

ANNINGTON RECEIVABLES LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2019



ANNINGTON RECEIVABLES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

CONTENTS	Page
Directors' report	1
Statement of directors' responsibilities	2
Independent auditor's report	3
Balance sheet	5
Statement of changes in equity	6
Notes to the financial statements	7

ANNINGTON RECEIVABLES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2019. The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under the Companies Act 2006. A strategic report has not been prepared in accordance with the exemption entitled to small companies under s414 of the Companies Act 2006.

DIRECTORS

The directors who served throughout the year and to the date of this report were:

A P Chadd
J C Hopkins
N P Vaughan

Qualifying third party indemnity provisions are in place for all directors of the company for the current and preceding year.

DIVIDENDS

A dividend of £33,013 has been declared during the year ended 31 March 2019 (2018: £nil).

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Further details regarding the adoption of the going concern basis can be found in Note 2 to the financial statements.

PRINCIPAL ACTIVITIES

Annington Receivables Limited ("the Company") is a subsidiary of Annington Homes Limited, which is part of the Annington Limited Group. The Company receives rent payments from the Secretary of State for Defence (SoSD) as agent for Annington Property Limited. The rents received are transferred to meet the obligations under external debt financing issued by Annington Funding plc.

AUDITOR

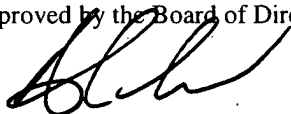
Each of the persons who are a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



A P Chadd
Director

16 August 2019

REGISTERED OFFICE

1 James Street
London, United Kingdom
W1U 1DR

ANNINGTON RECEIVABLES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ANNINGTON RECEIVABLES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Annington Receivables Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2019;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the balance sheet;
- the statement of changes in equity; and
- the related Notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ANNINGTON RECEIVABLES LIMITED (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Howe (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom
16 August 2019

ANNINGTON RECEIVABLES LIMITED

BALANCE SHEET At 31 March 2019

	Note	2019 £	2018 £
Current assets			
Receivables	5	-	33,015
Cash and cash equivalents		2	-
Net assets		<u>2</u>	<u>33,015</u>
Capital and reserves			
Share capital	6	2	2
Retained earnings - distributable		-	33,013
Total equity		<u>2</u>	<u>33,015</u>

The accompanying notes (1 to 9) should be read in conjunction with these financial statements.

The financial statements of Annington Receivables Limited, registered number 03246599, were approved by the Board of Directors and authorised for issue on 16 August 2019.

Signed on behalf of the Board of Directors



A P Chadd

Director

ANNINGTON RECEIVABLES LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2019

	Note	Share capital £	Retained earnings £	Total equity £
At 1 April 2017		2	33,013	33,015
Profit attributable to shareholder, being total comprehensive income for the year		-	-	-
Balance at 31 March 2018		2	33,013	33,015
Profit attributable to shareholder, being total comprehensive income for the year		-	-	-
Dividends paid	7	-	(33,013)	(33,013)
Balance at 31 March 2019		2	-	2

ANNINGTON RECEIVABLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

1. CORPORATE INFORMATION

Annington Receivables Limited ("the Company") is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of its registered office is 1 James Street, London W1U 1DR. Information on the Company's ultimate parent is presented in Note 9.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"), and with the Companies Act 2006.

The financial statements are presented in pound sterling (£). They have been prepared under the historical cost basis.

Exemptions for qualifying entities under FRS 101

FRS 101 permits a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been applied by the Company. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU-adopted International Financial Reporting Standards, including an opening Statement of Financial Position;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- certain disclosures in respect of financial instruments;
- the effect of future accounting standards not yet adopted; and
- disclosure of related party transactions with wholly-owned members of the Group.

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Annington Limited, which are publicly available.

Going concern

The Company's financial position is noted in the balance sheet. The directors' report describes the principal activities of the Company.

The Company does not incur significant day to day working capital requirements but, when necessary, meets these by recharging costs to companies within the Annington Group.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

New Standards, interpretations and amendments effective from 1 April 2018

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 April 2018, have had a material impact on the company

Accounting judgements and estimates

Management has not made any significant accounting judgements, estimates and assumptions concerning the future.

ANNINGTON RECEIVABLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019 (continued)

3. INCOME STATEMENT AND STATEMENT OF CHANGES IN EQUITY

No income statement or statement of changes in equity is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the year under review or the preceding financial year. There have been no movements in shareholder's funds during the year under review or the preceding year.

The auditor's remuneration was £2,300 (2018: £2,200) for the audit of the Company's annual financial statements and was borne by another group company in the current and preceding year.

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditor for 'Other services' as this information is included in the consolidated financial statements of Annington Limited.

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The Company had no employees of its own during the year (2018: nil). The directors received no emoluments for their services to the Company in the current and preceding year.

5. RECEIVABLES

ACCOUNTING POLICY

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method less any impairment.

	2019 £	2018 £
Amounts falling due within one year		
Amounts owed by group undertakings	-	33,015

Amounts owed by group undertakings are unsecured, non-interest bearing and have no fixed date for repayment.

The carrying value of receivables approximates the fair value.

6. SHARE CAPITAL

	2019 £	2018 £
Authorised, issued and fully paid		
2 ordinary shares of £1 (2018: 1 ordinary share of £1)	2	1
Authorised, issued and nil paid		
Nil (2018: 1 ordinary share of £1)	-	1

7. DIVIDENDS

	2019 £	2018 £
Dividends declared and paid	33,013	-
Dividends per share	16,507	-

ANNINGTON RECEIVABLES LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 March 2019 (continued)**

8. RELATED PARTY DISCLOSURES

The Company is a wholly owned subsidiary within the Annington Limited Group and is included in the consolidated financial statements of Annington Limited. The Company has taken advantage of the exemption provided in paragraph 8(k) of FRS 101 not to make disclosure of transactions with other wholly-owned entities that are part of the same group.

9. CONTROLLING PARTY

Annington Homes Limited, a company incorporated in the United Kingdom, is the immediate parent company.

The directors regard Terra Firma Holdings Limited, a company registered in Guernsey, as the ultimate parent entity. The ultimate controlling party is Guy Hands.

Annington Limited is the largest and smallest parent company of which the Company is a member and for which group financial statements are drawn up. The Annual Report and Financial Statements for Annington Limited are available on request from the registered office at 1 James Street, London W1U 1DR.