Registered number 00817560

United Living (South) Limited

Annual report and financial statements

For the year ended
31 March 2019

Contents

Strategic report

The directors present their report and the audited financial statements of United Living (South) Limited (the Company) for the year ended 31 March 2019.

Principal activities

The principal activity of the business is that of building, planned maintenance, and renovation services, predominantly within the housing sector. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware at the date of this report of any likely major changes in the company's activities in the next year.

Business review and future developments

The Directors are extremely satisfied with the outcome for the year ended 31 March 2019. Turnover for the year was £205.4m *(2018: £171.9m)* which generated an operating profit of £11.5m *(2018: £5.1m)*. Cash balances have risen for four consecutive years and as at 31st March 2019 were £32.2m *(2018: £26.7m)*.

Turnover has grown significantly during the year (19%). This is testament to the quality of our people. Our strong relationships with our customers and our supply chain, together with robust financial management of the business have delivered exceptional results.

The market remains resilient throughout the period which is underpinned by a continued strong demand for housing. Irrespective of the political party in government, all parties are showing strong support in terms of the need for more housing and is expected to be a significant lever in terms of any counter recessionary activity should there be an economic fallout from Brexit.

The group were delighted to secure the 20 year Clarion Partnership to deliver planned investment to homes in the South of England as well as gaining a 5 year extension to our existing arrangement which represents c£500m of value. Other notable awards across the same traded period are the £6m remodelling and refurbishment of a student accommodation block for the University of Essex, a major refurbishment of four towers on behalf of Poole Housing Partnership worth £18m. We believe that we are well positioned in respect of the delivery of our refurbishment solutions that has once again grown its market share and is currently delivering on some of the largest frameworks in the country. Similarly our New Build housing division has grown, particularly in London where we have seen strong demands for our quality of operations and ability to deliver complex projects.

Through the year we have continued to focus on the improvement of our safety performance, through lessons learned from the increased rigor applied to our 2/7/28 reporting and investigation process, plus the introduction of good call/close call, which is essentially a hazard spotting initiative, which promotes greater awareness by site staff and operatives. This, together with offering training sessions to supply chain supervisors, which have been well received, has resulted in an improved safety culture across the business.

In September 2018, we were selected by the Ministry of Housing, Communities and Local Government (MHCLG) as Early Adopters along with three other contractors and four clients. In this role we are assisting MHCLG lead, drive - forward, test and implement the Hackitt Report recommendations ahead of legislation, whilst sharing best practise and encouraging culture change across the industry. The objective is to support government and play an active role in the development of building safety policy.

We continue to build upon the values of the business and demonstrate these in our everyday activities. Our mantra of wishing to "leave a lasting legacy in all the communities where we work" is very much key to how the culture of the organisation works. The entire United Living Group organisation participates in our annual community day whereby staff gifted in excess of 2,500 hours over the course of the day. Local employment and "into work schemes" are just a number of initiatives that are applied across the sphere of our work operations.

Flexible working is a key component of our 10 point Equality, Diversity and Inclusion plan. We have been delighted to be part of The Flexible Working Task Force which was established to a) feed into the review of the right to request, and b) address the Prime Minister's challenge to business for all jobs to be flexible from Day 1. The group is made up of trade unions, professional bodies, Government Departments and business groups and is co-chaired by CIPD and the Department for Business.

Strategic report *(continued)*

We therefore start the new financial year in a very strong position with an excellent forward order book, clear implemented strategy and a loyal and steadfast group of talented individuals all coming together to create a dynamic and forward thinking business.

On 19 June 2019, the United Living group of companies were acquired by Fastflow Investment Limited. The Fastflow Group of companies operate across the UK in the development, repair and maintenance of essential infrastructure, including social housing. Over 600 people are employed on sites throughout the UK, improving and managing a broad range of client assets.

Key performance indicators

The directors use a number of key performance indicators to measure and monitor the performance of the group in a number of different areas. These measures are set out in the table below:

	Year ended 31 March 2019	Year ended 31 March 2018
Customer satisfaction rating (1)	96%	96%
Accident frequency rate (2)	0.16	0.21

Customer satisfaction rating (1)

The customer satisfaction rating is based upon tenant satisfaction questionnaires. The group targets a satisfaction rate of greater than 95%.

Accident frequency rate (AFR) (2)

The AFR measures the number of reportable accidents. It is measured as follows:

$$\frac{\text{Number of reportable accidents in the previous 12 months}}{\text{Numbers of hours worked in the previous 12 months}} \times 100{,}000 \text{ (The average number of hours worked by a person during their life)}$$

Principal risks and uncertainties faced by the company

The financial statements contain certain forward looking assumptions. These assumptions are made by the directors in good faith, based on the information available to them up to the time of approval of these financial statements. Actual results may differ to those expressed in such assumptions, depending on a variety of factors. These factors include customer acceptance of the company's services, levels of demand in the market, restrictions to market access, competitive pressure on pricing and overall economic conditions.

