

Registered Number: 04246627

Jubilee Mortgages Limited

Unaudited Annual Report and Financial Statements for the year ended 31 March 2017

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COMPANIES HOUSE

Jubilee Mortgages Limited

Directors and company information

Directors

A Alexander

C Rhodes

H Jordan (appointed 16 September 2016)

R Napier (resigned 22 July 2016)

Company secretary

V Orme

Registered office

Nationwide House

Pipers Way

Swindon

SN38 1NW

Registered number

04246627

Jubilee Mortgages Limited

Directors report for the year ended 31 March 2017

The directors have pleasure in presenting their annual report and the unaudited financial statements for the year ended 31 March 2017.

As set out in the statement of accounting policies, the annual report and financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

The directors have opted to take advantage of the audit exemption available to the Company under Section 479A of the Companies Act 2006, as a subsidiary of Nationwide Building Society.

Principal activities

Jubilee Mortgages Limited (the Company) is a wholly owned subsidiary of Nationwide Building Society (the Group).

The principal activity of the Company was the management of a portfolio of residential loans which was sold in the prior year to the parent company.

Results and dividends

The profit after tax was £5,929 (2016: £6,910). No dividends were proposed or paid during the year (2016: £nil). The retained earnings carried forward are £2,301,397 (2016: £2,295,468).

Future developments

The company is expected to lapse into dormancy.

Employees

The Company has no employees (2016: nil). All staff, including the Company's directors, are employed by the Group.

Environment

The Company's environmental policy is set at a Group level. The Group remains committed to managing its environmental impacts and its goal is to be among the best performers for environmental sustainability in the UK financial services sector. To deliver this goal, the Group continues to pursue a number of targets to reduce the environmental impact of its activities and identify, target and address inefficiencies in its supply chain.

Further details of the Group's activities can be found in the directors' report in its Annual Report and Accounts and on Nationwide Building Society's website at nationwide.co.uk.

Directors' indemnities

The Group purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Jubilee Mortgages Limited

Directors report for the year ended 31 March 2017 (continued)

Directors and directors' interests

The directors of the Company who were in office during the year and up to the date of signing the financial statements are shown on page 1.

At no time during the year have the directors, or their families, had any beneficial interest in the shares of the Company. None of the directors had a material interest in any contract significant to the Company's business.

Company secretary

Jason Lindsey resigned as Company secretary on 30 November 2016, and Victoria Orme was appointed on 30 November 2016.

Domicile

The Company is limited by shares. It is registered, domiciled and operates in the United Kingdom. The registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

Going concern

The Company is fully funded by its parent undertaking, Nationwide Building Society. Nationwide Building Society's board of directors has confirmed that the parent undertaking will continue to fund the Company's activities for the foreseeable future. The foreseeable future is considered for this purpose to be a period at least 12 months from the date of approval of the financial statements. Taking this into account, the directors have a reasonable expectation that the Company has adequate resources to continue in business for the foreseeable future.

Risk overview

The principal risks facing the Group are set out below. Fuller definitions are provided in the Business and Risk Report in the Group Annual Report and Accounts.

- Lending risk: the risk that a borrower or counterparty fails to pay interest or repay the principal on a loan or other financial instrument (such as a bond) on time.
- Financial risk: the risk of inadequate earnings, cash flow or capital to meet current or future requirements and expectations.
- Operational risk: the risk of loss from inadequate or failed internal processes, people and systems, or from external events.
- Conduct and compliance risk: the risk that the Group exercises inappropriate judgement or makes errors in the execution of its business activities, leading to non-compliance with regulation or legislation, market integrity being undermined, or an unfair outcome being created for members and customers.
- Strategic risk: the risk of significant loss or damage arising from business decisions that impact the long-term interests of the membership, or from an inability to adapt to external developments.

The framework for managing the above risks, including associated risk appetite, limits and supporting policies, are reviewed at least annually, and are subject to continuous monitoring by the relevant governance committees.

The Company's only exposure to risk is credit risk on the amounts due from the parent undertaking. This risk is considered to be low.

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 applicable law and United Kingdom Accounting Standards (UK GAAP), including FRS 101.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK GAAP standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of directors and signed on its behalf by



Director

HENRY JORDAN

8 December 2017

Jubilee Mortgages Limited**Statement of comprehensive income for the year ended 31 March 2017 (unaudited)**

	Notes	2017 £	2016 £
Interest receivable and similar income	2	7,458	10,528
Total income		7,458	10,528
Administrative expenses	3	(12)	(139)
Profit before tax		7,446	10,389
Taxation	4	(1,517)	(3,479)
Profit after tax, being total comprehensive income for the year		5,929	6,910

The notes to the accounts form part of these financial statements.

Balance sheet as at 31 March 2017 (unaudited)

	Notes	2017 £	2016 £
Assets			
Current assets			
Cash due from banks		302,668	302,680
Amounts due from parent undertaking	6	2,053,186	2,080,945
Group relief assets		-	16,496
Total assets		2,355,854	2,400,121
Liabilities			
Current liabilities			
Other liabilities		53,689	102,061
Current tax liabilities		668	2,492
Total liabilities		54,357	104,553
Equity			
Share capital	7	100	100
Retained earnings		2,301,397	2,295,468
Total equity		2,301,497	2,295,568
Total equity and liabilities		2,355,854	2,400,121

The notes to the accounts form part of these financial statements.

