THE ASSET MANAGEMENT GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2018

(Registered Number 03292378)

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Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The Asset Management Group Limited continues to provide services to corporate clients in connection with the arrangement of the sale of vacant residential properties throughout the UK.

The Asset Management Group Limited is a private limited company registered in England and Wales, registered number; 03292378.

DIRECTORS

The Directors who served during the year were:

RS Shipperley
DC Livesey
RJ Twigg
A Chambers
S Matthews
CA Coxon

DIVIDENDS

During the year an interim dividend of £1,250,000 was paid (2017: £1,250,000). The Directors do not propose the payment of a final dividend (2017: £nil).

DONATIONS

The Company made charitable donations of £1,064 in 2018 (2017: £400). There were no political donations (2017: £nil).

EMPLOYEES

It is Company policy to provide employees with information concerning their roles and responsibilities and the trading performance of the Company. This policy is to ensure opportunities are available at every level to improve employees' and corporate performance. Regular meetings are held, which involve directors, managers and staff.

EMPLOYEE DEVELOPMENT AND EQUAL OPPORTUNITIES

The Company's approach is to ensure it recruits and promotes the right people regardless of gender, disability, age, sexual orientation or race, and is committed to a culture of meritocracy whereby career progression is based on ability. It facilitates opportunities for all employees to progress and regularly reviews practices and policies. It regards its people as its most valuable asset and is committed to investing in them to achieve their full potential, without discrimination.

People with disabilities are given equal opportunities wherever they can fulfil the requirements of the job. If an employee becomes disabled during their employment with the Company every reasonable effort is made to enable them to continue their career within the Company.

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.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor was deemed to be reappointed and therefore KPMG LLP continued in office for the financial period 1 January 2018 to 31 December 2018.

Following a tender process undertaken during 2018 by Skipton Building Society, it was recommended that EY LLP be appointed for the Skipton Group (which includes The Asset Management Group Limited) for the year ending 31 December 2019. As a result, KPMG LLP will not seek reappointment as the Company's auditor for the financial year ending 31 December 2019.

By order of the board

A Chambers
Director

13 May 2019

13 – 21 High Street
Guildford
Surrey GU1 3DG

Strategic Report

BUSINESS REVIEW

Objectives and strategy of the Company

The Company's objectives continue to be to maximise the long-term value and revenue streams for its shareholders, to create secure and rewarding employment for its people and to deliver a high quality and flexible service required to meet the various demands of its corporate clients.

The Company aims to deliver sustainable and growing revenues from efficient operations supported by a lean management cost structure, which enables the Company to adapt to market opportunities. This awareness of customer service and profit management has been at the core of the Company's success and is a key component to its future strategy.

2018 Review

The results for the year are shown in the Statement of Comprehensive Income and notes.

2018 levels of repossessions in the whole UK market were similar to those during 2017, although there was a slight downward trend which is predicted to continue into 2019. The result of ongoing political and Brexit related uncertainty was to further weaken the UK housing market during 2018, and the number of housing transactions within the UK fell further during 2018. Despite these factors, the Company benefitted from receiving the largest allocation of cases from its major clients, due to excellent performance. The Company retained all existing major clients and added a further significant contract during the year. Over 2018 the company has slightly increased its share of the market within which it operates. Total fees and commissions and profit from operations have increased slightly due to increased focus on profit margins.

Income levels and profitability in the coming financial year will depend on levels of new instructions and the state of the housing market, with current indications we expect these to remain similar to 2018. Set out below is an overview of the objectives of the business and the challenges it faces, as well as the key measures used to monitor the performance of the business.

Operational performance and key performance indicators

The Directors monitor the business at regular board meetings throughout the year. The table below shows the most significant financial KPI's that are monitored for the business.

Operational review

	2018 £000	2017 £000	Change %
Total fees and commissions	11,166	11,003	1%
EBITDA	992	867	14%
Profit from operations*	978	410	139%
Profit before tax**	1,983	411	382%
Movement in instructions	-9%	+9%	
Movement in exchanges	-2%	-3%	

* The amortisation charge relating to the acquisition of business assets was £nil (2017: £441,000) and no longer impacts the profit before tax.

**Profit before tax includes dividends received from wholly owned subsidiaries of £1,000,000 (2017: £nil).

Risks and uncertainties

The Company's objective is to appropriately manage all the risks that arise from its activities. Connells Limited, the immediate parent company and Skipton Building Society, the ultimate parent undertaking, have a formal structure for managing risks throughout the group, which applies to all subsidiaries.