A risk inherent in the construction industry occurs in the nature, timing and contractual conditions which exist at the time of contract procurement. To mitigate these risks, the company has a system of pre-contract and pre-tender risk assessment whereby senior management, and where appropriate executive directors, review and advise on specific issues arising in the contract procurement process.

Financial risk management

The Company's operations expose it to a variety of financial risks including credit risk, liquidity risk and the effects of interest rates on loans held by the ultimate parent company.

The Company's principal financial instruments comprise sterling cash and bank deposits together with trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the Company's financial instruments can be analysed as follows:

Price risk

The Company has no significant exposure to securities price risk, as it does not hold any listed equity investments.

Strategic report *(continued)*

Foreign currency risk

The Company is not directly exposed in its trading operations to the risk of changes in foreign currency exchange rates as all trading is within the United Kingdom. However there is a limited secondary exposure as materials are supplied to the company that will have been manufactured overseas or rely upon raw materials sourced from overseas.

Credit risk

The Company's principal assets are bank balances, cash, and debtors, which represent the company's maximum exposure to credit risk in relation to financial assets.

The Company's credit risk is primarily attributable to its trade debtors who, predominantly being Local Authorities and Housing Associations, are considered to be low risk.

The Company has no significant concentration of credit risk, with exposure spread over a number of customers.

Liquidity risk

The Company's view is that any exposure to liquidity risk is low. The cash flow and working capital requirement of the business is strictly monitored by the management team on a regular basis, with due consideration being given to the impact of winning contracts tendered.

The directors believe that the Company is able to limit its risks by specialising in certain markets where it has extensive experience and a particular skills base.

Data protection and IT security risk

United Living Group has a Data Protection Manager and a Data Protection Policy which all staff are required to adhere to as part of their terms of employment. Data protection and cyber security are also included as part of the induction for new starters. Training in data protection has been introduced for all staff. Policies, procedures and training have been updated for the General Data Protection Regulation.

Servers and computers are protected by up to date anti-virus and malware solutions. United Living's processes and procedures for maintaining data security and business continuity are regularly tested and are under-pinned by our Crisis Management Plan. Furthermore, policies are published via our staff Intranet and are referred to at staff/contractor inductions and are reviewed by senior stakeholders regularly to ensure compliance and to reflect changes in legislation. Cyber security awareness is communicated to our employees, most recently with a programme of awareness training and regular blogs from the company's Chief Information Officer. Cyber Security is also featured in management meetings.

Our IT supply chain partners providing data-centres, FLAG/EasyBOP, Document Management, monitoring & maintenance and Microsoft Office 365 hold current ISO27001 certification. All co-located server and third party hosted services data is stored and processed within the UK and Ireland. United Living was successful in gaining the Cyber Essentials PLUS accreditation in March 2019.

Tax governance risk

All transactions undertaken by the Group have a business purpose and a commercial rationale. The Group does not engage in aggressive tax planning and does not implement structures purely for tax planning purposes. In relation to tax compliance, it is the policy of the Group to fully comply with all applicable tax rules, regulations and disclosure requirements in all territories in which it operates; submit all tax returns by their due dates; and pay all applicable taxes as they fall due. The Group uses appropriately qualified and trained employees to look after the Group's tax affairs and uses external advisors as appropriate.

Environmental risk

The Group Health and Safety performance for the year reflected the changes to the risk profile and challenges of our work. The reactive measure of the Accident Frequency Rate ("AFR") alone does not do justice to the efforts and initiatives that have been developed and implemented to ensure we establish a firm foundation and engagement with our teams and contractors. Following an extensive review of trends and data we have identified enhancements to our management processes and arrangements. These changes focus more on people and proactive measures, like action closure, safe systems of work, improved compliance and inspection; our Project Improvement Tool, and workforce involvement.

Strategic report *(continued)*

The Group continues to interrogate and push our knowledge and understanding to minimise our impact on the environment. We achieve this by ensuring that we understand and effectively manage the actual and potential environmental aspects and impact of our activities, at a business and project level. The group has certification to ISO 14001 – 2015 standard.

Our operations are conducted to ensure we continue to comply with legal requirements relating to the environment in all areas where we carry out our business. We have targets for increased energy efficiency, reduced volumes of waste to landfill and increasing options and levels of recycling. There is a comprehensive action plan that ensures we achieve these targets.

