

Registration number: 08612378

# Nuveen FCACO Limited

Annual Report and Financial Statements  
for the Year Ended 31 December 2021



**Nuveen FCACO Limited**

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**Nuveen FCACO Limited**

**Company Information**

<b>Directors</b>	R. J. Adderley
	D. D. Morton
	M. H. Neal
	M. J. L. Sales
<b>Company secretary</b>	Nuveen Corporate Secretarial Services Limited
<b>Registered office</b>	201 Bishopsgate London, England EC2M 3BN
<b>Bankers</b>	National Westminster Bank Plc Western Avenue, Waterside Court Chatham Maritime, Chatham ME4 4RT
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

## **Nuveen FCACO Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The Directors present their report and the audited financial statements for the year ended 31 December 2021.

#### **Principal activities**

The Company is a wholly owned subsidiary of Nuveen Investment Management Holdings Limited ("NIMHL" or "the Group"), its immediate parent company, and forms part of the NIMHL corporate holding structure. Its purpose is to act as a holding company for FCA regulated entities within the Group and its only source of revenue will come from dividends arising from its investments in the underlying operating subsidiaries. At the Statement of Financial Position date, the Company held the entire share capital of its subsidiary, Nuveen Investment Management International Limited. The Directors do not envisage a change of activities in the foreseeable future.

#### **Results and Dividends**

The loss for the year ended 31 December 2021 amounted to £6,000 (2020: profit of £7,698,000). The Directors do not recommend payment of a dividend (2020: £7,500,000).

#### **Directors**

The Directors who were in office during the year ended 31 December 2021 and up to the date of signing the financial statements were as follows:

R. J. Adderley

D. D. Morton

M. H. Neal

M. J. L. Sales

C. P. Throssell (resigned 1 March 2022)

#### **Directors' third party indemnity provisions**

NIMHL on behalf of the Company has made qualifying third party indemnity provisions within the meaning given to the term by s.234 of the Companies Act 2006 for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report.

NIMHL may indemnify the Directors to the extent permitted by United Kingdom law. NIMHL may indemnify the Directors against all costs, charges, losses, expenses and liabilities incurred in the actual or purported execution and/or discharge of his duties, or in relation to them.

NIMHL may provide the Directors with funds to meet expenditure incurred or to be incurred by him/her in connection with any proceedings or application referred above.

#### **Going Concern**

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £787,000 (2020: £781,000) due to intercompany balances owing to its Parent, Nuveen Investment Management Holdings Limited, and an overall net asset position of £112,193,000 (2020: £112,199,000). The Directors have received confirmation that TIAA International Holdings 2 Limited intends to support the Company to enable it to meet its obligations as they fall due and will not seek repayment of part or all of the amount loaned the Company, where to do so would place the Company in an insolvent position. Therefore, the Company continues to adopt the going concern basis in preparing its financial statements.

## **Nuveen FCACO Limited**

### **Directors' Report for the Year Ended 31 December 2021 (continued)**

#### **Response to the COVID-19 pandemic**

The COVID-19 virus has had a profound effect on societies, economies and markets across the world, and there remains uncertainty about its future impact. The Company's priorities during this period have been to continue to focus on delivering value for its stakeholders. While this crisis is unprecedented in recent memory, the Company's business model and culture have meant that it has responded effectively to the challenges and maintained its operational, investment and support activities as close to normal as possible.

#### **Operational impact**

Although the nature and impact of the COVID-19 pandemic was not predicted, the Company's Business Continuity Plan was deployed swiftly and delivered an effective response in the context of the rapid development of government guidance, policies and legislation in which it operates in.

#### **Communications**

The worldwide impact of the pandemic on working practices meant that the Company had to employ alternative ways of communicating with stakeholders. The Company had a significant increase in the use of video calling systems as well as communicating with stakeholders early in the crisis to provide a comprehensive update and reassurance on the Company's response to the developing situation.

#### **Conclusion**

With the COVID-19 crisis evolving, the Company remains in close contact with local health authorities, governmental agencies and other key stakeholders in its geographies, so that the Company can react and adapt to any changes in circumstances and minimise the risk to the Company, its customers and other stakeholders. There are a number of ongoing business reviews to evaluate different courses of action in response to the crisis.