This has three elements:

- The Company's risk appetite is documented in detailed policy risk statements, which are reviewed and approved annually by the Board.
- The primary responsibility for managing risk and ensuring appropriate controls are in place lies with the Company's management. The Company and its ultimate parent undertaking, Skipton Building Society, through their risk and compliance functions provide monitoring and oversight on behalf of the Company's Board.
- The Company's Audit and Risk Committee oversees the effectiveness of the risk management framework and the control environment, with third line assurance being provided through Skipton Group's Internal Audit function.

Strategic Report *(continued)*

Risks and uncertainties (continued)

The principal risks facing the Company, together with how the Company seeks to mitigate these, are set out below:

IT Infrastructure and information security

The Company depends on efficient systems for its day to day operations and maintenance of its financial records. A significant interruption to its IT services, or breach of data security, would have an adverse impact on the ability to trade.

The Company continues to invest in its IT and data security systems to ensure that its systems adequately support its expanding operations and address the changing needs of the business. Regular penetration and business recovery testing is carried out.

Loss of a major client

The Company holds a number of important client relationships, the loss of which would adversely affect income and performance.

The Company carries out regular review meetings with clients at all levels of management; any issues should therefore be identified and escalated at an early stage.

Financial misstatement and fraud

Material financial misstatement arising due to an error or fraud could cause reputational damage, financial loss or lead to inappropriate decision making.

The Company's financial controls, including segregation of duties, are designed to operate throughout the business to address this risk. These controls are supplemented by comprehensive monitoring of financial performance to budget and expectations at a cost centre level.

Customers

The Company is firmly committed to delivering good outcomes for all customers. This means ensuring that the range of products and services offered meet the needs of customers, that the 'end to end' processes for delivering these services are appropriate and effective, and that our people have our customers' best interests at heart at all times. We take steps to develop and maintain this ethos within the culture of the business overall.

Capital

In common with other asset managers, the Company is relatively highly operationally geared. Trading performance is sensitive to transaction volumes in the UK repossession market. In the short term, certain costs are fixed so that when income falls there is a direct and adverse impact on profits and cash flows.

The Company's policy is to retain sufficient cash and capital resources to allow it to withstand market volatility and achieve its corporate objectives.

People

Asset management is a people business and as such is reliant on the ability, training, skills and motivation of its staff. A key risk to the business is the possibility of losing staff, particularly amongst senior managers and directors. In order to combat this, the Board ensures that service agreements, remuneration packages, and human resources policies are adequate to attract, motivate and retain key employees.

By order of the board

A Chambers
Director

13 May 2019

13 – 21 High Street
Guildford,
Surrey GU1 3DG

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, 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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

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, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSET MANAGEMENT GROUP LIMITED

Opinion

We have audited the financial statements of The Asset Management Group Ltd ("the company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, 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 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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.

Brexit other matter paragraph

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, such as recognition of provisions and related disclosures and 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASSET MANAGEMENT GROUP LIMITED *(continued)*

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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, 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.

K Tasker

Karen Tasker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Altius House
One North Fourth Street,
Milton Keynes
MK9 1NE

17 May 2019

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year ended 2018 £000	Year ended 2017 £000
Revenue	3	11,166	11,003
Cost of sales		(7,287)	(7,286)
Gross profit		**3,879**	**3,717**
Administrative expenses	2	(2,901)	(3,307)
Operating profit		**978**	**410**
Presented as: Earnings before interest, tax, depreciation, amortisation (EBITDA)		**992**	**867**
Depreciation		(14)	(16)
Amortisation of intangibles		-	(441)
Operating profit		978	410
Financial income	4	5	1
Dividend income		1,000	-
Profit before tax		**1,983**	**411**
Income tax expense	6	(194)	(96)
Profit for the year being total comprehensive income		**1,789**	**315**

In the current and previous year the Company made no material acquisitions and had no discontinued operations.

The notes on pages 13 to 26 form part of these financial statements.

