

Registered number: 09543266

NVF SUB LIMITED.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019



NVF SUB LIMITED

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NVF SUB LIMITED

COMPANY INFORMATION

DIRECTORS

P Manicle
S Karaivanov

REGISTERED NUMBER

09543266

REGISTERED OFFICE

5 New Street Square,
London,
United Kingdom,
EC4A 3TW

INDEPENDENT AUDITORS

Peters Elworthy & Moore
Chartered Accountants & Statutory Auditors
Salisbury House
Station Road Cambridge
CB1 2LA

NVF SUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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

PRINCIPAL ACTIVITY

NVF Sub Limited's ("The Company") principal activity is to hold an inter-group loan balance.

DIRECTORS

The directors who held office during the year and up to the date of this report were:

P Manicle
S Karaivanov

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

A qualifying third party indemnity provision as defined in section 232(2) of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, a directors' and officer liability insurance policy was maintained by Alphabet Inc. group from the acquisition date.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing 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;
- 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.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NVF SUB LIMITED

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

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 auditors are aware of that information.

AUDITORS

Peters Elworthy & Moore were appointed as auditors to the Company and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

Paul T. Manicle

Paul Manicle

Director

Date: 16 December 2020

NVF SUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NVF SUB LIMITED

OPINION

We have audited the financial statements of NVF Sub 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 Auditors' 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

NVF SUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NVF SUB LIMITED (CONTINUED)

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 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 Directors' Report 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.

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF DIRECTORS

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.

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,

NVF SUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NVF SUB LIMITED (CONTINUED)

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. This description forms part of our Auditors' 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 Auditors' 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.

Roberta Newman (Senior Statutory Auditor)

for and on behalf of
Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 18 December 2020

NVF SUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

		Year ended 31 December 2019	Year ended 31 December 2018
	Note	£	£
Administrative expenses	4	(10,850)	(9,250)
Other operating income	6	10,850	9,250
OPERATING PROFIT		<u>-</u>	<u>-</u>
Interest payable and similar expenses		<u>(19,274)</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(19,274)</u>	<u>-</u>
Tax on profit on ordinary activities	7	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		<u>(19,274)</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(19,274)</u>	<u>-</u>

There were no recognised gains and losses for 2019 or 2018 other than those included in the profit and loss account.

The notes on pages 11 to 15 form part of these financial statements.

NVF SUB LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

Registered number: 09543266

		2019	2018
	Note	£	£
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	15,361,580	15,467,784
TOTAL CURRENT ASSETS		15,361,580	15,467,784
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	(3,102,990)	(3,189,920)
TOTAL ASSETS LESS CURRENT LIABILITIES		12,258,590	12,277,864
NET ASSETS		12,258,590	12,277,864
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Share premium account	11	99,999	99,999
Profit and loss account	11	12,158,589	12,177,863
TOTAL EQUITY		12,258,590	12,277,864

The notes on pages 11 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Paul T. Manicle

Paul Manicle

Director

Date: 16 December 2020

NVF SUB LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	2	99,999	12,177,863	12,277,864
Profit/(Loss) for the year	-	-	-	-
At 31 December 2018	2	99,999	12,177,863	12,277,864
Profit/(Loss) for the year	-	-	(19,274)	(19,274)
At 31 December 2019	2	99,999	12,158,589	12,258,590

The notes on pages 11 to 15 form part of these financial statements.

NVF SUB LIMITED

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

1. GENERAL INFORMATION

NVF Sub Limited is a private company limited by shares and incorporated in England. Its registered office is 5 New Street Square, London, United Kingdom, EC4A 3TW.

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 Company is a wholly owned subsidiary of NVF Tech Ltd and of its ultimate parent, Alphabet Inc ("Alphabet"). It is included in the consolidated financial statements of Alphabet which are publicly available. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Alphabet.

Statement of Compliance

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 Company has taken advantage of the following exemptions in its financial statements:

- The requirement to prepare a statement of cash flows. [Section 7 of FRS 102 and para 3.17(d)].
- Certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. [11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A].
- Key management personnel compensation in total. [33.7].

The remaining exemptions available under the Framework have not been availed of as they were not applicable to the Company at this time.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

In accordance with their responsibilities, the Directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. The Company has received a written assurance from an intermediate parent undertaking, Google LLC, that it will continue to provide adequate financial support to the Company for a period of at least twelve months from the date of approval of these financial statements.

The Directors have determined that the Company retains adequate support from the parent to continue in operational existence and therefore the Company continues to adopt the going concern basis in preparing its financial statements.

NVF SUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

2. ACCOUNTING POLICIES (continued)

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The financial statements are presented in pound sterling ("£"), which is also the Company's functional currency and presentation currency. All values are in pound sterling ("£") to the nearest pound except where otherwise indicated.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

2.4 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.

2.5 CREDITORS

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

2.6 TAXATION

Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 OTHER OPERATING INCOME

Other operating income represents reimbursement of costs from group companies.

NVF SUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements or areas of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Fees payable to the auditor for the audit of the annual financial statements	4,100	2,250

Included in professional services fees are fees due to the Company's statutory auditors, Peters Elworthy & Moore of £4,100 (2018: £2,250) in respect of the financial year. These fees relate to the audit of the financial statements only.

5. EMPLOYEES

The Company had no employees other than the directors in the current and prior years. The directors did not receive any remuneration in respect of qualifying services to the Company during the year (2018: £NIL).

6. OTHER OPERATING INCOME

	2019	2018
	£	£
Intercompany recharges	10,850	9,250

NVF SUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

7. TAXATION

	2019 £	2018 £
CORPORATION TAX		
Current tax on profits for the year	-	-
TOTAL CURRENT TAX	-	-
The charge for the year can be reconciled to the profit per the income statement as follows:		
Loss for the period	(19,274)	-
Tax on profit at standard UK rate of 19% (2018: 19%)	(3,662)	-
Effects of:		
Effects of group relief / other reliefs	(201,538)	-
Transfer pricing adjustments ¹	205,200	-
Income tax expense reported in the income statement	-	-

¹ In accordance with applicable transfer pricing rules, the Company imputes interest income in respect of the interest free loan owed by a group undertaking

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed by group undertakings	15,088,602	15,194,806
Corporation tax	272,978	272,978
	15,361,580	15,467,784

Amounts owed by group undertakings reflect an intercompany loan which is interest free and repayable on demand.

NVF SUB LIMITED

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	3,087,088	3,175,420
Withholding tax	1,552	-
Accruals and deferred income	14,350	14,500
	3,102,990	3,189,920

Balances owed to group undertakings reflect an intercompany loan which is interest free and repayable on demand.

10. SHARE CAPITAL

	2019 £	2018 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	2	2

11. RESERVES

Share premium account

This includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profits and losses.

12. RELATED PARTY TRANSACTIONS

The Company takes advantage of FRS 102 section 33 "Related Party Disclosures" exemption permitting it to not disclose transactions with group undertakings where 100% of the voting rights are controlled within the Group and consolidated group accounts are prepared.

13. CONTROLLING PARTY

The Company's ultimate holding company is Alphabet Inc., a company incorporated in the United States of America, while its immediate holding company is NVF Tech Ltd, a company incorporated in the United Kingdom.

Alphabet, Inc. is the smallest and largest group into which these financial statements are consolidated. The consolidated financial statements are available to the public and may be obtained from 1600 Amphitheatre Parkway, Mountain View, CA 94043, United States of America or can be obtained from the investor relations website at <https://abc.xyz/investor/>.