capitalisation ceased when substantially all the activities that are necessary to get the assets ready for use are complete.

**2.11 Taxation**

Current and deferred tax, including UK corporation tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or subsequently enacted by the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the Statement of Financial Position differs from its tax base, except for differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting, nor taxable profit.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the differences can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax assets are recovered.

are recovered.

surprisingly enacted by the reporting date and are expected to apply when the deferred tax assets. The amount of the asset or liability is determined using tax rates that have been enacted or

profit will be available against which the differences can be utilised.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable

the time of the transaction affects neither accounting, nor taxable profit.

initial recognition of an asset or liability in a transaction which is not a business combination and at the Statement of Financial Position differs from its tax base, except for differences arising on the Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in

using the tax rates and laws that have been enacted or superseded by the reporting date.

Current and deferred tax, including UK corporation tax, is provided at amounts expected to be paid

## 3.11 Taxation

activities that are necessary to get the assets ready for use are complete.

to get the assets ready for use are in progress. Capitalisation ceases when substantially all the profit finance costs and expenditures for the assets are being incurred and activities that are necessary capitalised as part of the cost of those assets. The commencement of capitalisation begins when finance costs that are directly attributable to the cost of construction of the fixed assets are

Arrangement fees for these facilities have been capitalised against the cost of the loan.

surprisingly amortised over the life of the relevant loans and charged to the profit and loss account. Without finance costs of procuring senior debt facilities are capitalised during construction and

## 3.10 Finance costs

released in September 2018.

financial security for the University. This is money that will be deducted from the 18/19 rental income. Annual University Retention to defer income into the next academic year, which provides additional. A retention has been put in place against the current year's rental revenue to provide for the 18/19

## 3.9 Annual University Retention

amortised cost using the effective interest method.

loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at short-term creditors are measured at the transaction price. Other financial liabilities, including bank

## 3.8 Creditors

discharged, cancelled or they expire.

The Company derecognises financial liabilities when, and only when, the Company's obligations are

## Derecognition of financial liabilities

deducting all of its liabilities. Equity instruments are recognised at the proceeds received.

An Equity instrument is any contract that evidences a residual interest in the assets of an entity after

## Equity instruments

## 3.7 Financial instruments (continued)

## 3 Accounting policies (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

UNIVERSITY OF ESSEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.11 Taxation (continued)**

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on the same taxable company.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are as follows:

**Classification of asset**

The property has been classified as an intangible asset. The company believes that this is an infrastructure asset with the right to charge for use of the infrastructure assets to the University, either directly or via a 3rd party who would then take letting risk on a similar arrangement to the existing one with the University.

**Capitalisation of costs**

During the period of construction, all costs incurred as a direct result of financing, designing and constructing the student accommodation, including finance costs, have been capitalised. The directors consider this to be appropriate since the risks and rewards of ownership rest with the Company.

**Construction margin**

Revenue on construction was recognised at cost with no margin as profitability is considered to be negligible with no interim services provided during construction and the risk was fully passed down to the building contractor.

**Intercompany agreement – Interest rate**

Subordinated loan notes carried an interest rate of 10.5% to 31st August 2013, 7.01% from 1st September 2013 to 31st August 2022, 8.5% from 1st September 2022 to 31st August 2032 and 9.5% thereafter plus a variable element of interest based on annual changes in RPI. In order to calculate an effective interest rate the Directors have made a judgement regarding the future RPI increases using an estimate of inflation set at 2.5% per annum going forward.

The Directors believe that the loan note value in these financial statements reflects its fair value at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Rental income	<b>7,454</b>	<b>7,004</b>
Third party revenue	-	12
Pass through revenue	<b>5</b>	<b>5</b>
	<b>7,459</b>	<b>7,021</b>

All turnover arose within the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Amortisation of intangible assets	<b>1,293</b>	<b>1,283</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<b>8</b>	<b>8</b>

**6. Employees**

The Company has no employees other than the Directors, who did not receive any remuneration (2018 - £NIL).