Statement of Financial Position

AT 31 DECEMBER 2018

	Notes	£000	31 December 2018 £000	£000	31 December 2017 £000
Non-current assets					
Fixed asset investments	9	-		-	
Intangible assets	7	557		557	
Property, plant and equipment	8	29		27	
Deferred tax assets	13	48		55	
Total non-current assets			634		639
Current assets					
Inventories	10	-		935	
Trade and other receivables	11	2,163		1,070	
Cash and cash equivalents		838		513	
Total current assets			3,001		2,518
Total assets			**3,635**		**3,157**
Current liabilities					
Trade and other payables	12	1,194		1,245	
Tax liabilities		108		125	
Total current liabilities			1,302		1,370
Non-current liabilities					
Trade and other payables	12	202		195	
Deferred tax liability	13	-		-	
Total non-current liabilities			202		195
Total liabilities			1,504		1,565
Equity – attributable to the owners of the Company					
Share capital	15	-		-	
Retained earnings	15	2,131		1,592	
Total equity			2,131		1,592
Total equity and liabilities			**3,635**		**3,157**

These accounts were approved by the board of directors on 13th May 2019 and signed on its behalf by:

A Chambers
Director

Company registration number: 03292378

The notes on pages 13 to 26 form part of these accounts.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2018	-	1,592	1,592
Total income for the year	-	1,789	1,789
Dividend paid	-	(1,250)	(1,250)
Balance at 31 December 2018	**-**	**2,131**	**2,131**
Balance at 1 January 2017	-	2,527	2,527
Total income for the year	-	315	315
Dividend paid	-	(1,250)	(1,250)
Balance at 31 December 2017	**-**	**1,592**	**1,592**

The notes on pages 13 to 26 form part of these accounts.

Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year ended 2018 £000	Year ended 2017 £000
Cash flows from operating activities			
Profit for the year		1,789	315
Adjustments for:			
Amortisation of intangible assets	7	-	441
Depreciation of property, plant and equipment	8	14	16
Financial income	4	(5)	(1)
Dividend income		(1,000)	-
Tax expense	6	194	96
Operating profit before changes in working capital and provisions		992	867
Decrease / (increase) in inventories		935	(33)
(Increase) / decrease in trade and other receivables		(1,093)	111
(Decrease) / increase in trade and other payables		(44)	25
Cash generated from operations		790	970
Taxes paid		(204)	(198)
Net cash inflow from operating activities		**586**	**772**
Cash flows from investing activities			
Interest received		5	1
Dividends received		1,000	-
Purchase of property, plant and equipment	8	(16)	(27)
Net cash inflow / (outflow) from investing activities		**989**	**(26)**
Cash flows from financing activities			
Dividends paid		(1,250)	(1,250)
Net cash outflow from financing activities		**(1,250)**	**(1,250)**
Net increase / (decrease) in cash and cash equivalents		325	(504)
Cash and cash equivalents at 1 January		513	1,017
Cash and cash equivalents at 31 December		**838**	**513**

The notes on pages 13 to 26 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The Asset Management Group Limited (the "Company") is a company incorporated, registered and domiciled in the UK. The following accounting policies have been applied consistently in these Company's accounts:

a) Basis of accounting

The Company's financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and effective as at 31 December 2018, and those parts of the Companies Act 2006 applicable to Companies reporting under IFRS.

The Company adopted during the year the following amendments to existing accounting standards, with the IFRS 15 impact considered further in note 1b. None of the remaining standards had a material impact on these financial statements.

- IFRS 15 Revenue from Contracts with Customers
- IFRS 9 Financial Instruments.
- Amendments to IFRS 12 Disclosures of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures as part of the Annual Improvements to IFRS Standards 2014 – 2016 cycle;
- Consequential amendments to existing accounting standards as a result of adopting IFRS 9 and IFRS 15.

A number of new standards at 31 December 2018 have been endorsed by the EU but were not effective and have therefore not been applied in preparing these financial statements. Of those standards that are not yet effective, IFRS 16 is expected to have a material impact on the Company's financial statements in the period of application.

IFRS 16 Leases

The new leasing standard, IFRS 16, will be effective from 1 January 2019. The standard will have a significant effect on the various classifications within the Company's Statement of Comprehensive Income and balance sheet as the Company leases the premises from which it trades. Under the new standard a lessee will recognise, in its Statement of Financial Position, a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The lease expense within the Statement of Comprehensive Income will also be affected and, whilst the total charge will remain the same over the lease period, the cost recognised in the Statement of Comprehensive Income in earlier years will be higher. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Company has assessed the estimated impact that initial application of IFRS 16 will have on its consolidated financial statements and has estimated that the total estimated transition adjustment at 1 January 2019 will be as follows:

- Recognition of a right of use asset and lease liability in the region of £0.1m; and
- The impact to profit before tax in the region of £0.1m for the year ending 31 December 2019.

