

Registration number: 08698166

TIAA International Holdings 1 Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018



TIAA International Holdings 1 Limited

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TIAA International Holdings 1 Limited

Company Information

Directors	G. E. Brightman M. J. Sales
Company secretary	Cornhill Secretaries Limited
Registered office	150 Aldersgate Street London EC1A 4AB
Bankers	Citibank London NA CGC Centre Canary Wharf London E15 5LB
Auditors	Pricewaterhouse Coopers LLP 7 More London Riverside London SE1 2RT

TIAA International Holdings 1 Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their strategic report on TIAA International Holdings 1 Limited ("TIH 1" or "the Company") for the year ended 31 December 2018.

Business Review

TIH 1 was incorporated in the United Kingdom on 19 September 2013 and its principal activity is that of a holding company for Nuveen Real Estate Limited ("Nuveen Group").

Principal Risks and Uncertainties

The ultimate controlling party of TIH 1 is Teachers Insurance and Annuity Association ("TIAA" or "the Group"). The Group has a risk management framework in place to ensure that TIH 1 meets its objectives within acceptable risk parameters. This framework is reviewed regularly so that new and emerging risks are identified early on. The Group's culture embeds the management of risk at all levels within the organisation. The framework under which it operates also ensures that the business is capable of meeting its business objectives within its risk appetite and is subject to continuous review. Financial risks are discussed further in note 3 to the Financial Statements.

EU Referendum

The UK is scheduled to depart the European Union. The terms of the departure have not yet been agreed and the impact it will have on the UK financial services sector remains unclear. The Company anticipates a more challenging market for commercial property in the UK and will continue to measure strategic performance alongside the Key Performance Indicators highlighted below.

Key Performance Indicators

The Company uses the following key performance indicators ("KPIs") to assist in the understanding of the development, performance and position of the business.

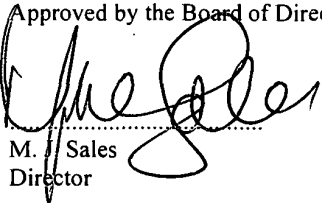
i) Cash Flow from Operations

The Group monitors operating cash flows as a key element in understanding the performance and position of the business. Management expects to continue to have positive cash flow from operations over the next 12 months.

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2018	2017
Cash used in operations	£	(801)	(276)

Approved by the Board of Directors on 16/4/19 and signed on behalf of:


M. Sales
Director

TIAA International Holdings 1 Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their Annual Report and the Financial Statements for the year ended 31 December 2018 which have been prepared under and comply with International Financial Reporting Standards ("IFRS") as adopted by the European Union. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Results and Dividends

The loss for the year ended 31 December 2018 amounted to £2,119 (2017: loss of £28,204). The Directors do not recommend the payment of a dividend (2017: £nil).

Directors

The directors, who held office during the year, were as follows:

J. MacCarthy (resigned 28 December 2018)

G. E. Brightman (appointed 28 December 2018)

M. J. Sales - Director (appointed 28 December 2018)

Directors' declaration

Each of the persons who are Directors at the time when this report is approved has confirmed that:

a) so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) each Director has taken all the steps that he or she ought to have taken as a Director, including making appropriate enquiries of his fellow Directors and of the Company's auditors for that purpose, in order to make him aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

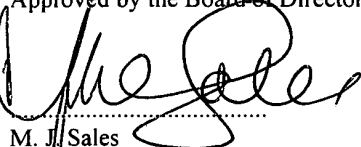
Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and the resolution concerning their re-appointment has been reflected in the April 2019 board meeting minutes.

Going concern

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £188,542 with the majority of the liability relating to intercompany balances owed to TIAA International Holdings 3 Limited. As such, the Directors of the parent have provided a letter for support confirming that they will continue to financially support the Company and therefore the Company continues to adopt the going concern basis in preparing its financial statements.

Approved by the Board of Directors on 16/4/19 and signed on behalf of:



M. J. Sales
Director

TIAA International Holdings 1 Limited

Statement of Directors' Responsibilities

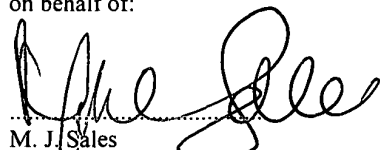
The Directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS"s) as adopted by the European Union. 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Financial Statements on pages 8 to 22 were approved by the Board of Directors on 16/4/19 and signed on behalf of:



M. J. Sales
Director

Independent auditors' report to the members of TIAA International Holdings 1 Limited

Report on the audit of the financial statements

Opinion

In our opinion, TIAA International Holdings 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; 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 statement of financial position as at 31 December 2018; the statement of comprehensive income, the statement of cash flows, and 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.