Looking ahead, the Company will review the lessons learned during this crisis as part of future updates to its risk management framework, specifically when it comes to the Company's approach to prepare for similar types of events.

#### **Russia-Ukraine War**

The Russian invasion of Ukraine has created significant uncertainty in the global financial markets and economies. The duration and extent of this uncertainty and the related impact over the long-term cannot be reasonably estimated at this time. While not currently expected to be material, Nuveen will continue to monitor the impact on the Company's business, results of operations, investments, and cash flows.

#### **Events after the reporting period**

No events occurred after the Statement of Financial Position that have a material impact on the financial statements. The Directors have not received any further information as at the approved date which has not been reflected in the financial statements as presented.

#### **Independent Auditors**

The auditors, PricewaterhouseCoopers LLP will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006. PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

#### **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 414B of the Companies Act 2006 relating to small entities.

## Nuveen FCACO Limited

### Directors' Report for the Year Ended 31 December 2021 (continued)

#### Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

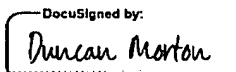
The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved have confirmed that:

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

Approved by the Board of Directors on 13 April 2022 and signed on its behalf by:

DocuSigned by:  
  
D. D. Morton  
Director

# Independent auditors' report to the members of Nuveen FCACO Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Nuveen FCACO Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

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

### Independence

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

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Reporting on other information**

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

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

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

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

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.



Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial data to present more favourable financial results. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant Board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

#### Use of this report

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

## Other required reporting

### Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

### 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.



Thomas Norrie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors  
London  
13 April 2022

**Nuveen FCACO Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2021**

	Note	2021 £ 000	2020 £ 000
Revenue	4	-	7,500
Other revenue		-	207
Administrative expenses	5	<u>(6)</u>	<u>(9)</u>
Operating (loss)/profit	5	<u>(6)</u>	<u>7,698</u>
(Loss)/profit before taxation		<u>(6)</u>	<u>7,698</u>
(Loss)/profit and total comprehensive (expense)/income for the financial year		<u>(6)</u>	<u>7,698</u>

The above results were derived from continuing operations.

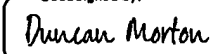
The notes on pages 12 to 20 are an integral part of these financial statements.

**Nuveen FCACO Limited**  
**(Registration number: 08612378)**  
**Statement of Financial Position as at 31 December 2021**

	Note	31 December 2021 £ 000	31 December 2020 £ 000
<b>Fixed assets</b>			
Investments in subsidiaries	8	112,980	112,980
<b>Current assets</b>			
Cash and cash equivalents		85	385
<b>Creditors: Amounts falling due within one year</b>			
Trade and other payables	9	(872)	(1,166)
<b>Net current liabilities</b>		(787)	(781)
<b>Net assets</b>		<u>112,193</u>	<u>112,199</u>
<b>Equity</b>			
Called up share capital	10	7,000	7,000
Retained earnings		<u>105,193</u>	<u>105,199</u>
<b>Total shareholders' funds</b>		<u>112,193</u>	<u>112,199</u>

The notes on pages 12 to 20 form an integral part of these financial statements.

The financial statements on pages 9 to 20 were approved by the Board of Directors on 13 April 2022 and signed on its behalf by:

DocuSigned by:  
  
8B9B59A059D84C0.....  
D. D. Morton  
Director

**Nuveen FCACO Limited**

**Statement of Changes in Equity for the Year Ended 31 December 2021**

	<b>Called up share capital £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total shareholders' funds £ 000</b>
<b>Balance as at 1 January 2020</b>	7,000	105,001	112,001
Profit and total comprehensive income for the year	-	7,698	7,698
Dividends paid	-	(7,500)	(7,500)
<b>Balance as at 31 December 2020</b>	<u>7,000</u>	<u>105,199</u>	<u>112,199</u>
Loss and total comprehensive expense for the year	-	(6)	(6)
<b>Balance as at 31 December 2021</b>	<u>7,000</u>	<u>105,193</u>	<u>112,193</u>

The notes on pages 12 to 20 form an integral part of these financial statements.

