

Registered Number: 11483474

NBS Ventures Management Limited

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



NBS VENTURES MANAGEMENT LIMITED

Directors and company information

Directors

S Bennison
T Prestedge
C Rhodes

Company secretary

NBS CoSec Limited

Registered office

Nationwide House
Pipers Way
Swindon
SN38 1NW

Registered number

11483474

NBS VENTURES MANAGEMENT LIMITED

Directors' report for the period ended 31 March 2019

The directors present their annual report and the unaudited financial statements for the period from 25 July 2018 to 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).

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

NBS Ventures Management Limited ('the Company') is a wholly owned subsidiary of Nationwide Building Society ('the Society'). Nationwide Building Society prepares consolidated financial statements, which includes the Company and other controlled undertakings (herein 'the Group').

The Company was incorporated on 25 July 2018 and is the holding company of its wholly owned subsidiary NBS Ventures Limited ('the Subsidiary'). The Company's principal activity is to manage the Group's Venture Fund ('the Fund') which was established to enable the Society to be at the forefront of helping develop innovative products and services to benefit its members both now and in the future.

Investments in early stage start-up businesses approved by the Fund are held by the Subsidiary.

Results and dividends

The profit after tax was £nil. No dividends were proposed, approved or paid during the period.

Future developments

The Fund continues to actively seek further investment opportunities in early stage start-up businesses that could add value to the Society.

Subsequent to the balance sheet date the Fund has made several new investments, as disclosed in note 7 to the financial statements.

In October 2019, the UK Government and the European Union agreed to delay the UK's departure from the European Union until 31 January 2020 unless a withdrawal agreement is agreed before that date. As the Group's business model is primarily focused in the UK, it has limited direct exposure to the EU. Further details can be found in the Strategic Report of the Group's Annual Report and Accounts.

Employees

The Company has no employees. All staff, including the Company's directors, are employed by Nationwide Building Society.

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 Directors' report in its Annual Report and Accounts and on Nationwide Building Society's website at nationwide.co.uk

NBS VENTURES MANAGEMENT LIMITED

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

Directors and directors' interests

The Board of directors at the date of approval of the Directors' report is shown on page 1. The directors who held office during the period were:

G Hughes (appointed 25 July 2018, resigned 31 March 2019)
T Prestedge (appointed 25 July 2018)
M Rennison (appointed 25 July 2018, resigned 13 September 2019)
C Rhodes (appointed 25 July 2018)

The following director was appointed after the year end:

S Bennison (appointed 1 September 2019)

At no time during the period 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

V Hames (appointed 25 July 2018, resigned 4 January 2019)
NBS CoSec Limited (appointed 7 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 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 Company's principal exposure to risk is the impairment of its investment in the Subsidiary and is inextricably linked to the Subsidiary's business model whereby investments are made in early stage start-up businesses that do not necessarily have a proven business or product (and are therefore subject to a higher risk of failure compared with more established businesses). The principal control to manage this risk is the governance structure around the Fund which includes an Investment Committee to both approve new and review existing investments. As the portfolio of investments grows and diversifies the potential impact on the Company of this risk, and concentration risk, is mitigated.

An additional risk arises from the credit risk on the amounts due from the parent undertaking. This risk is considered to be low.

NBS VENTURES MANAGEMENT LIMITED

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

Statement of directors' responsibilities

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

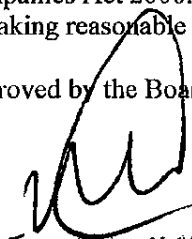
Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP), including FRS 101.

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; 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



TONY PRESTEDGE
Director

09 December 2019

NBS VENTURES MANAGEMENT LIMITED
Balance sheet as at 31 March 2019

Registered Number: 11483474

	Note	2019 £
Fixed assets		
Investments	3	1,949,922
Current assets		
Amounts owed by Group undertakings	4	900,001
Creditors: amounts falling due within 1 year		
Amounts owed to Group undertakings	5	(900,001)
Total assets less current liabilities		1,949,922
Net assets		1,949,922
Capital and reserves		
Called up share capital	6	1,949,922
Total shareholders' funds		1,949,922

For the period ending 31 March 2019 the Company reported no profit or loss or other comprehensive income.

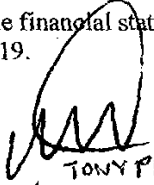
The notes on pages 7 to 10 form part of these financial statements.

For the period ending 31 March 2019, 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 period in question in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements on pages 5 to 10 were approved by the board of directors on 29 December 2019.


TONY PRESTEDGE
Director

NBS VENTURES MANAGEMENT LIMITED

Statement of changes in equity for the period ended 31 March 2019

	Share capital	2019 Retained earnings	Total equity
	£	£	£
At 25 July 2018	-	-	-
Shares issued	1,949,922	-	1,949,922
At 31 March 2019	1,949,922	-	1,949,922

The notes on pages 7 to 10 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;
- the requirements of paragraphs 134 to 136 of IAS 1 'Presentation of Financial Statements';
- the requirements of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures'; and
- the requirements of paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement'.

The Company has taken advantage of the exemption in Section 400 of the Companies Act 2006 not to prepare group financial statements as it is a fully consolidated subsidiary of Nationwide Building Society.

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

a) Financial assets

Financial assets comprise amounts due from the parent undertaking.

Recognition and derecognition

All financial assets are recognised initially at fair value and 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 asset 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).

1 Statement of accounting policies (continued)

a) Financial assets (continued)

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.

b) 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.

c) Financial liabilities

Financial liabilities include amounts owed to the Subsidiary undertaking.

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

d) Investments in subsidiary undertaking

Investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

e) Taxation

Current tax payable on profits will be recognised as an expense in the period in which profits arise.

NBS VENTURES MANAGEMENT LIMITED

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

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 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 judgement made by management in applying the Company's accounting policies, which is deemed critical to the Company's results and financial position, relates to the valuation of its investment in its subsidiary.

3 Investments

The company holds 100% of the ordinary share capital of its subsidiary, NBS Ventures Limited. The Subsidiary is a company limited by shares and its registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

4 Amounts owed by Group undertakings

Amounts are owed by the parent undertaking and are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

There are no provisions recognised for expected credit losses recognised against the amounts due from Group undertakings the at period end.

5 Amounts owed to Group undertakings

Amounts are owed to the Subsidiary undertaking and are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

6 Called up share capital

	2019
	£
Issued and fully paid:	
1,949,922 ordinary shares of £1 each	1,949,922

7 Events after the reporting period

After the balance sheet date the Company provided funding for the Subsidiary to make additional equity investments in early stage start-up businesses totalling £4,727,546.

NBS VENTURES MANAGEMENT LIMITED

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

8 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 a building society incorporated and registered in England and Wales.

The results of NBS Ventures Management 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