To improve our focus beyond what is legally required we have developed plans and arrangements, led by our procurement team, to sharpen our focus on sustainability across the Group. This has developed by detailing specific areas to concentrate with objectives. The Group continues to research trends and thinking to keep ahead and contribute to the development of new processes that reduce the impact of construction activities on the environment.

Anti-Bribery & corruption statement

United Living Group is committed to high standards of ethical behaviour and has zero tolerance towards bribery and corruption. United Living Group requires compliance with all anti-bribery and corruption laws, which include the UK Bribery Act 2010 and the Criminal Finances Act 2017 as amended.

United Living Groups anti-bribery and corruption policy is overseen by the Board. The policy is reviewed to ensure it is effective.

Training on the policy is provided to all employees so that they can recognise bribery and corruption. Employees are encouraged to be vigilant and raise any concerns at the earliest stage, providing them with a suitable channel of communication and ensuring sensitive information is treated appropriately.

Human rights statement

Modern slavery and human trafficking are crimes and a serious violation of fundamental human rights. At United Living we are committed to protecting the human rights of all of our employees, agency labour and subcontractors. As a responsible organisation, we fully support the principles of the Human Rights Act 1998 and all associated legislation.

At United Living, we are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards and ethical values from all of our subcontractors, suppliers and other business partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

Health & safety performance

We continue to use our data from investigations and inspections to provide early identification of trends and potential improvements rather than relying on reactive measures, like AFR or the number of accidents. The Safety Health and Environmental ("SHE") objectives set by the group cover a broader scope, including active measures and focus, for example for all actions from investigation to be completed and closed within 28 days. This balance ensures that we are being more proactive, gathering data and information that will provide a better opportunity to prevent accidents, incidents and harm.

All the levels of management participate in leading and monitoring the SHE performance. One way this is achieved is with regular structured and formal monitoring activities, for example, SHE tours by directors and senior managers to SHE inspections by site and project management teams. The outputs from these are recorded and analysed for trends that set priorities and improvements to our management system and arrangements.

Strategic report *(continued)*

All accidents and incidents are reported regardless of severity. We prioritise investigations based on potential outcomes rather than just relying on actual outcomes. This presents a broader set of data and information that informs our focus and priorities. Accident and incident investigations identify root cause that are analysed to identify trends and areas for improvement in our management system and arrangements. An example of this is the introduction of the Risk Assessment Method Statement Challenge that interrogates the planned method of completing tasks with those involved before work commences to ensure the proposed methods are practical, understood and robust.

The Group has held the Health and Safety standard certification OHSAS 18001 since November 2010.We have again been awarded the ROSPA Gold Award, a prestigious Health & Safety award recognising the outstanding achievement of the business for the fourth year running.

The Group recognises that our supply chain partners play a significant part in maintaining and achieving excellent Health & Safety performance. In the period we have made improvements to our engagement and inclusion of our supply chain partners and operatives. For example introducing trade supervisor workshops and interviews, early engagement with operatives on planning of work through method statements that ensure work as planned is work as performed.

We believe we have made changes that engage and generate an inclusive culture for SHE success across the Group and our Supply Chain Partners. Our focus is on making these an inherent part of our DNA.

Quality assurance

The Group recognises and promotes the need for continuously ensuring that quality assurance is maintained and achieved in all our operations and particularly in critical or high risk areas. Our supply chain are a fundamental partner helping us achieve this. In the period we have been particularly focussed on installed fire protection arrangements.

The group operates a quality management system that complies with, and is externally assessed against, the requirements of BS EN ISO 9001- 2015 and this system establishes the requirements and arrangements to ensure we have consistency in our quality assurance.

During the year we have had specific focus on the improvement of Inspection and Test Plans that ensure we have more structure and visibility regarding the standards and achievement of work planned versus works delivered. We have continued our focus on fire management and arrangements particularly with in situ solutions.

Employee involvement and policy

The success and continued growth of United Living is built on the experience, efforts and achievements of our people. Our workforce of approximately 530 people is represented by a gender split of 30% females and 70% males and a Black and Minority ethnic population of 14%, both of which exceed industry norms. Regardless of background we rely on the professionalism and commitment of all our employees and are passionate about ensuring that everyone is given equality in development opportunities and has the opportunity to develop to their full potential. In our 2018 Engagement Survey our people told us that United Living is committed to equal opportunities for all its employees with a score of 87%.

We continue to focus on attracting, retaining and nurturing a high calibre workforce. We work closely with our recruitment supply chain to ensure that they understand and complement the United Living values and provide diverse short lists for roles. We are enhancing our recruitment skills training for all our recruiting managers to include training around unconscious bias to ensure fair recruitment processes and to widen our pool of candidates.