**7. Directors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Directors' emoluments	<b>97</b>	<b>24</b>
	<b>97</b>	<b>24</b>

No staff and Directors were directly employed by the Company. Services provided by the contractors include the provision of staff and management to perform contractual responsibilities. Costs associated with the staff and management are included within the contractors service charge.

with the staff and management are included within the contractors service charge. include the provision of staff and management to perform contractual responsibilities. Costs associated No staff and Directors were directly employed by the Company. Services provided by the contractors

	2018	2017
Directors, emoluments	2018	2017
	£000	£000
	2018	2017
1. Directors, remuneration		

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The Company has no employees other than the Directors, who did not receive any remuneration (2018 -

## e. Employees

	2018	2017
the Company's annual financial statements	8	8
Fees payable to the Company's auditor and its associates for the audit of		
Amortization of intangible assets	1,583	1,583
	£000	£000
	2018	2017

The operating profit is stated after charging:

## 2. Operating profit

All turnover arose within the United Kingdom

	2018	2017
Pass through revenue	2	2
Third party revenue	-	15
Rental income	1,424	1,004
	£000	£000
	2018	2017

An analysis of turnover by class of business is as follows:

## 4. Turnover

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

UNILINC@ESSEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Interest receivable

	2019 £000	2018 £000
Interest receivable from group companies	336	335
Other interest receivable	4	2
	<u>340</u>	<u>337</u>

9. Interest payable and similar expenses

	2019 £000	2018 £000
Finance costs	8	18
Loans from group undertakings	1,581	1,536
Bond indexation	2,270	2,761
Amortisation of loan finance costs	491	567
	<u>4,350</u>	<u>4,882</u>

10. Taxation

	2019 £000	2018 £000
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Interest receivable

	2019	2018
	£000	£000
Interest receivable from group companies	336	336
Other interest receivable	4	5
	<u>340</u>	<u>337</u>

9. Interest payable and similar expenses

	2019	2018
	£000	£000
Amortisation of loan finance costs	491	567
Bond redemption	5,570	5,761
Loans from group undertakings	1,581	1,536
Finance costs	8	18
	<u>4,350</u>	<u>4,882</u>

10. Taxation

	2019	2018
	£000	£000
Taxation on loss on ordinary activities	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Deferred tax	-	-
Total current tax	<u>-</u>	<u>-</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is equal to (2018 - the same as) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	<b>2019 £000</b>	<b>2018 £000</b>
Loss on ordinary activities before tax	<b>(1,111)</b>	<b>(1,997)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>(211)</b>	<b>(379)</b>
<b>Effects of:</b>		
Total fixed asset differences at 19%	<b>181</b>	<b>390</b>
Income not taxable for tax purposes	<b>(27)</b>	<b>(27)</b>
Adjust opening deferred tax to average rate of 19%	<b>(275)</b>	<b>(236)</b>
Expenses not deductible for tax purposes at 19%	<b>81</b>	<b>217</b>
Adjust closing deferred tax to average rate of 19%	<b>274</b>	<b>261</b>
Adjustment to losses	<b>(14)</b>	<b>(452)</b>
Deferred tax not recognised	<b>(9)</b>	<b>226</b>
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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11. Intangible assets

	Intangible assets £000
<b>Cost</b>	
At 1 January 2019	64,769
At 31 December 2019	<u>64,769</u>
<b>Amortisation</b>	
At 1 January 2019	7,002
Charge for the year on owned assets	1,293
At 31 December 2019	<u>8,295</u>
<b>Net book value</b>	
At 31 December 2019	<u>56,474</u>
At 31 December 2018	<u>57,767</u>

At 31 December 2018

23,181

At 31 December 2018

28,419

Net book value

At 31 December 2018

8,732

Charge for the year on owned assets

At 1 January 2018

1,723

Amortisation

1,005

At 31 December 2018

64,122

At 1 January 2018

64,122

Cost

£000  
assets  
multiple

11. Intangible assets

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

NTLIVING@ESSEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

12. Debtors

	2019 £000	2018 £000
<b>Due after more than one year</b>		
Due from shareholders	17,582	17,246
Prepayments and accrued income	13,669	14,011
	<u>31,251</u>	<u>31,257</u>

**Prepayments and accrued income**

The prepayments and accrued income balance relates to an element of the refinance gain of the group paid to the University. This is being amortised over the debt finance term given it arose from this transaction.

**Due from Shareholders**

An unsecured loan was made to the shareholders at an interest rate of 0.1% above the below mentioned debt facility of £98,200k 0.10% index linked guaranteed secured bonds due 2058 (Note 15). The loan is due repayable as agreed by the parties but no later than 31 August 2063.

