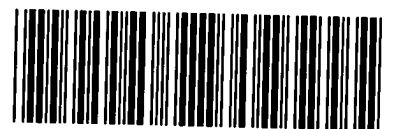


**STANDARD LIFE INVESTMENTS (SLIPIT NOMINEE) LIMITED**

**Registered in England and Wales No. 08701976**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR 2019**

THURSDAY



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## **DIRECTORS AND OTHER INFORMATION**

### **Directors**

R H Peto (retired 25 August 2020)

M Balfour

J B Clifton-Brown

Jill May

Sarah Slater (appointed 27 November 2019)

### **Independent Auditors**

Deloitte LLP

Regency Court

Glategny Esplanade

Guernsey

United Kingdom

GY1 3HW

### **Registered Office**

Bow Bells House

1 Bread Street

London

EC4M 9HH

### **Company Number**

Registered in England and Wales: No. 08701976

### **Other Information**

Standard Life Investments (SLIPIT Nominee) Limited (the 'Company') is a wholly owned subsidiary of Standard Life Investments SLIPIT (General Partner) Limited.

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## **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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

### **Directors**

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

Robert Peto (retired 25 August 2020)

Mike Balfour

James Clifton-Brown

Jill May

Sarah Slater (appointed 27 November 2019)

### **Principal Activities**

The principal activity of the Company is to hold property on bare trust on behalf of Standard Life Investments (SLIPIT) Limited Partnership (the 'Partnership'). The Partnership is a partnership within the meaning of the Limited Partnership Act 1907.

### **Future Outlook**

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

### **Dividend**

The Directors do not recommend the payment of a dividend for the financial year ended 31 December 2019 (period ended 31 December 2018: £nil).

### **Going Concern**

Having thoroughly considered the going concern assessment, the Directors recognise that there is undoubtedly an increase in risk in relation to the ongoing COVID-19 pandemic. However, based on the information available to the Directors at the time of signing and subject to the evolving COVID-19 situation, the Directors do not believe there is significant doubt about the Company's ability to continue as a going concern over the next twelve months from the date of the annual report.

The Directors have a reasonable expectation that the Company will be able to continue in operational existence and to have adequate resources to meet its liabilities as they fall due over the next twelve months. Therefore, the Directors continue to adopt the going concern basis of accounting when preparing the annual financial statements.

### **Subsequent Events**

Subsequent events post the year end are set out in note 8 to the accounts.

### **Disclosure of Information to the Auditors**

Each person who was a Director of the Company on the date that this report was approved confirms that: So far as the Director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware; and Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

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

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#### **Qualifying Indemnity**

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

#### **Risk Management Policies**

##### Management of financial and non-financial risks

The Company's exposure to different types of risk is limited by the nature of its business as follows:

##### Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems; or from external events. Details of the Group's approach to operational risk are set out in RMF and in the financial statements of Standard Life Investments Property Income Trust, which manages and administers the Company's activities.

##### Liquidity risk

Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business. The ongoing costs of the Company are settled by the Partnership.

#### **Statement of Directors' Responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

Select suitable accounting policies and then apply them consistently;  
Make judgements and accounting estimates that are reasonable and prudent; and  
Prepare the financial statements on the going concern basis unless it is appropriate 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 it 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.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board



Michael Balfour  
Director  
30 September 2020

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANDARD LIFE INVESTMENTS (SLIPIT NOMINEE) LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Standard Life Investments (SLIPIT Nominee) Limited ("the company"):

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

We have audited the financial statements which comprise:

- the statement of financial position; and
- the related notes 1 to 9.

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).

#### **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 auditor's 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 UK, including the Financial Reporting Council's (the 'FRC'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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

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## **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 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 respect of these matters.

## **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, 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.

## **Auditor's 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Report on other legal and regulatory requirements**

### **Opinions 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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report has been prepared in accordance with applicable legal requirements.

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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 any material misstatements in the strategic report or the report of the directors.

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

**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.



John Clacy (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
St Peter Port, Guernsey  
30 September 2020



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

		31 December 2019	31 December 2018
	<u>Note</u>	£	£
<b>Fixed Assets</b>			
Investments		-	-
		-	-
<b>Current Assets</b>			
Debtors	5	1	1
		1	1
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year		-	-
		-	-
<b>Net current assets</b>		1	1
<b>Total assets less current liabilities</b>		1	1
<b>Net assets</b>		1	1
<b>Capital and Reserves</b>			
Called up share capital	6	1	1
<b>Total shareholders' funds</b>		1	1

The company reported a result for the financial year end 31 December 2019 of nil (2018: nil) and as such has not prepared a separate income statement.

These audited financial statements were approved and authorised for issue by the Board of Directors on 30 September 2020 and signed on its behalf by:



Michael Balfour  
Director

The notes on pages 9 to 11 are an integral part of these financial statements.

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

### 1. Accounting policies

#### (a) Basis of presentation

The company is incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is Bow Bells House, 1 Bread Street, London, EC4M 9BE. The nature of the Company's operations and its principal activities are to hold property on a bare trust on behalf of Standard Life Investments (SLIPIT) Limited Partnership.

The financial statements have been prepared under the historical cost convention in compliance FRS 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland and UK companies law and in accordance with the Companies Act 2006.

The principal accounting policies are set out below and have, unless otherwise stated, been applied consistently throughout the current period and preceding period.

The company did not trade during the period or the preceding year and made neither a profit nor loss. There were also no other recognised gains and losses for the current financial period or the preceding financial period. Accordingly, neither a profit and loss account nor a statement of total recognised gains and losses have been presented.

The Directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of Standard Life Investments Property Holdings Limited. The Directors have received confirmation that Standard Life Investments Property Holdings Limited intends to support the Company for at least one year after these financial statements are signed.

The Directors have considered the basis of preparation of the accounts given the COVID-19 pandemic and believe that it is still appropriate for the accounts to be prepared on the going concern basis.

All expenses have been borne by a related Group undertaking.

None of the Directors received emoluments in respect of their services as a Director of the Company.

Unless otherwise noted, the amounts shown in these financial statements are in pounds sterling ("£"), the functional currency of the Company.

Information on the ultimate controlling parent and immediate parent can be found on page 11.

#### (b) Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement conferred under Section 7 of FRS 102 on the grounds that it is a qualifying entity where the parent Company prepares publicly available Consolidated Financial Statements which give a true and fair view.

#### (c) Strategic report

A strategic report has not been included in these audited financial statements as the Company qualifies as a small company under Section 414b of the Companies Act 2006.

#### (d) Critical accounting judgements and key sources of estimation uncertainty

##### Critical judgements in applying the partners accounting policies

In the process of applying the Company's accounting policies, management has made no judgements that have a significant effect on the amounts recognised in the financial statements.

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#### Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the Balance Sheet date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

#### **(e) Investment in non-current assets**

The policy is to carry investments, including investments in subsidiaries, at fair value and recognise changes in fair value in the statement of comprehensive income. Fair value is equivalent to our share of the net asset value, since all underlying assets and liabilities in investments are carried at fair value and represent the Directors' best estimate of realisable value.

#### **(f) Taxation**

The Company has no taxable income during the year. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the timing differences can be utilised. A deferred tax asset has not been recognised as there is insufficient evidence under FRS 102, section 29 as to the availability of suitable taxable profits in the foreseeable future.

### **2. Employees**

The Company has no employees (period ended 31 December 2018: nil).

### **3. Auditors' Remuneration**

Auditors' remuneration of £2,500 (period ended 31 December 2018: £2,500) is charged in the financial statements of a fellow group undertaking.

### **4. Debtors**

	31 December 2019	31 December 2018
	£	£
Amounts owed by group undertakings	1	1
Total debtors amounts falling due within one year	1	1

### **5. Called up share capital**

Details of the Company's share capital are as follows:

	31 December 2019	31 December 2018
	£	£
Allotted, called up and fully paid ordinary £1 share capital of the Company	1	1
	1	1

### **6. Contingent liabilities and commitments**

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

### **7. Related part transactions**

#### **(a) Key management compensation**

The members of the Board of Directors who are considered to be the key management of the Company are Robert Peto (retired 25 August 2020), Mike Balfour, James Clifton-Brown, Jill May and Sarah Slater. The Board of Directors receive no remuneration from the Company for their services (period ended 31 December 2018: £nil).

There are no accounts receivable from or payments due to members of the Board of Directors.

#### **(b) Services provided to related parties**

At the balance sheet date the amount receivable from the parent company was £1 (2018: £1) as stated in note 5.

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**(c) Parent companies**

The immediate parent undertaking of the Company at the date of these financial statements was Standard Life Investments SLIPIT (General Partner) Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent undertaking and controlling party of the Company at the date of these financial statements was Standard Life Investments Property Income Trust Limited, a company incorporated in the Guernsey.

Standard Life Investments Property Income Trust Limited is the parent of both the largest and the smallest group of undertakings of which the Company is a member and for which consolidated financial statements were prepared. The consolidated financial statements of Standard Life Investments Property Income Trust Limited are available on application to the:

Group Company Secretary  
Standard Life Investments Property Income Trust Limited  
Trafalgar Square  
Les Banques  
St Peter Port, Guernsey  
GY1 3QL

And are available on the website at [www.slipit.co.uk](http://www.slipit.co.uk)

## **8. Events after the balance sheet date**

### **Post Balance Sheet Events Disclosure**

The outbreak of the novel Coronavirus ("COVID-19") in 2020 has resulted in significant loss of life, adversely affected global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving and on 11 March 2020, the World Health Organization declared a pandemic. Many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the duration and severity of COVID-19, are creating significant disruption in supply chains and economic activity and are having particularly adverse repercussions on transportation, hospitality, tourism, entertainment, non-food retail and other industries although these are now easing. The impact of COVID-19 has led to significant volatility and declines in the global public equity markets and it is uncertain how long this volatility will continue. As COVID-19 continues to spread and the uncertainty remains regarding the reopening of economies, the potential consequences, including global or regional recessions, are increasingly uncertain and difficult to assess.

The outbreak of COVID-19 and the resulting financial and economic market uncertainty could have significant adverse impact on the SLIPIT Group, including the fair value of its investments. The most significant implications relating to COVID-19 arose after the reporting period and as a result the Group considers the emergence of the COVID-19 pandemic to be a non-adjusting post balance sheet event. Any future effect on the Group is likely to be in connection with the assessment of the fair value of investments and stability of rental income at future dates. The SLIPIT group announced a fall in like-for-like portfolio values of 4.9% to 31 March 2020 and a further 2.5% in June 2020 with a NAV of 79.6p, a fall of 11.5% from the year end NAV as announced on 3 August 2020. It also announced a 40% reduction in its dividends payable in August 2020. The independent portfolio valuation prepared by Knight Frank as at 30 June 2020 also included a material uncertainty clause on 47% of the portfolio (31 March 2020 – 100% of the portfolio). At the date of reporting it is not possible to quantify the future financial results of COVID-19 on the Group's investments or rental income with any degree of certainty. The Board will continue to closely analyse and review the impact of COVID-19 on the Group and will take appropriate action as required.