Through our early careers programmes, we are growing a pipeline of talent that is well placed to lead and serve our business as we grow. We currently employ 20 direct apprentices covering both new and current employees and offer further opportunities for apprenticeships through our supply chain. The 5% Club is focused on creating momentum behind the recruitment of apprentices and graduates into the workforce. Its members consist of large and small employers from a wide range of sectors who want to make a difference and support the UK's ability to compete in increasingly tough global markets. As a member of the 5% club we are committed to having 5% of our workforce made up of apprentices and graduates and we continue to exceed this target. In October we took on our third cohort of graduates who continue to become immersed in the world of housing through our partnership with the GEM programme and the Chartered Institute of Housing.

Strategic report *(continued)*

We passionately believe in opportunity for all and allowing each individual to achieve their full potential. We have a number of programmes in place to encourage career development. As well as maintaining appropriate programmes for skills-based training for operational staff we have supported both current and future managers and leaders through our tiers of management development programmes including our Professional Manager and Foundations of Leadership programmes. Our partnership with Knowledge Brief provides Innovation Leadership programmes for our Business Unit Leaders. Our Junior Board continues to develop individuals who are at early stages of their career who are immersed in projects identified within the business to bring innovation, efficiency and to support our growth ambitions. We have delivered 1,521 training days over the year.

Our 10 Point Diversity and Inclusion Plan continues to make progress. We have introduced flexible working pilots on a number of our sites and offices to look at how we can unlock the value of a more flexible working approach and plan to roll this out to all sites once the pilots are complete. We have set up an Opportunity for All Steering Group with representatives from across the organisation to ensure we continue optimising the potential of all our employees and generating an inclusive and supportive culture.

Our annual community day gives all employees the opportunity to volunteer their time to work on community projects.

We carried out our first United Living Engagement Survey in 2018 and were delighted to achieve an overall response rate of 88%. Our people also endorsed that they would recommend United Living as a good place to work (88%) and are proud to work for United Living (89%).

We are proud to be recognised by Investors in People status.

Social values

At United Living we don't just build and refurbish homes, we become part of the community we are working in. Our aim is to leave a lasting legacy for the community – whether that is in employment and training, volunteering, working with schools and colleges or helping with local projects and organisations.

As well as the everyday social value work we do, every year we hold a Community Day. This is where staff from across our business work on a community project local to where they are based. Our last community day saw us completing 20 projects across the UK with more than 400 members of staff and 30 of our supply chain partners. The work on this one day amounted to more than 2,800 hours.

A focus for us as a construction business it to encourage a more diverse workforce into the sector and to ensure future generations see construction as an industry of choice. In the past 12 months we have partnered with 200 schools across the UK to show the wide range of roles that are available within the sector and within United Living. We hold bespoke workshops for girls in the schools to show them that the industry has changed and that it offers an opportunity for all.

Just a few highlights from across the Group in the past year have been;

- In Cardiff we are supporting the Welsh Government scheme 'Lift' helping long term unemployed people back into work. Our contribution funded 5 people into gaining a construction qualification.
- Eight jobs were created and have been sustained at our Pillgwenlly site for Newport City Homes, four from long-term unemployed. Six apprentices have benefited from working on the site during the past eight months and seven local people attended a sprinkler skills day at the site and two of these have gone on to get employment with the sprinkler company.
- Our Wales team have supported 26 weeks' worth of university work experience placements and have also supported two traineeships.
- At our Heath Town project for Wolverhampton Homes we hosted more than 130 weeks for existing apprentices, completed 12 careers events and CV workshops and also supported with interview preparation. We donated £3,500 to local causes.

Strategic report *(continued)*

- UL Construction South are now working with South Thames College and have supported the college to deliver: 33 work experience students at Rhodes Moorhouse Court – Haig Housing Trust (South Thames College – Merton Campus); Piloted a new 45-day work experience programme and held mock interview and CV skills workshops.
- We have supported interview and CV writing training with students at City and Islington College; At our Copley Close site we have donated to local foodbanks; We made a donation to Woodland Primary school towards a new school library.

We continue to offer support to our customers around training, work experience and apprenticeships as well as general community support. We are also increasing our partnering with ex-forces personnel and currently setting up a programme to support the project we are working on with Haig Housing in south London. Haig Housing provides homes for ex-service personnel and United Living are working with the charity to provide training and work for their customers.

Going concern

The directors have made enquiries and considered short and medium-term forecasts of both the Company and the group headed by Fastflow Holdings Limited for both profits and cash and have compared this to the facilities the group has available to it. In addition Fastflow Holdings Limited has agreed to provide financial support where needed for a period of at least 12 months following the approval of the financial statements.

Furthermore, the directors have considered the sensitivity of their forecasts and how headroom could be managed, along with mitigation plans. They concluded that the group has considerable financial resources and as a consequence, believe that it is well placed to manage its business risks and cash flows successfully. Therefore, the financial statements have been prepared on a going concern basis.

