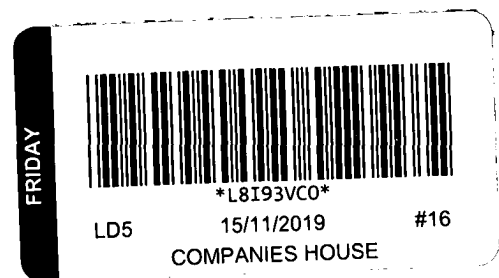


Registered number: 10775740

**Piper Javelin No 1 Limited**

**Annual Report and Financial Statements  
for the year ended 31 March 2019**



**Piper Javelin No 1 Limited**

**Annual report and financial statements for the year ended 31 March 2019**

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**Piper Javelin No 1 Limited**

**Directors and company information**

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**Directors**

A Alexander

P Bates

S Bennison

L Faulkner

C Kensett

**Company secretary**

NBS CoSec Limited

**Independent auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

**Registered office**

Nationwide House

Pipers Way

Swindon

SN38 1NW

**Registered number**

10775740

## **Piper Javelin No 1 Limited**

### **Directors' report for the year ended 31 March 2019**

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The directors present their annual report and the audited financial statements for the year ended 31 March 2019.

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) and the Companies Act 2006.

#### **Principal activities**

Piper Javelin No 1 Limited ('the Company') is a wholly owned subsidiary of Piper Javelin Holding Company Limited, its immediate parent company, with the ultimate parent being Nationwide Building Society ('the Society'). Nationwide Building Society prepares consolidated financial statements, which include the Company and other controlled undertakings of the Society (herein 'the Group').

The principal activity of the Company is property development. The Company is regenerating the brownfield Oakfield Campus site in Swindon and establishing a development of good value, quality homes that meet the aspirations of underserved households and that will make a long-term positive contribution to the local community. Furthermore, the project aims to inspire other organisations to develop homes in partnership with their local communities.

#### **Results and dividends**

The loss after tax was £38,682 (2018: £70,398). No dividends were proposed, approved or paid during the year (2018: £nil).

#### **Future developments**

The Company secured planning consent to develop residential property on the brownfield Oakfield Campus site in Swindon. Once a main contractor has been selected, construction is expected to start on site in 2020.

#### **Employees**

The Company has no employees (2018: nil).

#### **Environment**

The Company's environmental policy is set at a Group level. The Group remains committed to managing its environmental impacts and its ambition is to look for better, cleaner ways to run its operations.

Further details of the Group's activities can be found in the Strategic Report in its Annual Report and Accounts and on Nationwide Building Society's website at [nationwide.co.uk](http://nationwide.co.uk).

**Piper Javelin No 1 Limited**

**Directors' report for the year ended 31 March 2019 (continued)**

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**Directors and directors' interests**

The Board of directors at the date of approval of the Directors' report is shown on page 2. The directors who held office during the year were:

A Alexander  
P Bates  
S Bennison  
L Faulkner  
M Rennison (resigned 13 September 2019)

The following director was appointed after the year end:

C Kensett (appointed 1 September 2019)

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**

K Philp (resigned 24 January 2019)  
NBS CoSec Limited (appointed 24 January 2019)

**Domicile**

The Company is a private company limited by shares. It is incorporated and domiciled in the United Kingdom and is registered in England and Wales. The registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

**Going concern**

The Company is fully funded by its ultimate parent, Nationwide Building Society. Nationwide Building Society's Board of directors have confirmed that it will continue to fund the Company's activities for the foreseeable future. The foreseeable future is considered for this purpose to be a period of 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 Company's principal exposure to risk is from its planned property development activities. The main risk the Company is exposed to is that the master plan is not financially viable; most significantly the Company is exposed to a material reduction in house prices. It may be considered that such a risk is heightened given ongoing political uncertainty related to the UK's departure from the EU.

Risks are actively managed by the Board with support from the Development Manager. Risks are mitigated through the design process, underpinned by the Royal Institute of British Architects Plan of Work and with regular updates to the Board.