## **Nuveen FCACO Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

Nuveen FCACO Limited (the "Company") is a private company limited by shares and is incorporated and domiciled in the United Kingdom under the Companies Act 2006. The Company was established in England on 16 July 2013.

The address of its registered office is:

201 Bishopsgate  
London, England  
EC2M 3BN

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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.

##### **Basis of preparation**

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 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 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1 (share capital);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows' exemption from preparing statement of cash flows and related notes;
- Paragraph 17 of IAS 24 'Related party disclosures' (key management compensation);
- IFRS 7, 'Financial instruments: Disclosures'.

## **Nuveen FCACO Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Basis of preparation**

- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a Group; and
- The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 'Impairment of Assets'.

##### **Going concern**

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £787,000 (2020: £781,000) due to intercompany balances owing to its Parent, Nuveen Investment Management Holdings Limited, and an overall net asset position of £112,193,000 (2020: £112,199,000). The Directors have received confirmation that TIAA International Holdings 2 Limited intends to support the Company to enable it to meet its obligations as they fall due and will not seek repayment of part or all of the amount loaned the Company, where to do so would place the Company in an insolvent position. Therefore, the Company continues to adopt the going concern basis in preparing its financial statements.

##### **Consolidation**

The Company is 99% owned by TIAA International Holdings 3 Limited. TIAA International Holdings 3 Limited is wholly owned by TIAA International Holdings 2 Limited. It is included in the consolidated financial statements of TIAA International Holdings 2 Limited which are publicly available upon request from 9th Floor, 201 Bishopsgate, London, England, EC2M 3BN. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

##### **New standards, amendments, IFRIC interpretations and new relevant disclosure requirements**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the Company's financial statements.

##### **Foreign currency transactions and balances**

###### **(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency. All amounts in the financial statements and notes have been rounded to the nearest thousand Pounds Sterling (£'000), unless otherwise stated.

###### **(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Administrative expenses'.

## **Nuveen FCACO Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Financial instruments**

###### **• Recognition and initial measurement**

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Company has become a party to the contractual obligations of the financial instrument. The Company determines the classification of its financial instruments at initial recognition in accordance with the categories outlined below and re-evaluates this designation at each reporting period end. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets and financial liabilities not at fair value through the Statement of Comprehensive Income, directly attributable transaction costs.

###### **• Financial assets**

All financial assets are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below. All income and expenses relating to financial assets that are recognised in Statement of Comprehensive Income are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within expenses.

###### **• Financial liabilities**

The Company's financial liabilities include trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through the Profit and Loss account, that are carried subsequently at fair value with gains or losses recognised in the Statement of Comprehensive Income.

###### **• Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are extinguished, discharged or cancelled or have expired.

###### **• Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.



## **Nuveen FCACO Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Investments in subsidiaries**

Investments in subsidiaries are held at cost less accumulated impairment loss.

Management tests investments held for impairment annually. An impairment is recognised in the Statement of Comprehensive Income immediately when the carrying value of the investment is greater than the enterprise value. The enterprise value is determined by multiplying earnings before interest, taxation, depreciation and amortisation by 8.6%, plus the net assets.

At 31 December 2021, it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand and with banks.

##### **Called up share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

##### **Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### **Current and deferred tax**

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in other comprehensive income or equity - in which case, the tax is also recognised in other comprehensive income or equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position in the countries where the Company operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## **Nuveen FCACO Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

#### **2 Accounting policies (continued)**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### **Revenue**

Revenue includes dividends received. Dividends are recognised in the Statement of Comprehensive Income when the right to receive payment is established.

#### **Administrative expenses**

Expenses include legal, accounting, auditing and other fees. They are recognised in the Statement of Comprehensive Income in the period in which they are incurred (on an accruals basis).

#### **Dividends**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

#### **3 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

#### **Critical accounting estimates and assumptions**

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The items that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

## Nuveen FCACO Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 3 Critical accounting estimates and judgements (continued)

##### Impairment of investments in subsidiaries

Management tests investments held for impairment annually. An impairment is recognised in the Statement of Comprehensive Income immediately when the carrying value of the investment is greater than the enterprise value. The enterprise value is determined by multiplying earnings before interest, taxation, depreciation and amortisation by 8.6%, plus the net assets.