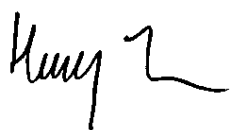
For the year ending 31 March 2017, the Company was entitled to an exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with Section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the board of directors on 8 December 2017.

Director



HENRY JORDAN

Jubilee Mortgages Limited**Statement of changes in equity for the year ended 31 March 2017 (unaudited)**

	Share capital £	2017 Retained earnings £	Total £	Share capital £	2016 Retained earnings £	Total £
At 1 April	100	2,295,468	2,295,568	100	2,288,558	2,288,658
Total comprehensive income	-	5,929	5,929	-	6,910	6,910
At 31 March	100	2,301,397	2,301,497	100	2,295,468	2,295,568

The notes to the accounts form part of these financial statements.

1 Statement of accounting policies

Basis of preparation

These financial statements have been prepared in accordance with The Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101). The financial statements have been prepared under the historical cost convention. As stated in the directors' report, the directors consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. Accounting policies have been consistently applied in preparing these financial statements.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of International Accounting Standard (IAS) 7 *Statement of Cash Flows*;
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of International Financial Reporting Standard (IFRS) 7 *Financial Instruments: Disclosures* and IFRS 13 *Fair Value Measurement*.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

New standards, amendments and IFRIC interpretations

Minor amendments to IAS 1 *Presentation of Financial Statements*, together with the annual improvements to the IFRSs 2012-2014 cycle, were adopted with effect from 1 April 2016. The adoption of these amendments and improvements had no significant impact for the Company.

a) Interest receivable

Interest income arises on amounts due from the parent undertaking. Interest income is recognised in the statement of comprehensive income in the period in which it is earned.

b) Taxation including deferred tax

Corporation tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax is realised or settled.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Jubilee Mortgages Limited**Notes to the financial statements for the year ended 31 March 2017 (unaudited) (continued)****1 Statement of accounting policies (continued)****b) Taxation including deferred tax (continued)**

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

c) Loans and receivables

Amounts due from parent undertaking and cash due from banks are classified as loans and receivables.

Loans and receivables are carried at amortised costs less provisions for impairment.

d) Derecognition of financial assets and liabilities

Derecognition is the point at which the Company removes an asset or liability from its balance sheet.

Financial assets are derecognised when the rights to receive cash flows have expired or where the assets have been transferred and substantially all of the risks and rewards of ownership have been transferred.

Financial liabilities are derecognised when the obligation is discharged, cancelled or has expired.

e) Financial liabilities

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

f) Share capital

Ordinary shares, net of directly attributable issue costs, are classified as equity.

Dividends paid on ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the directors.

2 Interest receivable

	2017	2016
	£	£
Interest receivable from parent undertaking	7,458	10,528
	7,458	10,528

3 Administrative expenses

	2017	2016
	£	£
Other expenses	12	139
	12	139

Jubilee Mortgages Limited**Notes to the financial statements for the year ended 31 March 2017 (unaudited) (continued)****4 Taxation**

	2017 £	2016 £
Current tax:		
UK corporation tax	1,489	2,078
Adjustments in respect of prior years	28	1,039
Group relief – adjustments in respect of prior years	-	(493)
Total current tax	1,517	2,624
Deferred tax:		
Adjustments in respect of prior years	-	855
Total deferred tax	-	855
Taxation	1,517	3,479

The actual tax charge differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK as follows:

	2017 £	2016 £
Profit before tax	7,446	10,389
Tax calculated at a rate of 20% (2016: 20%)	1,489	2,078
Effects of:		
Adjustments in respect of prior years	28	1,401
Taxation	1,517	3,479

5 Deferred tax assets

	2017 £	2016 £
At 1 April	-	855
Statement of comprehensive income charge	-	(855)
At 31 March	-	-

The deferred tax charge in the statement of comprehensive income comprises the following temporary differences:

	2017 £	2016 £
Transitional tax adjustment on adoption of IFRS	-	855
	-	855

Deferred tax has been provided in full on temporary differences at the rates applicable when the deferred tax balances are expected to realise based on tax rates that had been enacted or substantively enacted by the balance sheet date.

6 Amounts due from parent undertaking

Amounts due from parent undertaking of £2,053,186 (2016: £2,080,945) are held on deposit with Nationwide Building Society and are repayable on demand.

7 Share capital

	2017 £	2016 £
Authorised, issued and fully paid:		
100 ordinary shares of £1 each	100	100

Jubilee Mortgages Limited

Notes to the financial statements for the year ended 31 March 2017 (unaudited) (continued)

8 Capital management

Capital comprises the retained earnings and share capital. Capital is managed on a Group basis.

Further information on the Group's capital position can be viewed in the solvency risk section of the Business and Risk Report in the Group Annual Report and Accounts.

9 Parent undertaking and ultimate controlling party

The Company is a wholly owned subsidiary of Nationwide Building Society, its immediate and ultimate parent and controlling party, which is registered in England and Wales.

Nationwide Building Society is registered at Nationwide House, Pipers Way, Swindon, SN38 1NW. The Group Annual Report and Accounts can be obtained from this address or at **nationwide.co.uk**.