Approved by the board of directors on 9 September 2019 and signed on its behalf by:

David Masters
Director

Media House
Azalea Drive
Swanley
Kent
BR8 8HU

Directors' report

The directors present their report and the audited financial statements of United Living (South) Limited for the year ended 31 March 2019.

Directors

The directors who served during the year and to the date of this report were as follows:

N P Armstrong	appointed 19 June 2019	D Masters	
R J Brennan	appointed 19 June 2019	D Moseley	
S D Carden		A C Newman	
J Jamieson	appointed 1 July 2018	I Burnett	resigned 19 June 2019
S W Laird			

Results and Dividends

The company's operating profit for the year was £11.5m *(2018: £5.1m).*

The company did not pay a dividend of £nil per ordinary share *(2018:£2,500,000l).*

Future developments

The directors aim to maintain and improve the management policies which have resulted in the company's performance for the year. The directors will continue to focus the company on its key core activities in the housing sector but will use this as a secure base to look at other sources of revenue in the education sector, rooftop developments and offsite manufacturing.

Employee involvement and policy

The Company believe that its growth and future success is dependent on the commitment, expertise and development of its staff. Details are provided in the Strategic report on employee involvement and policy.

Post balance sheet events

On 19 June 2019, the United Living group of companies were acquired by Fastflow Investment Limited. The Fastflow Group of companies operate across the UK in the development, repair and maintenance of essential infrastructure, including social housing. Over 600 people are employed on sites throughout the UK, improving and managing a broad range of client assets.

Political contributions

The Company did not make any political donations or incurred any political expenditure during the year.

Charitable donations

The Company made various charitable donations totalling £2,916 (2018: £2,632)

Disclosure of information to auditor

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 auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will, therefore, continue in office.

Approved by the board of directors on 9 September 2019 and signed on its behalf by:

David Masters
Director

Media House
Azalea Drive
Swanley
Kent
BR8 8HU

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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.

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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED LIVING (SOUTH) LIMITED

Opinion

We have audited the financial statements of United Living (South) Limited ("the company") for the year ended 31 March 2019 which comprise the Profit and loss account, Balance sheet and Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED LIVING (SOUTH) LIMITED

(Continued)

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED LIVING (SOUTH) LIMITED

(Continued)

The purpose of our audit work and to whom we owe our responsibilities

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.

Mark Sheppard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
RH11 9PT
10 September 2019

Profit and Loss Account
for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Turnover		**205,414**	171,938
Cost of sales		**(184,515)**	(157,537)
Gross profit		**20,899**	14,401
Administrative expenses		**(9,391)**	(9,280)
Operating profit	*2,3,4*	**11,508**	5,121
Other interest receivable and similar income	*5*	**-**	147
Interest payable and similar expenses	*6*	**(101)**	(141)
Income from shares in group undertakings		**-**	675
Profit before taxation		**11,407**	5,802
Taxation	*7*	**(1,932)**	(1,176)
Profit after taxation		**9,475**	4,626

All the company's activities are derived from continuing operations.

The notes on pages 17 to 29 form part of these financial statements.

Balance Sheet
at 31 March 2019

	Note	2019		2018	
		£000	£000	£000	£000
Fixed assets					
Property, plant and equipment	8		**270**		243
Intangible assets	9		**1,250**		958
Investments in group undertakings	10		**-**		-
			1,520		1,201
Current assets					
Debtors	11				
amounts falling due within one year		**88,465**		84,069	
amounts falling due after one year		**2,140**		2,310	
Cash at bank and in hand		**32,229**		26,705	
		122,834		113,084	
Creditors :Amounts falling due within one year	13	**(70,757)**		(70,206)	
Net current assets			**52,077**		42,878
Total assets less current liabilities			**53,597**		44,079
Capital Employed:					
Creditors :Amounts falling due after more than one year	14		**2,926**		2,883
Capital and reserves					
Called up share capital	15		**-**		-
Profit and loss account			**47,171**		37,696
Capital contribution			**3,500**		3,500
Shareholders' funds			**50,671**		41,196
Total Capital Employed			**53,597**		44,079

The notes on pages 17 to 29 form part of these financial statements.

These financial statements were approved by the board of directors on 9 September 2019 and were signed on its behalf by:

David Masters
Director

Company number: 00817560

Statement of Changes in Equity
at 31 March 2019

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2017	-	13,600	21,970	35,570
Total comprehensive income for the period				
Profit for the year		-	4,626	4,626
Transactions with owners, recorded directly in equity:				
Capital contribution received in the year*	-	3,500	-	3,500
Capital contribution transferred to Profit & Loss account	-	(13,600)	13,600	-
Dividend – Final dividend of £25,000 per share	-	-	(2,500)	(2,500)
Balance at 31 March 2018 and 1 April 2018	-	3,500	37,696	41,196
Total comprehensive income for the year				
Profit for the year	-	-	9,475	9,475
Balance at 31 March 2019	**-**	**3,500**	**47,171**	**50,671**

In the year the Company received a capital contribution of £nil *(2018: £3,500,000)* from its parent company, United Living Group Limited.