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 Strategic Report and 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.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 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 Strategic Report and 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 4, 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. This description forms part of our auditors' report.

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.

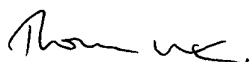
Other required reporting

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.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

16 April 2019

TIAA International Holdings 1 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2018

	Note	2018 £	2017 £
Administrative expenses	5	<u>(16,720)</u>	<u>(28,204)</u>
Operating loss		(16,720)	(28,204)
Other income		<u>14,601</u>	<u>-</u>
Profit/(loss) before interest and taxation		<u>(2,119)</u>	<u>(28,204)</u>
Loss and total comprehensive expense for the year		<u>(2,119)</u>	<u>(28,204)</u>

All amounts relate to continuing operations. The company has no items of other comprehensive income (2017: £nil).

The notes on pages 11 to 21 form an integral part of these financial statements.

TIAA International Holdings 1 Limited

(Registration number: 08698166)

Statement of Financial Position as at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
Assets			
Non-current assets			
Available-for-sale investments	10	2,040,634	2,040,634
Current assets			
Cash and cash equivalents	11	6,183	6,984
Total assets		<u>2,046,817</u>	<u>2,047,618</u>
Equity and liabilities			
Equity			
Share capital	12	600	600
Share premium		1,899,634	1,899,634
Accumulated losses		(48,142)	(46,023)
Total equity		1,852,092	1,854,211
Current liabilities			
Trade and other payables	13	194,725	193,407
Total equity and liabilities		<u>2,046,817</u>	<u>2,047,618</u>

The notes on pages 11 to 21 form an integral part of these financial statements.

The Financial Statements on pages 7 to 21 were approved by the Board of Directors on 16/4/19 and signed on behalf of

M. J. Sales
Director

TIAA International Holdings 1 Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £	Share premium £	Accumulated losses £	Total equity £
At 1 January 2017	600	1,899,634	(17,819)	1,882,415
Loss for the year	-	-	(28,204)	(28,204)
Total comprehensive expense	-	-	(28,204)	(28,204)
At 31 December 2017	600	1,899,634	(46,023)	1,854,211
Loss for the year	-	-	(2,119)	(2,119)
Total comprehensive expense	-	-	(2,119)	(2,119)
At 31 December 2018	600	1,899,634	(48,142)	1,852,092

The notes on pages 11 to 21 form an integral part of these financial statements.

TIAA International Holdings 1 Limited

Statement of Cash Flows for the Year Ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Loss for the year		(2,119)	(28,204)
Change in working capital			
Increase in trade and other payables	13	<u>1,318</u>	<u>27,928</u>
Net cash flow from operating activities		<u>(801)</u>	<u>(276)</u>
Net decrease in cash and cash equivalents		(801)	(276)
Cash and cash equivalents at 1 January		<u>6,984</u>	<u>7,260</u>
Cash and cash equivalents at 31 December		<u><u>6,183</u></u>	<u><u>6,984</u></u>

The notes on pages 11 to 21 form an integral part of these financial statements.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by shares, incorporated and domiciled in United Kingdom.

The address of its registered office is:

150 Aldersgate Street

London

EC1A 4AB

The company's principal activity is to act as a holding company.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and IFRS Interpretations Committee ("IFRS IC") and applied in accordance with the provisions of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on a going concern basis under the historical cost convention, except for the measurement at fair value of financial instruments, as set out below.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the period. The nature of estimates means that actual outcomes could differ from those estimates.

Going concern

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £188,542 with the majority of the liability relating to intercompany balances owed to TIAA International Holdings 3 Limited. As such, the Directors of the parent have provided a letter for support confirming that they will continue to financially support the Company and therefore the Company continues to adopt the going concern basis in preparing its financial statements.

Changes in accounting policy and disclosures

IFRS 9 - Financial Instruments

The impact of IFRS 9 will result in "Available for Sale Securities" classified as Fair Value through Profit and Loss from the 1 January 2018. IFRS 9 will not cause a material change in the results of the Company based on its current activities. The Company assessed the impact of impairment of its financial instruments and no additional adjustment will be required based on 31 December 2018 balance.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

None of the standards, interpretations and amendments which are effective for periods beginning after 1 January 2018 and which have not been adopted early, are expected to have a material effect on the financial statements. At the date of authorisation of these Financial Statements, the following Standards and Interpretations which have not been applied in these Financial Statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

(i) IFRS 16 - Leases - Effective 1 January 2019

The Company has no lease arrangements and so IFRS 16 is not applicable.