Notwithstanding the above, the actual impacts of adopting the standard on 1 January 2019 may change because:

- The Company is in the process of finalising the testing and assessment of the controls over collection of all the necessary information in relation to lease contracts, required for the application of IFRS 16;
- The Company is still refining its impact assessment calculations specifically in relation to the judgment around lease extensions, renewal and terminations and the determination of the appropriate rate to discount the lease payment; and
- The new accounting policies are subject to change until the Company presents its first financial statements that include the date of initial application.

No significant impact is expected for leases where the Company is a lessor.

The Company will use the modified retrospective transition method on adoption, so all leases will be assumed to have started on 1 January 2019, which will result in no change to comparative numbers or reserves. The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 January 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The Company is exempt by virtue of s400 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.

Measurement convention

These financial statements are prepared on the historical cost basis.

Currency presentation

These financial statements are presented in pounds sterling and, except where otherwise indicated, have been rounded to the nearest one thousand pounds. The functional currency is pounds sterling.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

1. Accounting policies (continued)

a) Basis of accounting (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Review on page 4. The financial position of the Company, its cash flows, and liquidity position are shown on pages 9 to 12. In addition, the Directors' Report and notes to these financial statements include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Directors have assessed the viability of the Company with respect to the Company's current resources and prospects, its risk appetite and the Company's principal risks and uncertainties. In particular the Directors have considered and modelled a number of severe but plausible scenarios, including the impact of a material downturn in the UK housing market caused by Brexit or other political and economic circumstances. The results from such stress testing indicate that the Company would be able to withstand the financial impact and, as a result, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

b) IFRS 15

IFRS 15 has been adopted from 1 January 2018. Asset management income is accounted for on exchange of contracts as with estate agency sales commissions. The Company determined that under IFRS 15 additional services provided, previously held within inventories, should be recognised earlier than under IAS 18, upon completion of the work.

In terms of transition, the Company has used the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). As a result, the Company has not applied the requirements of IFRS 15 to the comparative period presented.

The following tables summarise the impacts of adopting IFRS 15 on the Group's statement of financial position as at 31 December 2018 and its Statement of Comprehensive Income. There was no material impact on the Company's statement of cash flows for the year ended 31 December 2018.

	As reported 2018 £000	Adjustments 2018 £000	Amounts without adoption of IFRS 15 2018 £000
Assets			
Inventories – Work in progress	-	(990)	990
Trade and other receivables – contract asset	990	990	-
	990	-	990

	As reported 2018 £000	Adjustments 2018 £000	Amounts without adoption of IFRS 15 2018 £000
Statement of Comprehensive Income			
Revenue	11,166	162	11,004
Cost of sales	(7,287)	(162)	(7,125)
	3,879	-	3,879

There was no impact to opening retained earnings, or profit before tax for the year ended 31 December 2018.

c) Goodwill

Goodwill arising on the acquisition of subsidiary undertakings or businesses represents the excess of the fair value of consideration over the fair value of identifiable net assets and contingent liabilities acquired at the date of acquisition. Goodwill is calculated after also taking into account the fair value of contingent liabilities of the acquiree.

d) Impairment

In accordance with IAS 36, Impairment of Assets, goodwill and intangible assets with an indefinite life are not amortised but is tested for impairment at each year end or when there is an indication of impairment. The recoverable amount of goodwill is determined as the higher of its fair value less costs to sell and its value in use.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

1. Accounting policies (continued)

d) Impairment (continued)

The Company applies discount rates based on its estimated current cost of capital of the subsidiary. Impairment of a subsidiary's associated goodwill is recognised where the present value of future cash flows of the subsidiary is less than its carrying value. A fifteen year time horizon has been used to reflect that subsidiaries are held for the long term. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Any impairment loss in respect of goodwill is not reversed. On the sale of a subsidiary, the profit or loss on sale is calculated after charging or crediting the net book value of any related goodwill. Negative goodwill arising on an acquisition is recognised directly in the Statement of Comprehensive Income.