**Piper Javelin No 1 Limited**

**Directors' report for the year ended 31 March 2019 (continued)**

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**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. The directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 year. 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;
- 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.

**Independent auditors**

The Group's audit tender process in 2017 resulted in a proposal to appoint Ernst & Young LLP as external auditor for the year ending 31 March 2020. Consequently, PricewaterhouseCoopers LLP did not seek re-appointment as auditors for Piper Javelin No 1 Limited for the year ending 31 March 2020.

**Statement of disclosure of information to auditors**

In accordance with Section 418 of the Companies Act 2006, for each director in office at the date the Directors' report is approved:

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) they have taken all the steps that they ought to have taken as a director 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 and signed on its behalf by



A Alexander  
**Director**  
10 October 2019

## **Piper Javelin No 1 Limited**

### **Independent auditors' report to the members of Piper Javelin No 1 Limited**

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

##### **Opinion**

In our opinion, Piper Javelin No 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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 balance sheet as at 31 March 2019; the statement of comprehensive income, 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**

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

##### **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.

## **Piper Javelin No 1 Limited**

### **Independent auditors' report to the members of Piper Javelin No 1 Limited (continued)**

#### **Reporting on other information (continued)**

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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 March 2019 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 set out on page 5, 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.

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.



**Piper Javelin No 1 Limited**

**Independent auditors' report to the members of Piper Javelin No 1 Limited (continued)**

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***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**

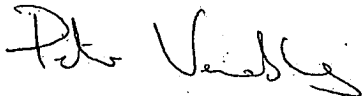
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received 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.



Peter Venables (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
10 October 2019

**Piper Javelin No 1 Limited**

**Statement of comprehensive income for the year ended 31 March 2019**

	Note	2019 £	2018* £
Administrative expenses	3	(47,755)	(86,911)
<b>Loss on ordinary activities before tax</b>		<b>(47,755)</b>	<b>(86,911)</b>
Taxation	5	9,073	16,513
<b>Loss after tax</b>		<b>(38,682)</b>	<b>(70,398)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(38,682)</b>	<b>(70,398)</b>

\*The comparative information is for the period 17 May 2017 - 31 March 2018.

All comprehensive income and expenditure is derived from continuing operations.

The notes on pages 12 to 16 form part of these financial statements.

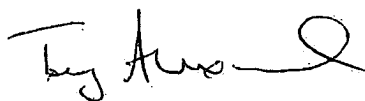
**Piper Javelin No 1 Limited**  
**Balance sheet as at 31 March 2019**

**Registered number: 10775740**

	Note	2019 £	2018 £
<b>Assets</b>			
<b>Current assets</b>			
Amounts due from Group undertakings	6	2,750,000	2,750,000
Other assets	7	106,625	59,836
Inventories	8	2,529,426	954,142
<b>Total assets</b>		<b>5,386,051</b>	<b>3,763,978</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Amounts due to Group undertakings	9	2,621,365	932,168
Other liabilities	10	123,766	152,208
<b>Total liabilities</b>		<b>2,745,131</b>	<b>1,084,376</b>
<b>Equity</b>			
Share capital	11	2,750,000	2,750,000
Accumulated losses		(109,080)	(70,398)
<b>Total equity</b>		<b>2,640,920</b>	<b>2,679,602</b>
<b>Total equity and liabilities</b>		<b>5,386,051</b>	<b>3,763,978</b>

The notes on pages 12 to 16 form part of these financial statements.

The financial statements on pages 9 to 16 were approved by the Board of directors on 10 October 2019.