At 31 December 2021 it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

#### 4 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Dividends received	-	7,500
	<u>-</u>	<u>7,500</u>

## Nuveen FCACO Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 5 Operating profit

Operating (loss)/profit is stated after charging:

	2021 £ 000	2020 £ 000
Tax advisory services	1	4
Auditors' fees	5	5
	<u>6</u>	<u>9</u>

All fees payable to the Company's auditors are for the audit of the Company's financial statements, so no split for non-audit services is required.

#### 6 Employees and Directors

The emoluments of the Directors are paid by Nuveen Administration Limited which makes no recharge to the Company. Total emoluments details are disclosed in the financial statements of Nuveen Administration Limited.

There were no individuals employed by the Company during the year (2020: nil). All other staff performing duties to the Company are employed and compensated by its subsidiary, Nuveen Administration Limited, which makes no recharge to the Company.

#### 7 Income tax

##### Factors affecting tax credit for the year

The difference between the total current tax credit shown above and the amount calculated applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows:

	2021 £ 000	2020 £ 000
(Loss)/profit before taxation	(6)	7,698
Tax on (loss)/profit at standard corporation tax rate of 19% (2020: 19%)	(1)	1,463
Income not taxable	-	(1,481)
Unutilised losses	4	-
Effects of group relief	-	2
Adjustment from previous periods	(2)	-
Tax rate changes	(1)	-
Expenses not deductible	-	16
Total tax charge	<u>-</u>	<u>-</u>

## Nuveen FCACO Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 7 Income tax (continued)

£27,944 (2020: £22,171) of tax losses are being carried forward upon which no deferred tax asset is being recognised.

There is no tax payable or receivable in the year (2020: £nil).

#### 8 Investments in subsidiaries

	£ 000
<b>Cost</b>	
At 1 January 2020	113,066
Disposals	<u>(86)</u>
At 31 December 2020	<u>112,980</u>
At 1 January 2021	<u>112,980</u>
At 31 December 2021	<u>112,980</u>
<b>Carrying value</b>	
As at 31 December 2020	<u>112,980</u>
As at 31 December 2021	<u>112,980</u>
In 2020 the Company disposed of its investment in TIAA-CREF Asset Management UK Limited which was dissolved on 16 March 2021.	

Management tests investments held for impairment annually. An impairment is recognised in the Statement of Comprehensive Income immediately when the carrying value of the investment is greater than the enterprise value. The enterprise value is determined by multiplying earnings before interest, taxation, depreciation and amortisation by 8.6%, plus the net assets.

At 31 December 2021 it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

Details of the subsidiaries as at 31 December 2021 are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2021	2020
Nuveen Management Limited	Investment Operating company International	201 Bishopsgate London EC2M 3BN United Kingdom	100%	100%

## Nuveen FCACO Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 9 Trade and other payables

	31 December 2021 £ 000	31 December 2020 £ 000
Amounts falling due within a year		
Amounts payable to related parties	872	1,162
Accrued expenses	-	4
	<u>872</u>	<u>1,166</u>

The estimated fair values of the above financial liabilities approximate their carrying amounts.

Amounts payable to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 10 Called up share capital

	31 December 2021 £ 000	31 December 2020 £ 000
Ordinary shares of £1 each		
<u>Allotted</u>		
Opening balance	7,000	7,000
Closing balance	<u>7,000</u>	<u>7,000</u>

#### 11 Events after the end of the reporting period

No events occurred after the Statement of Financial Position that have a material impact on the financial statements. The Directors have not received any further information as at the approved date which has not been reflected in the financial statements as presented.

#### 12 Parent and ultimate parent undertaking

The Company's immediate parent is Nuveen Investment Management Holding Limited, a limited company incorporated in the United Kingdom. The ultimate undertaking and controlling party and largest group to consolidate these financial statements is Teachers Insurance and Annuity Association. These financial statements are available upon request from 730 Third Avenue, New York, NY 10017. TIAA International Holdings 2 Limited is the parent undertaking of the smallest group to consolidate these financial statements in the United Kingdom. The consolidated financial statements of TIAA International Holdings 2 Limited can be obtained from 201 Bishopsgate, London, England, EC2M 3BN.