The notes on pages 17 to 29 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

1 1 Company information

United Living (South) Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

1.2 Basis of preparation

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"*) as issued in August 2014. The functional currency of United Living (South) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. All amounts in the financial statements have been rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The Company's ultimate parent undertaking, United Living Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of United Living Group Limited are prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (*"FRS 102"*) as issued in August 2014 and are available to the public and may be obtained from Media House, Azalea Drive, Swanley, Kent, BR8 8HU. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of United Living Group Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements:

1.3 Measurement convention

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

1.4 Going concern

Notwithstanding net current liabilities (excluding intercompany balances) of £8,946,000 as at 31 March 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

On 19 June 2019, the United Living Group of companies were acquired by Fastflow Investment Limited, headed by Fastflow Holdings Limited. On that date the United Living Group's financing arrangements, comprising off an asset backed facility provided by Shawbrook Bank to United Living (South) Limited and United Living (North) Limited and shareholder loan notes issued by United Living Group Limited have been repaid out of the group's existing cash balances and financing provided by Fastflow Investment Limited.

The directors have prepared cash flow forecasts for a period of 12 months from the date of the approval of these financial statements which indicate that, taking into account reasonably possible downsides, the company will have sufficient funds, through funding from its intermediate parent company, Fastflow Investments Limited, to meet its liabilities as they fall due for that period.

Notes *(continued)*

1 Accounting policies *(continued)*

1.4 Going concern (continued)

These forecasts are dependent on the company's intermediate parent company, Fastflow Investment Limited not seeking repayment of the amounts currently due to the group, which at 9 September 2019 amounted to £10,534,229. Fastflow Investments Limited has indicated that is does not intend to seek repayment of these amounts for the period covered by the forecasts.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

1.5 Group financial statements

The company is exempt, by virtue of Section 400 of the Companies Act 2006, from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

1.6 Related party transactions

As the whole of the company's voting rights are controlled within the group headed by United Living Group Limited, the company has taken advantage of the exemption contained in FRS 102 and has, therefore, not disclosed transactions with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of United Living Group Limited, within which this company is included, can be obtained from the address given in note 20.

1.7 Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Plant and machinery - 3 to 7 years
- Fixtures and fittings - 7 years
- Motor vehicles - 3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.9 Intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Software is amortised over 3 years.

1.10 Construction contract debtors

Construction contract debtors represent the gross unbilled amount for contract work performed to date. They are measured at cost plus profit recognised to date less a provision for foreseeable losses and less progress billings.

Notes *(continued)*

1 Accounting policies *(continued)*

1.10 Construction contract debtors (continued)

Variations are included in contract revenue when they are reliably measurable and it is probable that the customer will approve the variation itself and the revenue arising from the variation. Claims are included in contract revenue only when they are reliably measurable and negotiations have reached an advanced stage such that it is probable that the customer will accept the claim. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activities based on normal operating capacity.

Construction contract debtors are presented as part of debtors in the balance sheet. If payments received from customers exceed the income recognised, then the difference is presented as accruals and deferred income in the balance sheet.

1.11 Turnover

Turnover represents sales, excluding value added tax, for work completed and labour and materials supplied during the year and the value of work executed during the year on long term contracts. In the case of long term contracts, turnover represents the sales value of carried out during the year, including estimates in respect of amounts not invoiced. All turnover relates to trade conducted in the UK.

1.12 Expenses

Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.13 Employee benefits

Defined contribution pension plans and other long term employee benefits

A defined contribution pension plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the years during which services are rendered by employees.

1.14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes *(continued)*

1 Accounting policies *(continued)*

1.15 Provision for liabilities

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1.16 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

1.17 Basic financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes *(continued)*

1 Accounting policies *(continued)*

1.18 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.19 Leasing and hire purchase commitments

Assets held under finance leases, are leases where substantially all the risks and rewards of ownership of the assets have passed to the company, hire purchase contracts are capitalised in the balance sheet and are depreciated over the assets useful life. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability.

