EDGE HILL

PROPERTY SERVICES

LIMITED

REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

Registered No. 03180143

TUESDAY
A7L1FC5U
A21 18/12/2018 #243
COMPANIES HOUSE

EDGE HILL PROPERTY SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

CONTENTS **PAGES**

Directors' report	1-2
Directors' responsibilities	3
Report of the auditor	4-6
Profit and loss account and statement of changes in reserves	7
Balance sheet	8
Notes to the financial statements	9-12

EDGE HILL PROPERTY SERVICES LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2018

The directors present their report and the audited financial statements of the company for the year ended 31 July 2018. The directors have applied the small companies exemption not to prepare a strategic report.

Principal activities

The profit and loss account for the period is set out on page 7.

The principal activity of the company relates to various property management activities associated with the building stock of the Edge Hill University and its subsidiaries, including, where relevant, the repair and maintenance of the same.

Review of business and future developments

The directors consider the result and the financial position of the company at 31 July 2018 to be satisfactory. It is expected that this will continue in the foreseeable future.

The taxable profit for the company each year is paid via a deed of covenant to Edge Hill Maintenance Services Limited, another wholly owned subsidiary of Edge Hill University.

The company made no taxable profit for the year and therefore no liability to Corporation Tax arises.

Directors

The directors of the company during the year were as follows:

Dr John Cater
Professor Clive Edwards

In accordance with the Articles of Association, Dr John Cater retires by rotation and, being eligible offers himself for re-election.

Insurance of directors

The company maintains insurance for the directors of Edge Hill Property Services Limited in respect of their duties as directors of the company.

Close company provisions

The company is a close company as defined by Section 414 of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial period.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's 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.

Auditors

In accordance with Section 487 of the Companies Act 2006, a resolution for the reappointment of KPMG LLP as auditors of the company has been proposed at the Annual General Meeting.

By order of the Board

Dr John Cater
Director
26 November 2018
Company registration no: 03180143
Registered Office: St Helens Road, Ormskirk, Lancashire, L39 4QP

EDGE HILL PROPERTY SERVICES LIMITED

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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; and
- 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 EDGE HILL PROPERTY SERVICES LIMITED

Opinion

We have audited the financial statements of Edge Hill Enterprises Limited ("the company") for the year ended 31 July 2018, which comprise the Profit and Loss account, the Statement of Changes in Reserves and the Balance Sheet, 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 July 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of 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, and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. 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 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 directors' report;
- 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 prepare the financial statements in accordance with the small companies regime and 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 3, 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.

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.

Clare Partridge
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square, Leeds, LS1 4DA
Date
27 November 2018

EDGE HILL PROPERTY SERVICES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2018

	NOTE	2018 £000	2017 £000
Turnover		154	183
	1	154	183
Cost of Sales		(58)	(57)
Gross Profit		96	126
Administrative expense		(18)	(15)
Profit on ordinary activities before interest		78	111
Interest receivable	2	47	47
Profit on ordinary activities before taxation	3	125	158
Taxation on ordinary activities	6	(24)	(31)
Profit for the year		101	127

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 JULY 2018

		2018 £'000	2017 £'000
Opening balance		7,183	7,183
Profit after tax		101	127
Deed of covenant	7	(125)	(158)
Current tax credit on deed of covenant		24	31
Closing balance		7,183	7,183

The company has no recognised gains and losses other than the profit for the period, and therefore no statement of total recognised gains and losses has been presented.

All turnover and expenditure relates to continuing operations.

The notes on pages 9 to 12 form an integral part of the financial statements.

EDGE HILL PROPERTY SERVICES LIMITED

BALANCE SHEET
AT 31 JULY 2018

	NOTE	2018 £000	2017 £000
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	15	14
Debtors: amounts falling due after one year	9	6,608	6,608
		6,623	6,622
Cash at bank		925	925
		7,548	7,547
Creditors: amounts falling due within one year	10	(365)	(364)
NET ASSETS		7,183	7,183
CAPITAL AND RESERVES			
Called-up share capital	11	7,138	7,138
Revenue reserve	11	45	45
Equity shareholders' funds		7,183	7,183

The notes on pages 9 to 12 are an integral part of the financial statements.