	2019 £000	2018 £000
<b>Due within one year</b>		
Trade debtors	1	1
Prepayments and accrued income	1,030	989
	<u>1,031</u>	<u>990</u>

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**ULIVING@ESSEX LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**13. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<b>7,676</b>	<b>7,850</b>
	<b>7,676</b>	<b>7,850</b>

**14. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Group bond	<b>2,473</b>	<b>2,273</b>
Unamortised debt issue costs	<b>(91)</b>	<b>(100)</b>
Trade creditors	<b>17</b>	<b>37</b>
Other creditors	<b>494</b>	<b>1,457</b>
Accruals and deferred income	<b>2,824</b>	<b>2,276</b>
	<b>5,717</b>	<b>5,943</b>

**15. Creditors: Amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Group bond	<b>89,222</b>	<b>91,997</b>
Unamortised debt issue costs	<b>(3,252)</b>	<b>(3,333)</b>
Accumulated bond indexation	<b>7,996</b>	<b>5,631</b>
Subordinated loan	<b>14,384</b>	<b>14,152</b>
	<b>108,350</b>	<b>108,447</b>

	2020	2019
Subordinated loan	14,384	14,125
Accumulated bond indexation	1,000	2,031
Unamortised debt issue costs	(2,525)	(3,333)
Group bond	52,000	51,000
	60,859	63,793
12. Creditors: Amounts falling due after more than one year		
	2020	2019
Accruals and deferred income	5,854	5,510
Other creditors	404	1,421
Trade creditors	11	31
Unamortised debt issue costs	(10)	(100)
Group bond	5,413	5,513
	11,668	12,375
14. Creditors: Amounts falling due within one year		
	2020	2019
Cash at bank and in hand	1,000	1,000
	1,000	1,000
13. Cash and cash equivalents		

FOR THE YEAR ENDED 31 DECEMBER 2019  
NOTES TO THE FINANCIAL STATEMENTS

UNIONBANK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**15. Creditors: Amounts falling due after more than one year (continued)**

**Group bond**

The debt facility consists of £98,200k 0.10% index linked guaranteed secured bonds due 2058, issued by a ULiving@Essex Issuerco plc, a group company, and listed on the Irish Stock Exchange, guaranteed by Assured Guaranty (Europe) Limited and Assured Guaranty Municipal Corp. As at 31 December 2019 £99,691k (2018: £99,901k) of the bond facility is outstanding. Principal repayments are made semi-annually in line with the agreement. The proceeds of the bond are loaned to the Company on the same payment terms and installments as made by ULiving@Essex Issuerco plc.

As per the Bond Trust Deed, a fixed and floating charge debenture dated on or before the Issue Date has been granted by ULiving@Essex HoldCo Limited, of which ULiving@Essex Limited is a subsidiary, in favour of the Security Trustee (the "HoldCo Debenture").

**Shareholder loans**

Subordinated loans constitute unsecured debt and the total sum available is £14,530k which matures in 2063. The principal amounts drawn are repayable in semi annual installments commencing in February 2014. As per schedule 4 of the loan notes deed poll no further repayments are due in the period from August 2016 to February 2049, and therefore the loans are all classified as due in greater than 5 years. The balance includes £307k (2018: £73k) of accrued interest to adjust for the effective interest method.

Subordinated loan notes carried an interest rate of 10.5% to 31st August 2013, 7.01% from 1st September 2013 to August 2022, 8.5% from 1st September 2022 to 31st August 2032 and 9.5% thereafter plus a variable element of interest based on annual changes in RPI.

interests plus a variable element of interest based on annual changes in RPI.  
September 2013 to August 2015, 8.2% from 1st September 2015 to 31st August 2016 and 8.2%  
subordinated loan notes carried an interest rate of 10.2% to 31st August 2016, 10.1% from 1st

The balance includes £303K (2016: £13K) of accrued interest to adjust for the effective interest method.  
August 2016 to February 2017 and therefore the loans are all classified as due in greater than 2 years.  
2017. As per schedule 4 of the loan notes deed both no further repayments are due in the period from  
2017. The principal amounts drawn are repayable in semi annual installments commencing in February  
subordinated loans constitute unsecured debt and the total sum available is £14,230K which matures in

