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## EOC SPV Limited

Directors' report and financial statements

Registered number 8850415

31 July 2021



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## **Directors and advisers**

### **Directors**

Christopher Nix (resigned 30.06.2021)  
Corrienne Peasgood  
Andrew Barnes  
Martin Colbourne  
Vivien Gillespie

### **Company Secretary and Registered office**

Jodie Mitchell  
City College Norwich  
Ipswich Road  
Norwich  
NR2 2LJ

### **Statutory auditor**

MHA MacIntyre Hudson  
2 London Wall Place  
London  
EC2Y 5AU

### **Solicitor**

Mills & Reeve LLP  
1 St James Court  
Whitefriars  
Norwich  
NR3 1RU

### **Banker**

Lloyds Bank plc  
16 Gentleman's Walk  
Norwich  
NR2 1LZ

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2021.

### Principal activity

The company's principal activity is to hold the investment in ELC JV LLP, a joint partnership arrangement established to engage in the development of building projects.

### Review of business and future developments

EOC SPV Limited's result for the year is set out on page 6.

On 17 May 2021, ELC JV LLP completed the sale of options and land at Easton. As a result, EOC SPV Ltd has accounted for a distribution from ELC JV LLP for its share of the accounting surplus achieved from the sale of the land options by the LLP. Whilst turnover for the year was £nil (2019/20: £nil), the profit for the year, resulting from investment income (distribution from joint venture), amounted to £5,721k (2019/20: £nil).

The Balance Sheet shows net current assets of £431k and net assets of £nil (31 July 2020: both £nil). Under the sale agreement, the proceeds from the sale of the land options are due in three tranches, the first on completion (May 2021), the second in April 2022 (2021/22 financial year) and the last being in May 2023 (2022/23 financial year). The Balance Sheet therefore recognises debtors of £431k (amounts falling due after one year) and £2,065k (amounts falling due within one year) respectively, representing amounts due from ELC JV LLP for the sale. Cash has increased by £3,968k to £3,969k reflecting the first payment made by ELC JV LLP for the first tranche of sales proceeds. Current liabilities and liabilities more than one year, of £6,034k and £431k respectively, represent creditors due to City College Norwich from distributing profits under gift aid.

### Going Concern

EOC SPV Limited holds City College Norwich's interest in the joint venture arrangement, ELC JV LLP, and has been set up for the purpose of dealing with any tax matters arising on the sale of the land at Easton, to the west of Norwich, by ELC JV LLP. It will be wound up once it achieves its purpose.

The land options and land were sold during the year – completion was achieved on 17 May 2021. Under the terms of the sale agreement, the consideration for the sale of land options will be received by the joint venture (ELC JV LLP) in agreed tranches over the next two years and will then be distributed to members accordingly. Following the completion of these transactions, the company will be wound-up. As a result, the Directors do not believe that it is appropriate to prepare the financial statements on a going concern basis, accordingly the financial statements have been prepared on a basis other than going concern. It is anticipated that the winding up of the company will take place during 2023/24 – no provision has yet to be made for the future costs associated with wind-up.

### Proposed dividends and transfers to reserves

The directors do not recommend the payment of a dividend. The retained profit for the financial year ended 31 July 2021 of £5,721k (2019/20: £nil) will be taken to reserves.

### Directors

The directors of the company who held office during the period and/or up to the date of signing were as follows:

- Christopher Nix (resigned 30.06.2021)
- Corrienne Peasgood
- Andrew Barnes
- Martin Colbourne
- Vivien Gillespie

### Directors' interests

No directors had any disclosable interests in company shares at 31 July 2021 or at any time in the financial period.

### Insurance of directors

The company's parent undertaking maintains insurance for the directors in respect of their duties as directors.

## **Directors' report** *(continued)*

### **Political and charitable contributions**

The company made no political or charitable contributions during the period.

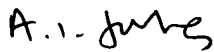
### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

Pursuant to Section 485 of the Companies Act 2006 the directors have appointed MHA MacIntyre Hudson as auditors of the Company.

By order of the board



A Barnes

Director

7 December 2021

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the Directors do not believe that it is appropriate to prepare these accounts on a going concern basis).

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Statement of Directors' Responsibilities was approved by the Board on 7 December 2021.



A Barnes

Director

7 December 2021

## **Independent Auditor's Report to the Members of EOC SPV Limited**

### **Opinion**

We have audited the financial statements of EOC SPV Limited (the 'company') for the year ended 31 July 2021 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, 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 July 2021, and of its profit 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 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 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.

### **Emphasis of matter - financial statements prepared on a basis other than going concern**

We draw attention to Note 1 to the financial statements which explains that the company plans to cease trading in 2023/24 and the directors therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

### **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 this regard.

## **Independent Auditor's Report to the Members of EOC SPV Limited (*continued*)**

### **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 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 our 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**

As explained more fully in the Statement of Directors' Responsibilities set out in the Directors' report, 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.