The financial statements on pages 7 to 12 were approved by the Board of Directors on 26 November 2018 and were signed on its behalf by:

Professor Clive Edwards
Director

Dr John Cater
Director

Company registration no: 03180143

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention.

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A small entities, on the grounds of the company qualifying as a small company under the provisions of the Companies Act 2006. There were no material departures from that standard, and the company has applied relevant disclosure exemptions, including exemption from the requirement to prepare a cash flow statement, a separate statement of comprehensive income and for certain key management personnel disclosures.

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

Going concern

In assessing the appropriateness of the application of the going concern basis, the Directors have considered the available forecasts, the uncertainties around the general economic environment, the current and future trading performance of the company, and its available financial resources.

Following this review the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been adopted in preparing the financial statements.

Judgements and key areas of uncertainty

The Directors have considered the areas where judgements are required in the preparation of the financial statements and concluded that there are no significant areas of estimation in reporting the fair value of transactions and balances.

Taxation

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

Tax credits on the payment under deed of covenant to the parent organisation are recognised in the statement of changes in reserves. There is therefore no deferred tax asset or liability to recognise.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied and accrued rent.

Cash at Bank

Cash balances are stated as cash book balances.

Related Parties Disclosure

The company is a member of a group with an interest exceeding 90% and is included within the consolidated financial statements of Edge Hill University which are publicly available.

The company has taken advantage of the exemption permitted by FRS 102, not to disclose transactions with other group companies.

2. INTEREST RECEIVABLE

	2018 £000	2017 £000
Interest receivable from parent undertaking	47	47

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2018 £000	2017 £000
Auditor remuneration for audit services	1	1

Remuneration of the company's auditor for provision of non-audit services was £2,667 (2017: £2,434).

4. DIRECTORS' EMOLUMENTS

There were no payments to directors for their services during the period.

5. EMPLOYEE INFORMATION

The company did not have any employees in the period; accordingly no staff costs were incurred.

6. TAX

Reconciliation of tax charge	2018 £000	2017 £000
Profit on ordinary activities before tax	125	158
Profit on ordinary activities multiplied by standard rate of corporation tax of 19% (2017 19.67%)	24	31
Current tax year charge	24	31

7. DEED OF COVENANT

Under a Deed of Covenant dated 1 August 1997, Edge Hill Property Services Limited has agreed to pay to Edge Hill Maintenance Services Limited an amount equal to the taxable profit of the company annually until the eightieth anniversary of the date of the covenant unless revoked earlier or until sums payable under the deed cease to be a charge on the income of the company for the purposes of corporation tax. The company made a gross deed of covenant payment for the period of £125,476 (2017: £158.026).

8. DEBTORS: Amounts falling due within one year

	2018 £000	2017 £000
Amount due from parent institution within 1 year	15	13
Trade Debtors	-	1
	15	14

9. DEBTORS: Amounts falling due after one year

	2018 £000	2017 £000
Loan due from parent institution after more than 1 year	3,142	3,142
Amount due from parent institution after more than 1 year	3,466	3,466
	6,608	6,608

The interest rate on the above loan of £3,142k is 1% above base rate.

10. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Amounts due to parent institution	357	356
Amounts due to other subsidiaries	-	1
Accruals and deferred income	4	4
Value Added Tax payable	4	3
	365	364

11. CALLED UP SHARE CAPITAL & EQUITY SHAREHOLDERS FUNDS

(a) Share Capital	2018 £000	2017 £000
Authorised 15,000,000 ordinary shares of £1 each	15,000	15,000
Allotted called up and fully paid 7,137,607 ordinary shares of £1 each	7,138	7,138
(b) Revenue Reserve	£000	£000
At 1 August	45	45
Retained profit for the year	-	-
At 31 July	45	45

12. ULTIMATE HOLDING INSTITUTION AND CONTROLLING PARTY

The directors regard Edge Hill University, which is a body registered in the United Kingdom under the Education Reform Act 1988, as the ultimate holding institution and controlling party. Copies of the Consolidated accounts of the Edge Hill Group may be obtained on request from the Deputy Vice-Chancellor, Edge Hill University, St Helens Road, Ormskirk, L39 4QP.