2 Expenses and Auditor's Remuneration

	2019	2018
	£000	£000
Amounts receivable by the company's auditor and its associates in respect of		
Audit of these financial statements	**39**	44
Taxation compliance services	**39**	27
All other services	**7**	-

3 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year was as follows:

	Number of employees	
	2019	2018
Management	**13**	11
Administration	**66**	65
Sales & marketing	**18**	10
Operations	**292**	239
	389	325

Notes *(continued)*

3 Staff numbers and costs *(continued)*

The aggregate payroll costs of these persons were as follows:

	2019 £000	2018 £000
Wages and salaries	**20,578**	17,485
Social security costs	**2,306**	1,984
Other pension costs	**970**	779
	23,854	20,248

4 Remuneration of directors

	2019 £000	2018 £000
Emoluments	**654**	657
Company contributions to defined contribution pension scheme	**38**	26
	692	683

During the year, five directors were members of the company's defined contribution pension scheme *(2018: four directors).*

Highest paid director

	2019 £000	2018 £000
Emoluments	**260**	246
Company contributions to defined contribution pension scheme	**14**	10
	274	256

Directors were employed and remunerated by the Company or the ultimate parent United Living Group Limited. The details of this remuneration is disclosed in either United Living Group Limited financial statements or United Living (South) Limited financial statements. It is estimated that the amount of directors emoluments incurred on qualifying services for United Living (South) Limited was £766,000 (2018: £680,000).

5 Other interest receivable and similar income

	2019 £000	2018 £000
Interest receivable from group undertakings	**-**	147

Notes *(continued)*

6 Interest payable and similar expenses

	2019	2018
	£000	£000
Bank interest payable	94	116
Finance lease interest	2	7
Other interest payable	5	18
	101	141

7 Taxation

Recognised in the profit and loss account

	2019	2018
	£000	£000
UK Corporation tax on income for the year	1,077	252
Adjustment in respect of prior years	6	26
Total current tax	1,083	278
Deferred tax *(see note 12)*		
Under/ over provided in prior years	(235)	168
Origination / (reversal) of timing differences	1,084	730
Reduction in tax rate	-	-
Total deferred tax expense / (credit)	849	898
Total tax expense / (credit)	1,932	1,176

The tax charge for the year is lower than *(Year ended 31 March 2018: higher)* the standard rate of corporation tax in the UK of 19% *(Year ended 31 March 2018: 19%)*

Notes *(continued)*

7 Taxation *(continued)*

Reconciliation of effective tax rate

	2019	2018
	£000	£000
Profit for the year	**9,475**	4,626
Total tax expense / (credit)	**1,932**	1,176
Profit excluding taxation	**11,407**	5,802
Tax using the UK corporation tax rate of 19% *(2018:19%)*	**2,167**	1,102
Under/(over) provided in prior years	**(229)**	194
Reduction in tax rate	**-**	-
Non deductible expenses	**(6)**	15
Timing difference reversals or which no deferred tax previously recognised	-	(7)
Tax exempt income	-	(128)
Total tax expense	**1,932**	1,176

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. These will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 March 2019 has been calculated based on these rates substantively enacted at the balance sheet date.

8 Property, plant and equipment

	Plant and Machinery £000	**Fixtures and fittings £000**	**Total £000**
Cost			
At 1 April 2018	195	188	383
Additions	118	8	126
Disposals	-	-	-
At 31 March 2019	313	196	509
Depreciation			
At 1 April 2018	66	74	140
Charge for the year	71	28	99
Disposals	-	-	-
At 31 March 2019	137	102	239
Net book value			
At 31 March 2019	**176**	**94**	**270**
At 31 March 2018	129	114	243

Notes *(continued)*

9 Intangible assets

Software includes amounts previously held under finance leases.

	Software £000	Finance lease software £000	Software in the course of construction £000	Total £000
Cost				
At 1 April 2018	1,155	255	-	1,410
Additions	566	-	56	622
Reclassifications	255	(255)	-	-
At 31 March 2019	1,976	-	56	2,032
Amortisation				
At 1 April 2018	367	85	-	452
Charge for the year	245	85	-	330
Reclassifications	170	(170)	-	-
At 31 March 2019	782	-	-	782
Net book value				
At 31 March 2019	**1,194**	**-**	**56**	**1,250**
At 31 March 2018	788	170		958

10 Investments in group undertakings

	Subsidiary Undertaking £000
Cost and net book value	
At 1 April 2018	-
Provision against impairment	-
At 31 March 2019	-

The £1 investment in the share capital of United Living (Media House) Limited was written off as the company was dissolved on 26 February 2019.

Group undertakings

Shares in group undertakings comprise the following:

On 26 February 2019 United Living (Media House) Limited was dissolved.

Notes *(continued)*

11 Debtors

	2019	2018
	£000	£000
Trade debtors	**3,163**	11,986
Construction contract debtors	**24,836**	22,508
Amounts owed by parent undertakings	**58,881**	46,158
Amounts owed by group undertakings	**2,186**	3,600
Prepayments and accrued income	**1,106**	845
Deferred tax asset (Note 12)	**433**	1,282
	90,605	86,379

Debtors include construction contract debtors of £2,140,338 *(2018: £2,310,000)* due after more than one year.