A Alexander  
Director

**Piper Javelin No 1 Limited**

**Statement of changes in equity for the year ended 31 March 2019**

2019	Share capital	Accumulated losses	Total equity
	£	£	£
At 1 April 2018	2,750,000	(70,398)	2,679,602
Loss after tax being total comprehensive loss for the year	-	(38,682)	(38,682)
<b>At 31 March 2019</b>	<b>2,750,000</b>	<b>(109,080)</b>	<b>2,640,920</b>

2018	Share capital	Accumulated losses	Total equity
	£	£	£
At 17 May 2017	-	-	-
Shares issued	2,750,000	-	2,750,000
Loss after tax being total comprehensive loss for the period	-	(70,398)	(70,398)
<b>At 31 March 2018</b>	<b>2,750,000</b>	<b>(70,398)</b>	<b>2,679,602</b>

The notes on pages 12 to 16 form part of these financial statements.

## **Piper Javelin No 1 Limited**

### **Notes to the financial statements for the year ended 31 March 2019**

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#### **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, except for changes arising from adoption of new and revised International Financial Reporting Standards (IFRS).

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;
- the requirements of IFRS 7 'Financial Instruments: Disclosures'; and
- the requirements of paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement'.

Further information about judgements in applying accounting policies and critical accounting estimates is provided in note 2.

##### **Adoption of new and revised standards**

The Company has adopted the following standards with effect from 1 April 2018:

- IFRS 9 'Financial Instruments'
- IFRS 15 'Revenue from Contracts with Customers'.

The adoption of these standards had no significant impact for the Company, including no transitional impact.

##### **Comparative information**

The comparative information presented in these financial statements for comprehensive income and expenditure is for the period 17 May 2017 to 31 March 2018.

##### **a) Taxation**

Current tax losses surrendered to Group entities are recognised as a credit in the year in which losses arise.

**1 Statement of accounting policies (continued)**

**b) Inventories**

Inventories comprise work in progress. Inventories are held at the lower of cost and net realisable value.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**c) Financial assets**

Financial assets include amounts due from the immediate parent undertaking.

**Recognition and derecognition**

All financial assets are recognised initially at fair value. Purchases and sales of financial assets are accounted for at trade date. Financial assets acquired through a business combination or portfolio acquisition are recognised at fair value at the acquisition date. Financial assets are derecognised when the rights to receive cash flows have expired or where the assets have been transferred and substantially all the risks and rewards of ownership have been transferred.

The fair value of a financial assets on initial recognition is the transaction price (plus directly attributable transaction costs for financial assets which are not subsequently measured at fair value through profit or loss).

**Classification and measurement**

The classification and subsequent measurement of financial assets is based on an assessment of the Company's business models for managing the assets and their contractual cash flow characteristics. All of the Company's financial assets are held at amortised cost.

**Amortised cost**

Financial assets held to collect contractual cash flows and where contractual terms comprise solely payments of principal and interest (SPPI) are classified as amortised cost. This category of financial assets includes amounts due from Group undertakings.

Financial assets within this category are recognised when the funds are advanced to borrowers. After initial recognition, the assets are measured at amortised cost using the effective interest rate method, less provisions for expected credit losses.

**d) Impairment of financial assets**

The Company assesses all financial instruments within scope of IFRS 9 expected credit loss (ECL) requirements and where appropriate recognises an impairment provision. Financial assets within the scope of IFRS 9 are amounts due from Group undertakings.

## **Piper Javelin No 1 Limited**

### **Notes to the financial statements for the year ended 31 March 2019 (continued)**

#### **1 Statement of accounting policies (continued)**

##### **e) Financial liabilities**

Financial liabilities include amounts due to Group undertakings.

Borrowings are recognised initially at fair value, being the issue proceeds net of premiums, discounts and transaction costs incurred.

All borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is adjusted for the amortisation of any premiums, discounts and transaction costs. The amortisation is recognised in interest expense and similar charges using the effective interest rate method.

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

##### **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 year in which they are paid or, if earlier, approved by the directors.

#### **2 Judgements in applying accounting policies and critical accounting estimates**

The preparation of the Company's financial statements involves management making judgements and estimates when applying those accounting policies that affect the reported amounts of assets, liabilities, income and expense. Actual results may differ from those on which management's estimates are based. 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.