#### Shareholder loans

amount of the Security Trustee (the "Holding Deposit").  
been granted by Hillingdon Essex Holdings Limited, of which Hillingdon Essex Limited is a subsidiary, in  
as per the Bond Trust Deed, a fixed and floating charge deposit dated on or before the issue date and

payment terms and installments as made by Hillingdon Essex Limited to:  
annually in line with the agreement. The proceeds of the bond are loaned to the Company on the same  
£28,201K (2016: £28,201K) of the bond facility is outstanding. Principal repayments are made semi-  
by Assured Guaranty (Europe) Limited and Assured Guaranty Municipal Corp. as at 31 December 2016  
by a Hillingdon Essex Limited, a group company, and listed on the New York Exchange, guaranteed  
The debt facility consists of £28,200K 0.10% index linked guaranteed secured bonds due 2028, issued

#### Group bond

12. Creditors: amounts falling due after more than one year (continued)

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FOR THE YEAR ENDED 31 DECEMBER 2016  
NOTES TO THE FINANCIAL STATEMENTS

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HILLINGDON ESSEX LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

16. Loans

Analysis of the maturity of loans is given below:

	2019 £000	2018 £000
<b>Amounts falling due within one year</b>		
Group bond	2,473	2,273
Unamortised debt issue costs	(91)	(100)
	<u>2,382</u>	<u>2,173</u>
<b>Amounts falling due 1-2 years</b>		
Group bond	2,606	2,304
Unamortised debt issue costs	(91)	(100)
	<u>2,515</u>	<u>2,204</u>
<b>Amounts falling due 2-5 years</b>		
Group bond	8,241	7,051
Unamortised debt issue costs	(272)	(301)
	<u>7,969</u>	<u>6,750</u>
<b>Amounts falling due after more than 5 years</b>		
Group bond	78,376	82,642
Subordinated debt	14,078	14,078
Unamortised debt issue costs	(2,890)	(2,932)
	<u>89,564</u>	<u>93,788</u>
	<u>102,430</u>	<u>104,915</u>

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**17. Financial instruments**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	<b>25,258</b>	<b>25,096</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>(117,410)</b>	<b>(117,823)</b>

Financial assets measured at amortised cost comprise trade debtors, cash at bank and in hand, and amounts from shareholders.

Financial liabilities measured at amortised cost comprise loans, group loans, trade creditors, accruals and other creditors.

**18. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised, allotted, called up and fully paid</b>		
15,000 (2018 - 15,000) Ordinary shares of £1.00 each	<b>15</b>	<b>15</b>

**19. Related party transactions**

The Company has taken advantage of the exemption available under FRS 102 and has not disclosed related party disclosures between the Company and other companies that are 100% owned by the group.

**20. Controlling party**

The immediate parent company is ULiving@Essex Holdco Limited. The smallest and largest group into which this company is consolidated is ULiving@Essex Holdco Limited. Copies of those accounts can be obtained from 3rd Floor (South), 200 Aldersgate Street, London, EC1A 4HD.

The ultimate parent and controlling party is considered to be Equitix Fund II LP, a limited partnership in England and Wales. Copies of those accounts can be obtained from Welken House, 10-11 Charterhouse Square, London, EC1M 6EH.

Square, London, EC1M 6EH.

England and Wales. Copies of those accounts can be obtained from Welken House, 10-11 Chancery House. The ultimate parent and controlling party is considered to be Edvix Fund II LP, a limited partnership in

obtained from 3rd Floor (South), 300 Aldersgate Street, London, EC1A 4HD.

which this company is consolidated is UGIVING@Essex Holdco Limited. Copies of those accounts can be obtained from the immediate parent company is UGIVING@Essex Holdco Limited. The smallest and largest group into

### 30. Controlling party

related party disclosures between the Company and other companies that are 100% owned by the group. The Company has taken advantage of the exemption available under FRS 102 and has not disclosed

### 49. Related party transactions

12,000 (2018 - 12,000) Ordinary shares of £1.00 each  
Authorized, allotted, called up and fully paid

	2018	2017
	£000	£000
	12,000	12,000

### 48. Share capital

and other creditors.

Financial liabilities measured at amortised cost comprise loans, group loans, trade creditors, accruals

amounts from shareholders.

Financial assets measured at amortised cost comprise trade debtors, cash at bank and in hand, and

Financial liabilities measured at amortised cost

	2018	2017
	(111,853)	(111,411)

Financial liabilities

Financial assets measured at amortised cost

	2018	2017
	£000	£000
	12,000	12,000

Financial assets

### 47. Financial instruments

FOR THE YEAR ENDED 31 DECEMBER 2018  
NOTES TO THE FINANCIAL STATEMENTS

UGIVING@ESSEX LIMITED