## **Independent Auditor's Report to the Members of EOC SPV Limited (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

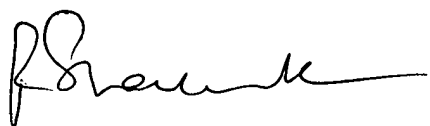
- Enquiry of those in management functions around actual and potential litigation and claims;
- Enquiry of those in management functions to identify any instances of non-compliance with laws and regulations;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's 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 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.



**Rakesh Shaunak CTA FCA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**

Statutory Auditor

London, United Kingdom

Date: 17/12/2021

**Profit and loss account and other comprehensive income**  
*for the year ended 31 July 2021*

	<i>Note</i>	<b>Year ended 31 July 2021 £000</b>	<b>Year ended 31 July 2020 £000</b>
<b>Turnover</b>		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Administrative expenses		-	-
<b>Operating Profit</b>		-	-
Investment income – Distribution from joint venture	2	<b>5,721</b>	-
<b>Profit before tax</b>		<b>5,721</b>	-
Taxation on ordinary activities	5	-	-
<b>Profit for the financial year</b>		<b>5,721</b>	-
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>5,721</b>	-

The company had no recognised gains or losses during the year other than those shown above.

The results for the period relate to discontinuing activities of the company – see note 1 going concern.

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

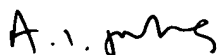
**Balance sheet**  
*As at 31 July 2021*

	<i>Note</i>	<b>2021</b> <b>£000</b>	<b>2021</b> <b>£000</b>	<b>2020</b> <b>£000</b>	<b>2020</b> <b>£000</b>
<b>Fixed assets</b>					
Fixed asset investments	6		-		743
<b>Current assets</b>					
Debtors – amounts falling due within one year	7	2,496		-	
Cash and cash equivalents	8	3,969		1	
Less: Creditors – amounts falling due within one year	9	(6,034)		(1)	
<b>Net current assets</b>			<b>431</b>		<b>-</b>
<b>Total assets less current liabilities</b>			<b>431</b>		<b>743</b>
<b>Creditors: amounts falling due after more than one year</b>	9		<b>(431)</b>		<b>(743)</b>
<b>Net assets</b>			<b>-</b>		<b>-</b>
<b>Capital and reserves</b>					
Called up equity share capital	10		-		-
Profit and loss account			-		-
<b>Shareholders' funds</b>			<b>-</b>		<b>-</b>

These financial statements on pages 8 to 15 were approved by the board of directors on 7 December 2021 and were signed on its behalf by:



**C Peasgood**  
Director



**A Barnes**  
Director

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

## Statement of changes in equity

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance as at 1 August 2019	-	-	-
<b>Total comprehensive income for the period</b>			
Profit or loss	-	-	-
Gift aid payment	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-
<b>Balance as at 31 July 2020</b>	-	-	-
Balance as at 1 August 2020	-	-	-
<b>Total comprehensive income for the period</b>			
Profit or loss	-	5,721	5,721
Gift aid payment	-	(5,721)	(5,721)
<b>Total comprehensive income for the period</b>	-	-	-
<b>Balance as at 31 July 2021</b>	-	-	-

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

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")*.

In the transition to FRS 102 from old UK GAAP, the company has made no measurement and recognition adjustments.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### ***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

#### ***Going Concern***

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

EOC SPV Limited holds City College Norwich's interest in the joint venture arrangement, ELC JV LLP, and has been set up for the purpose of dealing with any tax matters (related to the College) arising on the sale of the property to the west of Norwich by ELC JV LLP. It was the intention of the directors that once the objective of selling the land had been achieved, the company would be wound up.

The land options and land were sold during the year – completion was achieved on 17 May 2021. Under the terms of the sale agreement, the consideration for the sale of land options will be received by the joint venture (ELC JV LLP) in agreed tranches over the next two years and will then be paid over to members accordingly. The final tranche of the proceeds will be received in May 2023. In turn, EOC SPV Ltd will discharge its remaining liabilities to City College Norwich (as parent). With the completion of the sale, the company has technically ceased trading but it is the intention of the directors that the company will remain in existence to collect these tranches before winding up.

Due to the cessation of trade, the directors have prepared these financial statements on a basis other than going concern. Given the very limited number of remaining assets, and the intention that the company will remain in existence to collect the debtors as they fall due, the directors do not consider that any adjustments are required either to the values of the assets and liabilities recorded or to the classification of the non-current liabilities, as the creditors have confirmed their willingness to defer payment of their balances until the receipt of the relevant tranche proceeds.

It is anticipated that the winding up of the company will take place during 2023/24. No provision has yet been made for the future costs associated with wind-up.

#### ***Investment Income***

All income from fixed asset investments is credited to the profit and loss account in the period in which it is earned on a receivable basis.

#### ***Investments***

Investments in subsidiary undertakings, associates and joint ventures are stated at cost less amounts written off.

#### ***Debtors***

Debtors are measured at transaction value. At the year end, debtor balances are reviewed and, where there are indicators of non-recoverability, the Company will provide on an individual basis.

#### ***Creditors***

Creditors are measured at transaction value.