12 Deferred tax asset

	£000
At 1 April 2018	**1,282**
Recognised from prior years	**235**
Reversal of timing differences	**-**
Utilised in year	**(1,084)**
At 31 March 2019	**433**

	2019	2018
	£000	£000
Accelerated capital allowances	**6**	121
Tax losses carried forward	**427**	1,161
	433	1,282

13 Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Payments received on account	**306**	134
Trade creditors	**14,954**	12,136
Amounts owed to parent undertakings	**-**	-
Amounts owed to group undertakings	**44**	74
Other taxation and social security	**1,539**	2,158
Corporation tax	**136**	-
Finance lease creditor	**-**	46
Other financial liabilities-amortised cost	**4,994**	6,246
Other creditors	**1,184**	1,088
Accruals and deferred income	**47,600**	48,324
	70,757	70,206

Notes *(continued)*

13 Creditors: Amounts falling due within one year *(continued)*

Other financial liabilities includes an advance from Shawbrook Bank who provide the company with an asset backed lending facility, secured on the company's trade debtors.

14 Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Payments received on account	**656**	809
Trade creditors	**884**	1,419
Other creditors	**321**	270
Accruals and deferred income	**1,065**	385
	2,926	2,883

15 Share capital

	2019 £	2018 £
Allotted and fully paid:		
100 ordinary shares of £1 each	**100**	100

16 Obligations under leases and hire purchase contracts

The company use finance leases and hire purchase contracts to acquire software. These leases have terms of renewal but no purchase option or escalation option clauses. Renewals are at the option of the lessee. Future minimum lease payments under finance leases and hire purchase contracts :

	2019 £000	2018 £000
Amounts payable:		
Within one year	-	47
In two to five years	-	-
	-	47
Less: finance charges allocated to future periods	-	(1)
	-	46

Notes *(continued)*

17 Operating leases

Non-cancellable operating lease rentals are payable as follows;

	2019	2018
	£000	£000
Within one year	**900**	462
Between one and five years	**1,578**	929
	2,478	1,391

During the year £890,349 was recognised as an expense in the profit and loss account in respect of operating leases *(2018:£546,000).*

18 Pension commitments

The Company operates a personal pension plan. The plan is administered by Scottish Widows plc which holds all the assets of the plan. Membership is open to all permanent employees. Contributions are charged to the profit and loss account when they are due. Contributions charged to the profit and loss account in the year were £941,000 *(2018: £779,000).* At 31 March 2019 contributions of £nil *(2018:£120,000)* were outstanding.

19 Contingent liabilities

The company has given cross guarantees in favour of Shawbrook Bank in respect of the borrowing of United Living (North) Limited. The maximum potential liability under the terms of these guarantees as at 31 March 2019 was £9,250,000 (*2018: £2,500.000*). The directors consider the likelihood that the company will be called upon to meet any claims under these guarantees to be remote and accordingly no provision has been made in these accounts.

On 19 June 2019, the United Living group of companies were acquired by Fastflow Investment Limited. On this date the asset backed facility from Shawbrook Bank was terminated and the cross guarantees removed.

In the construction industry disputes sometimes arise in the normal course of business and can lead to litigation or arbitration proceedings. On the basis of the information available, the directors are of the opinion that any such claims will not give rise to liabilities that will have a material effect on these accounts. Consequently no provision against such claims is required.

20 Guarantees and other financial commitments

Under the terms of a financing agreement security has been granted over the company's assets to the company's financiers.

The company has, in the normal course of business, entered into a counter indemnity in respect of performance bonds entered into on its own contracts.

21 Subsequent events

Subsequent to the balance sheet date on 31 March 2019, the company was purchased by Fastflow Investment Limited, a company incorporated in England and Wales which is regarded as the immediate parent company. Fastflow Group is an independent provider of essential services to the utilities and property sectors. Fastflow Holdings Limited incorporated in England and Wales, is regarded as the ultimate parent company.

The group is now controlled by Elysian Capital II LP of 1 Southampton Street, London, WC2 0LR, on the basis that it controls a controlling interest in the voting rights of the share capital of Fastflow Holdings Limited.

Notes *(continued)*

22 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking for the year ended 31 March 2019 was ULS Living Limited, a company incorporated in England and Wales. The company's ultimate parent undertaking and controlling company was United Living Group Limited, a company incorporated in England and Wales. Copies of the company's financial statements can be obtained from its registered office:

Media House
Azalea Drive
Swanley
Kent
BR8 8HU