e) Intangible assets

Intangible assets include acquired customer contracts and relationships that in the opinion of the directors meet the definition of an intangible asset. Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the day they are available for use. The estimated useful lives are as follows:

Pipeline - 6 months
Customer contracts and relationships - 1 to 3 years

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end.

f) Revenue recognition

Revenue, which excludes value added tax, represents total commissions receivable by the Company and additional maintenance services provided. Asset management commission earned is accounted for on exchange of contracts and additional services are recognised upon completion of work, recognised on a cost basis within contract assets; both of which are at the point all performance obligations are considered to have completed. Panel fee income is deferred over the membership period. See note 1 b) which explains the impact of IFRS15 on Revenue recognition.

g) Property, plant and equipment

Property, plant and equipment are stated in the Statement of Financial Position at cost less accumulated depreciation and impairment losses. Depreciation is charged so as to write off the cost of assets over their estimated useful lives on the following bases:

Office equipment - 3 to 5 years

h) Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

i) Trade and other payables

Trade and other payables are stated initially at their fair value and then subsequently carried at their amortised cost.

i) Operating leases

Costs of operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

k) Inventories

Inventories, which are represented by work in progress, are valued at the lower of cost and net realisable value. Until 31 December 2017 work in progress represented costs incurred in the preparation of properties for sale, where contracts for the sale of properties were not exchanged until after the year end. Under IFRS15, from 1 January 2018, income has been accrued on work elements of property sales as the work is completed, rather than on exchange of contracts, there is therefore a nil balance on work in progress and an increase in contract assets at 31 December 2018 (see note 11). See note 1 b) IFRS15 which explains the £nil inventory balance at 31 December 2018.

l) Investments

Investments in subsidiaries are carried at cost less any impairment. The cost of investment arising on the acquisition of subsidiary undertakings or businesses comprises the consideration paid. The Company regularly reviews its subsidiary investments for objective evidence of impairment.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

1. Accounting policies (continued)

m) Taxation

Income tax on the profits for the year comprises current tax and deferred tax. Income tax is recognised in the Statement of Comprehensive Income except where items are recognised directly in other comprehensive income, in which case the associated income tax asset or liability is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted at the year end, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group.

The carrying amount of deferred tax assets is reviewed at each year end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each year end and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

n) Employee benefits

Certain employees are members of the Asset Management Group Limited defined contribution pension scheme, the assets of which are held separately from those of the Company, as independently administered funds. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income as incurred.

o) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash comprises cash in hand and loans and balances with banks and similar institutions. Cash and cash equivalents comprise highly liquid investments which are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less. The Statement of Cash Flows has been prepared using the indirect method.

p) Net financing costs

Interest income and interest payable is recognised in the Statement of Comprehensive Income as they accrue using the effective interest method.

q) Critical accounting estimates, and judgements in applying accounting policies

The Company makes estimates and assumptions regarding the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

- Intangible assets – estimates and judgements are made in determining the fair value of intangible assets arising in a business combination. Management have valued the intangible assets based on expected profits of the customer relationships and pipelines bought in the acquisition. The key judgements are the average fee and profit margin per case and the length of time the customer relationships will last. Management have based these assumptions on past performance.

2. Expenses and auditor's remuneration

	Year ended 2018 £000	Year ended 2017 £000
Profit after tax is stated after charging the following:		
Amortisation of intangible assets	-	441
Depreciation of property, plant and equipment	14	16
Staff costs (see note 5)	2,294	2,253
Rentals payable under operating leases	109	112
Auditor's remuneration and expenses:		
Audit of these financial statements	25	22

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

3. Revenue

All revenue in the Company is considered to originate from contracts with customers. The table below disaggregates the revenue from contracts with customers into the significant service lines.

	Products and services transferred at a point in time 2018 £000	Products and services transferred over time 2018 £000	Total 2018 £000	Total 2017 £000
Asset management commissions	10,985	181	11,166	11,003
Other fees and commissions	-	-	-	-
	10,985	181	11,166	11,003

4. Financial income

	Year ended 2018 £000	Year ended 2017 £000
Bank interest	5	1

5. Staff numbers and costs

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

	Year ended 2018 No.	Year ended 2017 No.
Directors	6	6
Administration	67	65
	73	71

The aggregate payroll costs of these persons were as follows:	Year ended 2018 £000	Year ended 2017 £000
Wages and salaries	2,038	2,002
Social security costs	193	189
Other pension costs	63	62
	2,294	2,253

Directors' emoluments	£000	£000
Directors' emoluments	330	318
Company contributions to defined contribution pension plans	7	7
	337	325

At 31 December, the Directors have accrued £31,007 (2017: £34,040) under long term incentive schemes. The aggregate emoluments of the highest paid director was £228,371 (2017: £216,837), and contributions of £7,378 (2017: £7,181) were made to defined contribution pension schemes.