## Notes (continued)

### 1. Accounting Policies (continued)

#### Deferred tax

Provision is made for deferred tax, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

#### Gift Aid

Gift Aid payment to be akin to a distribution rather than an expense, is now presented outside of the profit and loss account as an adjustment to profit taken to retained earnings.

### 2 Investment Income – Distribution from Joint Venture

	2021 £000	2020 £000
Consideration from the sale of land options	6,619	-
Less: Asset disposal costs	898	-
<b>Distribution from Joint Venture</b>	<b>5,721</b>	<b>-</b>

On 17 May 2021, ELC JV LLP sold the options over the land at Easton.

The surplus from the sale, (sales proceeds less disposal and sales costs), has been recognised in full by ELC JV LLP during the year, although under the terms of the sales agreement, the proceeds will be received in three tranches over the period to May 2023.

EOC SPV Ltd has a 66.63% share in ELC JV LLP and therefore it has recognised its share of the profit, amounting to £5,721k (2019/20 £nil), as investment income in the profit and loss account. Debtors (less than and greater than one year) have been recorded to recognise the future tranches of monies due from ELC JV LLP (see note 7).

### 3 Auditor's remuneration

As in the prior year, the audit fee of £0.5k, (2019/20: £1k), was met by the parent undertaking and has not been recharged.

### 4 Directors' remuneration

The directors received no remuneration from the company.

## Notes (continued)

### 5 Taxation

The company pays over the whole of its taxable profit under deed of covenant to its parent undertaking, City College Norwich.

	2021 £000	2020 £000
UK Corporation tax on profits of the year	-	-
Tax relating to other comprehensive income	-	-
Over/(under) provision in prior year	-	-
Total current tax	<u>-</u>	<u>-</u>

#### Reconciliation of effective tax rate:

	2021 £000	2020 £000
Profit on ordinary activities before tax	5,721	-
Profit on ordinary activities multiplied by the standard rate in the UK for small companies 19%	1,087	-
Fixed asset differences		
Effect of Deed of Covenant (regarding gift aid)	(1,087)	-
<b>Tax charge / credit</b>	<u>-</u>	<u>-</u>

The accounting profits will be paid to the Company's parent charitable organisation, City College Norwich, within nine months of the reporting date and as such, there is no taxable profit for the year (2020: none).

### 6 Fixed Asset Investments

	Total £000
<b>Cost</b>	
At beginning of period	743
Additions	155
Disposals	(898)
At end of period	<u>-</u>
<b>Net book value</b>	
At 1 August 2021	<u>-</u>
At 31 July 2020	<u>743</u>

Fixed asset investments represent the funds advanced to ELC JV LLP (Registered Address: Easton Hall, Hall Lane, Easton, Norwich, NR9 5DX), a joint partnership arrangement established to engage in the development of building projects, and in which EOC SPV Limited has a 66.63% interest (2019/20: 59%).

## Notes (continued)

### 7 Debtors

	2021 £000	2020 £000
<b>Debtors – amounts falling due after more than one year:</b>		
Amounts owed by the joint venture	431	-
<b>Debtors – amounts falling due within one year:</b>		
Amounts owed by the joint venture	2,065	-
<b>Total Debtors</b>	<b>2,496</b>	<b>-</b>

Under the sale agreement made by ELC JV LLP, the sales proceeds for the options over the land will be received in three tranches by ELC JV LLP. The first was made on sale completion (17 May 2021), and the second and last payments are due in April 2022 and May 2023. EOC SPV Ltd has therefore recognised both a short and long term debtor from ELC JV LLP for the share of future proceeds due from ELC JV LLP.

### 8 Cash and Cash Equivalents

£3,968k of the cash balance relates to the first tranche of proceeds received from the sale of the land options distributed by ELC JV LLP.

### 9 Creditors

	2021 £000	2020 £000
<b>Amounts falling due within one year:</b>		
Amounts owed to parent undertaking	(6,034)	(1)
<b>Amounts falling due after more than one year:</b>		
Amounts owed to parent undertaking	(431)	(743)

The profit made by EOC SPV Ltd will be paid under gift aid to City College Norwich (parent undertaking). The timing of these payments will be in line with the sales proceeds distributed by ELC JV LLP and gift aid rules.

### 10 Called up equity share capital

	2021 £	2020 £
<b>Authorised</b>		
4 ordinary equity shares of £1 each	4	4
<b>Allotted, called up</b>		
4 ordinary equity shares of £1 each	4	4



## **Notes** *(continued)*

### **11 Parent undertaking**

The company is a wholly owned subsidiary of City College Norwich incorporated under the Further and Higher Education Act 1992. According to the register maintained by the company, City College Norwich had a 100% interest in the share capital of the company. Copies of the financial statements of City College Norwich may be obtained from City College Norwich, Ipswich Road, Norwich, NR2 2LJ.

### **12 Related parties**

Other than the transactions disclosed above with the parent undertaking, City College Norwich, there have been no other related party transactions with the other members of the City College Norwich Group.