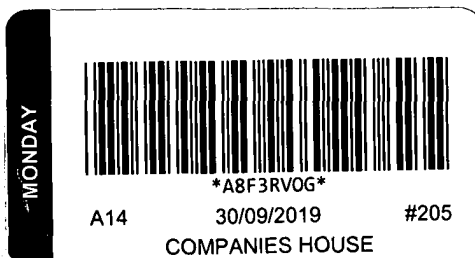


REGISTERED NUMBER: 02987829 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2018
for
Avery Hill Developments Limited**



**Contents of the Financial Statements
for the year ended 31 December 2018**

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Avery Hill Developments Limited

**Company Information
for the year ended 31 December 2018**

DIRECTORS:

G J Frost
M J Gregory
N Mackee

SECRETARY:

Ms A E Woods

REGISTERED OFFICE:

3 More London Riverside
London
SE1 2AQ

REGISTERED NUMBER:

02987829 (England and Wales)

AUDITOR:

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Avery Hill Developments Limited (Registered number: 02987829)

**Report of the Directors
for the year ended 31 December 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the provision of facilities management services for a period of thirty years pursuant to and in accordance with an agreement with the University of Greenwich. The agreement was signed in 1995 with the services commencing in 1996.

REVIEW OF BUSINESS

On 15th January 2018, the ultimate parent company, Carillion PLC, entered compulsory liquidation. On 7th March 2018 Avery Hill Developments Holdings Limited, the immediate parent of Avery Hill Developments Limited, was purchased by Amber Infrastructure Group Limited.

The loss for the year was £819,000 (2017 profit for the year: £184,000). This included an exceptional write off of amounts owed by Carillion PLC.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

DIVIDENDS

The directors do not recommend payment of a dividend (2017: £Nil).

GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. At the year end the Company is in a net liability position (£0.5m), however, the directors continue to believe the going concern basis to be appropriate as the company has a long term agreement in place with University of Greenwich for an period of 30 years with 8 years remaining of the term. The company is expected to be both cash generating and profitable by the end of the contract term.

The Board of Directors consider the use of the going concern basis of accounting is appropriate because there are no material events or conditions that cast significant doubt on the ability of the Company to continue as a going concern for at least the next 12 months.

DIRECTORS

The directors who have held office during the year to the date of this report are as follows:

D O P Fisher - resigned 19 January 2018

G J Frost - appointed 7 March 2018

M J Gregory - appointed 7 March 2018

F R Herzberg - resigned 7 March 2018

N Mackee - appointed 7 March 2018

**Report of the Directors
for the year ended 31 December 2018**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 '*Reduced Disclosure Framework*'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 controls 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 reasonable open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

ON BEHALF OF THE BOARD:



.....
N Mackee - Director

Date: 27 September 2019

Independent Auditor's Report to the Members of Avery Hill Developments Limited

Opinion

We have audited the financial statements of Avery Hill Developments Limited (the "company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the 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 for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced disclosure framework* 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.

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.

Report of the Directors

The directors are responsible for the Report of the Directors. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Report of the Directors 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 Report of the Directors;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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.

**Independent Auditor's Report to the Members of
Avery Hill Developments Limited**

Directors' responsibilities

As explained more fully in their statement set out on page 2, 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.

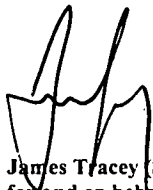
Auditor's responsibilities

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 these financial statements.

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

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.



James Tracey (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Date: 27 September 2019

Avery Hill Developments Limited (Registered number: 02987829)

**Statement of Comprehensive Income
for the year ended 31 December 2018**

	Notes	2018 £'000	2017 £'000
TURNOVER		1,540	1,489
Cost of sales		<u>(452)</u>	<u>(647)</u>
GROSS PROFIT		1,088	842
Administrative expenses		<u>(1,847)</u>	<u>(614)</u>
OPERATING (LOSS)/PROFIT		(759)	228
Interest receivable and similar income	3	<u>2</u>	<u>-</u>
(LOSS)/PROFIT BEFORE TAXATION	4	(757)	228
Tax on (loss)/profit	5	<u>(62)</u>	<u>(44)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(819)	184
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(819)</u>	<u>184</u>

The notes form part of these financial statements

Avery Hill Developments Limited (Registered number: 02987829)

**Balance Sheet
31 December 2018**

	Notes	2018 £'000	2017 £'000
CURRENT ASSETS			
Debtors	6	340	570
Cash at bank and in hand		<u>2,006</u>	<u>2,065</u>
		2,346	2,635
CREDITORS			
Amounts falling due within one year	7	<u>(2,855)</u>	<u>(2,325)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(509)</u>	<u>310</u>
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET (LIABILITIES)/ASSETS		<u>(509)</u>	<u>310</u>
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Retained earnings		<u>(509)</u>	<u>310</u>
SHAREHOLDER'S (DEFICIT)/FUNDS		<u>(509)</u>	<u>310</u>

The financial statements were approved by the Board of Directors on 27 September 2019 and were signed on its behalf by:

N. J. Mackee

N Mackee - Director

Avery Hill Developments Limited (Registered number: 02987829)

Statement of Changes in Equity
for the year ended 31 December 2018

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	-	126	126
Changes in equity			
Total comprehensive income	-	184	184
Balance at 31 December 2017	-	310	310
Changes in equity			
Total comprehensive income	-	(819)	(819)
Balance at 31 December 2018	-	(509)	(509)

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2018**

1. STATUTORY INFORMATION

Avery Hill Developments Limited is a private company, limited by shares, registered in England and Wales. The Registered office is 3 More London Riverside, SE1 2AQ.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with UK Accounting Standards, and are presented in pound sterling which is the presentational and functional currency of the company, and rounded to the nearest thousand.

Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006 for the year ended 31 December 2018.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('adopted IFRSs') but makes amendments where necessary to comply with the Companies Act 2006 and has set out where advantage of the FRS 101 disclosure exemptions have been taken.

Financial reporting standard 101- reduced disclosure exemption

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliation for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

Turnover

Turnover represents the value of services provided and excludes value added tax. The company's sole purpose is that described in the Report of the Directors' and all turnover is derived in the United Kingdom. Turnover is recognised at the point the service is provided.

Going concern

After making enquiries and having taken into account the long-term contracts in place in relation to the company's revenue, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence by meeting its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Notwithstanding the net current liabilities of £509,000, the financial statements are prepared on the going concern basis which assumes the Company will continue in operational existence for the foreseeable future.

The directors have reviewed the Company's cash flow forecasts and profit projections. The forecasts demonstrate that the Company expects to meet its liabilities as they fall due for the foreseeable future. The directors therefore believe it is appropriate for the financial statements to be prepared on a going concern basis.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income and administrative expenses.

Impact of new standards and interpretations

The company has adopted the following IFRSs in these financial statements:

- Annual Improvements to IFRS Standards 2014-2016 Cycle.
- IFRS9: Financial Instruments
- IFRS 15: Revenue from Contracts with Customers

None of these have had a material impact on the financial statements in the current period.

The following Adopted IFRSs have been issued but have not been applied in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- IFRS 16 Leases (effective date 1 January 2019).

Notes to the Financial Statements - continued
for the year ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

There are no significant accounting estimates or judgements required on the preparation of these financial statements.

Taxation

Current tax, including United Kingdom corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not discounted.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 £'000	2017 £'000
Deposit account interest	<u>2</u>	<u>-</u>

4. (LOSS)/PROFIT BEFORE TAXATION

The company has no employees (2017: Nil) and therefore no staff costs for the year ended 31 December 2018 (2017: Nil).

The Directors received no salary, fees or other benefits in the performance of their duties in respect of their services to the company for the year ended 31 December 2018 (2017: Nil).

The audit fee for the year ended 31 December 2018 was £5,125 (2017: £5,000).

Loss before taxation includes an impairment of £1,200,000 owed by Carillion PLC.

5. TAXATION

Analysis of tax expense

	2018 £'000	2017 £'000
Current tax:		
UK Corporation tax	108	44
Adjustments in respect of prior period	(46)	-
Total tax expense in statement of comprehensive income	<u>62</u>	<u>44</u>

Notes to the Financial Statements - continued

for the year ended 31 December 2018

5. TAXATION – continued

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £'000	2017 £'000
(Loss)/profit before income tax	<u>(757)</u>	<u>228</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	(144)	44
Effects of:		
Expenses not deductible for tax purposes	288	-
Prior year adjustment	(46)	-
Group relief received for nil payment	<u>(36)</u>	<u>-</u>
Tax expense	<u>62</u>	<u>44</u>

Factors affecting the tax charges in future years

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was enacted on 26 October 2015. A further reduction to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2018 has been calculated based on these rates.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Trade debtors	338	330
Deferred tax asset	2	2
Other debtors	-	238
	<u>340</u>	<u>570</u>

Deferred tax balance at the beginning and end of the year	£'000
	<u>2</u>

Deferred tax represents timing differences in respect of accelerated capital allowances.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Trade creditors	299	11
Amounts owed to group undertakings	86	200
Corporation tax	108	44
VAT	64	64
Other creditors	22	-
Accrued expenses	<u>2,276</u>	<u>2,006</u>
	<u>2,855</u>	<u>2,325</u>

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

9. **ULTIMATE CONTROLLING COMPANY**

The company is controlled by Avery Hill Developments Holdings Limited being the Company's intermediate parent undertaking.

As at 31 December 2018, the ultimate controlling party was Amber Infrastructure Group Holdings Limited, a limited company registered in England and Wales.

The largest group in which the results of the Company are consolidated as at the balance sheet date was that headed by Amber Infrastructure Group Holdings Limited, no other group financial statements include the results of the Company. The consolidated financial statements of the group are available to the public and may be obtained from: 3 More London Riverside, London, SE1 2AQ.

Since the year end, Hunt Amber London 2 Limited acquired further shares in Amber Infrastructure Group Holdings Limited, taking its ownership up to 68.9%. The directors now consider Hunt Companies Inc. is now the ultimate controlling party.