Four (2017: three) of the directors are not directly remunerated by the Company. The notional allocation of cost to the Company for their services was £75,669 (2017: £80,774).

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

6. Tax expense

	Year ended 2018 £000	Year ended 2017 £000
a) Analysis of expense in the year at 19% (2017: 19.25%)		
Current tax expense		
Current tax at 19% (2017: 19.25%)	191	164
Adjustment for prior years	(4)	-
Total current tax expense	187	164
Deferred tax credit		
Origination and reversal of temporary differences	3	(68)
Adjustment in respect of prior periods	4	-
Total deferred tax credit	7	(68)
Tax expense	**194**	**96**

b) Factors affecting tax expense in the year

The tax assessed in the Statement of Comprehensive Income is lower (2017: higher) than the standard UK corporation tax rate because of the following factors:

	2018	2017
Profit before tax	1,983	411
Tax on profit at UK standard rate of 19% (2017: 19.25%)	377	79
Effects of:		
Income not taxable for tax purposes	(190)	-
Adjustment in respect of prior periods	(1)	-
Expenses not deductible for tax purposes	8	8
Tax rate changes	-	9
Tax expense	**194**	**96**

A reduction in the UK corporation tax rate from 19% 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 this rate.

7. Intangible assets

	Goodwill £000	Customer contracts & relationships £000	Total £000
Cost			
At 1 January 2018 and 31 December 2018	**557**	**1,444**	**2,001**
Amortisation and impairment losses			
At 1 January 2018 and 31 December 2018	**-**	**1,444**	**1,444**
Carrying amounts			
At 1 January 2018	**557**	**-**	**557**
At 31 December 2018	**557**	**-**	**557**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

7. Intangible assets (continued)

	Goodwill £000	Customer contracts & relationships £000	Total £000
Cost			
At 1 January 2017 and 31 December 2017	557	1,444	2,001
Amortisation and impairment losses			
At 1 January 2017	-	1,003	1,003
Amortisation for the year	-	441	441
At 31 December 2017	-	1,444	1,444
Carrying amounts			
At 1 January 2017	557	441	998
At 31 December 2017	557	-	557

Goodwill acquired in a business combination is allocated to the cash generating units (CGU's) that are expected to benefit from that business combination. The only CGU is the Asset Management Business. Before recognition of impairment losses, the cost of goodwill has been allocated to this CGU. The recoverable amounts of the CGU's are determined from value in use calculations.

Key assumptions

The calculation of value-in-use is most sensitive to the following assumptions:

- Forecast cash flows
- Long term growth rate
- Discount rates

Forecast cash flows reflect how management believe the business will perform over the short term five year period and are used to calculate the value-in-use of the CGUs. The Company prepares cash-flow forecasts on the assumption that the CGU's are held for long-term investment, and are derived from the most recent financial budgets for the next five years, which take into account the risks inherent in the business.

The growth rate reflects how management believe the business will perform over the long term, and extrapolate cash flows for subsequent years (up to an additional 10 years) based on a long-term growth rate of 2.5% (2017: 2.5%).

Discount rates reflect management's estimate of the post-tax Weighted Average Cost of Capital (WACC) of the Company and this is the benchmark used by management to assess operating performance and to evaluate future acquisition proposals. The pre-tax discount rate was 10.60% (2017: 10.60%).