Financial assets and liabilities

Classification

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company has become a party to the contractual obligations of the financial instrument. The Company determines the classification of its financial instruments at initial recognition in accordance with the categories outlined below and re-evaluates this designation at each reporting year end. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Liabilities within the scope of IFRS 9, 'Financial Instruments' are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

Financial assets and liabilities

Recognition and measurement

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to maturity financial assets and available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognised initially at fair value or in the case of investments not at fair value; through profit or loss with directly attributable transaction costs.

The Company's financial assets consist of loans and receivables.

Financial assets recognised in the Statement of Financial Position as trade and other receivables are classified as loans and receivables. They are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Cash and cash equivalents are also classified as loans and receivables. Cash and cash equivalents includes cash in hand and deposits held at call with banks.

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are extinguished, discharged or cancelled or have expired.

Financial assets and liabilities

Impairment

The Company assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred). The carrying amount of the asset is reduced and the amount of the loss is recognised in the Statement of Comprehensive Income.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Current and deferred income tax

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the period adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the income statement unless the item to which the tax relates was recognised outside the income statement being other comprehensive income or equity. The tax associated with such an item is also recognised in other comprehensive income or equity respectively.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised and is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Investments

Investments in securities are classified on initial recognition as available-for-sale and are carried at fair value, except where their fair value cannot be measured reliably, in which case they are carried at cost, less any impairment.

Unrealised holding gains and losses other than impairments are recognised in other comprehensive income. On maturity or disposal, net gains and losses previously deferred in accumulated other comprehensive income are recognised in income.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3 Financial risk management

Financial risk factors

(a) Interest rate risk

Changes in market interest rates do not have any significant direct effect on the Company's income. Management does not view interest rate risk as a significant risk area.

(b) Liquidity risk

Liquidity risk is the risk of failure to have sufficient financial resources to meet its day to day capital and cash flow obligations and requirements. Management does not believe liquidity risk to be a material risk area for the Company due to the nature of its activities.

(c) Credit risk

Credit risk is defined as the exposure to the possibility of a financial loss resulting from a counterparty's failure to meet its financial obligations. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the period end date.

Credit risk in the Company principally arises from cash and cash equivalents which have been deposited with third party institutions. The third party institutions are subject to a periodic solvency review to ensure their credit worthiness. The credit quality of the financial institutions in which the Company has deposits is assessed by reference to the short term credit rating of these institutions.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

3 Financial risk management (continued)

Capital risk management

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management view the following as the capital of the Company:

	31 December 2018	31 December 2017
	£	£
Share capital	600	600
Share premium	1,899,634	1,899,634
Retained earnings	<u>(48,142)</u>	<u>(46,023)</u>
	<u>1,852,092</u>	<u>1,854,211</u>

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Group's accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

The fair value of financial instruments that are not traded in an active market is deemed as cost. Management reviews the investment at each year end for any signs of impairment. At the Statement of Financial Position date, financial assets had a carrying amount of £2,040,634 (2017: £2,040,634) which is deemed to be the fair value.

The Directors do not consider that there are any other accounting estimates or judgements that are critical to the understanding of the Company's financial statements.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

5 Administrative expenses

Operating loss is stated after charging:

	2018	2017
	£	£
Legal and professional fees	9,209	19,858
Auditors' remuneration	6,828	7,600
Other administrative expenses	683	746
	<u>16,720</u>	<u>28,204</u>

All fees payable by the Company's auditors is for the audit of the Company's financial statements, so no split for non-audit services is required.

The Company does not employ any staff (2017: nil).

6 Other income

The analysis of the company's other operating income for the year is as follows:

	2018	2017
	£	£
Other income	14,601	-
	<u>14,601</u>	<u>-</u>

Other income relates to the write-off of an intercompany creditor with Nuveen Real Estate Global, LLC.

7 Directors' remuneration

The emoluments of M. Sales are paid by Nuveen Administration Limited which makes no recharge to the Company. The emoluments of G. Brightman are paid by the parent with no recharge being made to the Company. The Directors are directors of a number of fellow subsidiaries and their total emoluments are included in the aggregate of directors emoluments disclosed in those financial statements.