The most significant source of estimation uncertainty made by management in applying the Company's accounting policies, which is deemed critical to the Company's results and financial position, is in relation to the impairment review of inventory.

#### **3 Administrative expenses**

	2019	2018*
	£	£
Staff costs	5,366	48,691
Auditors remuneration – audit fee for the statutory audit	15,500	13,000
Other	26,889	25,220
<b>Total</b>	<b>47,755</b>	<b>86,911</b>

\*The comparative information is for the period 17 May 2017 - 31 March 2018.

## Piper Javelin No 1 Limited

### Notes to the financial statements for the year ended 31 March 2019 (continued)

#### 4 Staff costs and directors' remuneration

The Company has no employees (2018: nil). Administration of the Company's affairs are carried out by staff who are employed by Nationwide Building Society.

The Directors' contracts of service are with Nationwide Building Society and their remuneration is included within the Group's financial statements. No remuneration or pension scheme benefits were paid or are payable by the Company to the directors. The directors provide services to the Group as a whole and their principal activities are not specific to the business of this Company. It is not possible to make an accurate apportionment of their emoluments to the Company. Hence, no directors' emoluments are disclosed in the financial statements of the Company.

There were no related party transactions with directors during the year (2018: £nil).

#### 5 Taxation

Tax credit in the statement of comprehensive income	2019	2018*
	£	£
Current tax:		
Group relief credit	(9,073)	(16,513)
<b>Tax credit</b>	<b>(9,073)</b>	<b>(16,513)</b>

\*The comparative information is for the period 17 May 2017 - 31 March 2018.

The actual tax credit equates to the theoretical amount that would arise using the standard rate of corporation tax in the UK as follows:

Reconciliation of tax credit	2019	2018*
	£	£
Loss before tax	(47,755)	(86,911)
Tax credit calculated at a rate of 19%	(9,073)	(16,513)
<b>Taxation credit</b>	<b>(9,073)</b>	<b>(16,513)</b>

\*The comparative information is for the period 17 May 2017 - 31 March 2018.

#### 6 Amounts due from Group undertakings

Amounts are due from the immediate parent undertaking and these represent balances that are repayable on demand.

#### 7 Other assets

Other assets include VAT recoverable from HMRC and Group relief receivable on losses surrendered to Group entities.

#### 8 Inventories

	2019	2018
	£	£
Work in progress	2,529,426	954,142

No amount of inventories were written down and recognised as an expense in the year.



## **Piper Javelin No 1 Limited**

### **Notes to the financial statements for the year ended 31 March 2019 (continued)**

#### **9 Amounts due to Group undertakings**

Amounts are due to the ultimate parent undertaking and these represent balances that are repayable on demand.

#### **10 Other liabilities**

Other liabilities include accruals for goods and services received and not yet invoiced.

#### **11 Share capital**

	2019	2018
	£	£
<b>Issued and fully paid:</b>		
<b>2,750,000 (2018: 2,750,000) ordinary shares of £1 each</b>	<b>2,750,000</b>	<b>2,750,000</b>

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

On 25 June 2019 1.5 million £1 ordinary shares were issued at par to the parent company, Piper Javelin Holding Company Limited.

On the 15 July 2019 the Company was granted planning permission by Swindon Borough Council to develop the brownfield Oakfield Campus site in Swindon.

#### **13 Parent undertaking and ultimate controlling party**

The Company is a wholly owned subsidiary of Piper Javelin Holding Company Limited, its immediate parent company, which is registered in England and Wales. The ultimate parent and controlling party is Nationwide Building Society, which is a building society incorporated and registered in England and Wales.

The results of Piper Javelin No 1 Limited are included in the consolidated financial statements of Nationwide Building Society, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Nationwide Building Society is registered at Nationwide House, Pipers Way, Swindon, SN38 1NW. The Group's Annual Report and Accounts can be obtained from this address or at [nationwide.co.uk](http://nationwide.co.uk)