Sensitivities

Management has undertaken sensitivity analyses to determine the effect of changes in assumptions on the 2018 impairment review. The key assumptions driving the carrying values are the discount rate applied to the cash flow forecasts and the growth rates within the cash flow forecast. It would require a significant decline in performance to trigger an impairment. To test the sensitivity the discount rate was increased by 10%, CGUs carrying value would still exceed the asset value. The sensitivity to the long term growth rate was also decreased by 10%, the CGUs carrying value would still exceed the asset value. For the 5 year cash flows growth the rate was decreased by 10%, the carrying value would still exceed the asset value.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

8. Property, plant and equipment

	Office equipment £000	Total £000
Cost		
At 1 January 2018	225	225
Additions	16	16
Disposals	-	-
At 31 December 2018	**241**	**241**
Accumulated depreciation and impairment		
At 1 January 2018	198	198
Depreciation charge for the year	14	14
Disposals	-	-
At 31 December 2018	**212**	**212**
Carrying amounts		
At 1 January 2018	27	27
At 31 December 2018	**29**	**29**

	Office equipment £000	Total £000
Cost		
At 1 January 2017	222	222
Additions	27	27
Disposals	(24)	(24)
At 31 December 2017	**225**	**225**
Accumulated depreciation and impairment		
At 1 January 2017	206	206
Depreciation charge for the year	16	16
Eliminated on disposals	(24)	(24)
At 31 December 2017	**198**	**198**
Carrying amounts		
At 1 January 2017	16	16
At 31 December 2017	**27**	**27**

9. Fixed asset investments

	Shares In Group Undertakings £
Cost	
At 31 December 2018 and 2017	**3**

The Company owns 100% of the ordinary issued share capital of AMG North East Limited and AMG Projects Limited. Both of these companies are registered in England and Wales.

The principal activities of the subsidiary companies are the arrangement of the sale of properties or associated services, including maintenance of properties in preparation for sale.

The registered office of both these companies is 13-21 High Street, Guildford, Surrey, GU1 3DG.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

10. Inventories

	31 December 2018 £000	31 December 2017 £000
Work in progress	-	935

Until 31 December 2017 work in progress represented costs incurred in the preparation of properties for sale, where contracts for the sale of properties were not exchanged until after the year end. Under IFRS15, from 1 January 2018, income has been accrued on work elements of property sales as the work is completed, rather than on exchange of contracts, there is therefore a nil balance on work in progress and an increase in contract assets at 31 December 2018 (see note 11).

11. Trade and other receivables

	31 December 2018 £000	31 December 2017 £000
Trade receivables	994	974
Amounts due from group companies	133	42
Contract assets	990	-
Prepayments and accrued income	46	54
	2,163	1,070

The ageing of trade receivables (which arose in the UK) at the year end was:

	31 December 2018 £000 Gross	31 December 2018 £000 Impairment	31 December 2017 £000 Gross	31 December 2017 £000 Impairment
Not past due	444	-	581	-
Past due 0 – 30 days	321	-	193	-
Past due 31 – 120 days	63	-	83	-
Past due 120 days plus	166	-	117	-
	994	-	974	-

The Company does not require collateral in respect of trade and other receivables. Management believes that the unimpaired amounts that are overdue are still collectible in full, based on historical payment behaviour and analysis of customer credit risk.

12. Trade and other payables

	31 December 2018 £000	31 December 2017 £000
Due within one year		
Trade payables	250	202
Amounts owed to group undertakings	180	219
Other taxes and social security costs	249	227
Accruals and deferred income	515	597
	1,194	1,245
Due after more than one year		
Accruals and deferred income	202	195

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

13. Deferred tax

Deferred taxes are calculated on temporary differences under the liability method using an effective tax rate of 17% (2017: 17%) as this is the enacted rate that is expected to apply when the temporary differences reverse.

The movement on the deferred tax asset / (liability) is as shown below:

	Year ended 2018 £000	Year ended 2017 £000
At 1 January	55	(14)
Adjustment in respect of prior years	(4)	1
Deferred tax credit / (charge) to the Statement of Comprehensive Income	(3)	68
At 31 December	48	55

Deferred tax assets/ (liabilities) are attributable to the following items:

Deferred tax assets / (liabilities)	Asset/ (liability) £000	(Charged)/ credited to income £000
2018		
Property, plant and equipment	3	(3)
Provisions	45	(2)
Accrued pension	-	(2)
	48	(7)
2017		
Property, plant and equipment	6	1
Pipeline	-	75
Provisions	47	(7)
Accrued pension	2	-
	55	69

A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at least annually and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

14. Defined contribution pension scheme

The Company operates a Group Personal Pension Plan, the assets of which are held separately from those of the Company, as independently administered funds. The amount charged to the Statement of Comprehensive Income in respect of the Group Personal Pension Plan is the contribution payable in the year by the Company and amounted to £62,742 (2017: £61,485). The Company had contributions of £nil outstanding at the end of the financial year (2017: £10,427).