8 Income tax expense

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - the same as the standard rate of corporation tax in the UK) of 19% (2017 - 19.25%).

The differences are reconciled below:

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

8 Income tax expense (continued)

	2018 £	2017 £
Loss before tax	<u>(2,119)</u>	<u>(28,204)</u>
Corporation tax at standard rate	(402)	(5,428)
Decrease (increase) from tax losses for which no deferred tax asset was recognised	-	(518)
Increase (decrease) arising from group relief tax reconciliation	402	5,428
Deferred tax expense (credit) relating to changes in tax rates or laws	<u>-</u>	<u>518</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

9 Financial assets and financial liabilities

Financial assets

	Carrying value		Fair value	
	31 December 2018 £	31 December 2017 £	31 December 2018 £	31 December 2017 £
Cash and cash equivalents	<u>6,183</u>	<u>6,984</u>	<u>6,183</u>	<u>6,984</u>
Available for sale				

	Carrying value		Fair value	
	31 December 2018 £	31 December 2017 £	31 December 2018 £	31 December 2017 £
Available for sale investments	<u>2,040,634</u>	<u>2,040,634</u>	<u>2,040,634</u>	<u>2,040,634</u>

Valuation methods and assumptions

Available for sale investments:

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

9 Financial assets and financial liabilities (continued)

Financial liabilities

	Carrying value		Fair value	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Trade and other payables	<u>194,265</u>	<u>193,407</u>	<u>194,265</u>	<u>193,407</u>

10 Available-for-sale investments

	£
Cost	
At 1 January 2018	<u>2,040,634</u>
At 31 December 2018	<u>2,040,634</u>
Net book value	
At 31 December 2018	<u>2,040,634</u>
At 31 December 2017	<u>2,040,634</u>

The Fair Value of investments cannot be determined as they are not traded in the active market, therefore investments are held at cost.

11 Cash and cash equivalents

	31 December 2018	31 December 2017
	£	£
Cash at bank	<u>6,183</u>	<u>6,984</u>
	<u>6,183</u>	<u>6,984</u>

12 Share capital

Authorised, called up and fully paid shares

	31 December 2018		31 December 2017	
	No.	£	No.	£
Ordinary shares	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

13 Trade and other payables

	31 December 2018 £	31 December 2017 £
Amounts due to Group undertakings	181,177	176,778
Accrued expenses	13,548	13,599
Trade payables	-	3,030
	<u>194,725</u>	<u>193,407</u>

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are payable on demand.

The fair value of the trade and other payables classified as financial instruments are disclosed in note 9 "Financial assets and financial liabilities".

The company's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in note 3 "Financial risk management".

14 Related party transactions

Loans to related parties

The Company did not receive a dividend from Nuveen Real Estate Limited during the year (2017: £nil).

The following amounts were payable at year end:

	31 December 2018 £	31 December 2017 £
TIAA International Holdings 3 Limited	181,177	156,177
TH RE Administration Limited	-	6,000
Nuveen International Holdings, LLC	-	14,601
	<u>181,177</u>	<u>176,778</u>

TIAA International Holdings 3 Limited is a subsidiary of TIAA International Holdings 2 Limited, a fellow subsidiary of Nuveen International Holdings LLC, previously known as TIAA CREF - International Holdings Limited. The amounts outstanding are unsecured, carry no interest, no fixed date of repayment and are payable on demand. No provision has been made for doubtful debts in respect of amount owed by Group undertakings.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

15 Immediate parent company and ultimate controlling party

The Company's immediate parent company is Nuveen Real Estate Global, LLC (formally TH Real Estate Global, LLC), a limited liability company incorporated in the United States of America.

The ultimate controlling party is Teachers Insurance and Annuity Association, a company incorporated in the United States of America. The financial statements of the ultimate parent company are maintained at 730 Third Avenue, New York, NY 10017.

Nuveen Real Estate Global, LLC is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The financial statements of Nuveen Real Estate Global, LLC are available from 730 Third Avenue, New York, NY 10017.

The parent of the smallest group in which these financial statements are consolidated is TH Real Estate Global, LLC, incorporated in United States.

The address of TH Real Estate Global, LLC is:
730 Third Avenue
New York
NY 10017

16 Post balance sheet events

There have been no significant events between the balance sheet date and the date of signing these financial statements.