15. Share capital

Allotted, called up and fully paid	31 December 2018 £000	31 December 2017 £000
200 £1 Ordinary shares	-	-
	-	-

Management of capital

Capital is considered to be audited retained earnings and ordinary share capital in issue.

Capital	Year ended 2018 £000	Year ended 2017 £000
Ordinary shares	-	-
Retained earnings	2,131	1,592
	2,131	1,592

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

15. Share capital (continued)

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company is not subject to externally imposed capital requirements other than the minimum share capital required by the Companies Act, with which it complies. The capital position is reported to the Board regularly. The capital position is also given due consideration when corporate plans are prepared.

16. Related party transactions

The Company has related party relationships within the Skipton Group as detailed below. All such transactions are priced on an arms-length basis.

2018	**Ultimate parent undertaking £000**	**Parent undertaking £000**	**Other group Companies £000**	**Subsidiary undertakings £000**
a) Sales of goods and services				
Commissions receivable	-	-	158	-
Total	**-**	**-**	**158**	**-**
b) Purchase of goods and services	-	(132)	(979)	(1,861)
Total	**-**	**(132)**	**(979)**	**(1,861)**
c) Outstanding balances				
Receivables from related parties	-	5	31	97
Payables to related parties	-	(7)	(59)	(114)
Total	**-**	**(2)**	**(28)**	**(17)**

2017	**Ultimate parent undertaking £000**	**Parent undertaking £000**	**Other group Companies £000**	**Subsidiary undertakings £000**
a) Sales of goods and services				
Commissions receivable	3	-	118	-
Total	**3**	**-**	**118**	**-**
b) Purchase of goods and services	-	(87)	(1,063)	(2,020)
Total	**-**	**(87)**	**(1,063)**	**(2,020)**
c) Outstanding balances				
Receivables from related parties	-	-	17	25
Payables to related parties	-	(12)	(62)	(145)
Total	**-**	**(12)**	**(45)**	**(120)**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

16. Related party transactions (continued)

P A Rooney is a director and controlling shareholder in Arun Estate Agencies Limited, he is also a minority shareholder in The Asset Management Group Limited. C Coxon, a director of the Company, is a director of Arun Estate Agencies Limited. The Company has purchased goods and services of £65,378 (2017: £92,078) from Arun Estate Agencies Limited during the year. The Company has payables due to Arun Estate Agencies Limited of £1,980 as at 31 December 2018 (2017: £1,800).

A C Chambers, a director of the Company, was a director of Kinleigh, Folkard & Hayward Limited until his resignation on 2nd February 2018. The Company has purchased goods and services of £nil (2017: £5,375) from Kinleigh, Folkard & Hayward Limited during the year. The Company has payables due to Kinleigh, Folkard & Hayward Limited of £nil as at 31 December 2018 (2017: £nil).

Connells Limited, the Company's immediate parent company, has a minority shareholding in Vibrant Energy Matters Limited. The Company has purchased goods and services of £56,396 (2017: £53,252) from Vibrant Energy Matters Limited. The Company has payables due to Vibrant Energy Matters Limited of £1,561 as at 31 December 2018 (2017: £4,827).

There are no provisions in respect of receivables balances due from Related Parties, either at 31 December 2018 or at 31 December 2017. All related party transactions are dealt with at arm's length on normal credit terms.

17. Capital and operating lease commitments

The Company had no capital commitments at the year end (2017: £nil).

The Company has commitments due under operating leases in respect of rental of property, plant and equipment. Total commitments under these non-cancellable operating leases are as follows:

	31 December 2018 £000	31 December 2017 £000
Amounts falling due:		
Less than one year	106	109
Between one and five years	24	130
	130	239

18. Financial instruments

Financial risks

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity.

The principal financial risks to which the Company is exposed are liquidity risk, market risk and credit risk, these are monitored on a regular basis by management. Each of these is considered below.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at excessive cost.

The Company's liquidity policy is to maintain sufficient liquid resources to cover imbalances and fluctuations in funding, to maintain solvency of the Company and to enable the Company to meet its financial obligations as they fall due. This is achieved through maintaining a prudent level of liquid assets and through rigorous management control of the growth of the business. All the financial instruments are Level 1.

The following are contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

2018	Carrying amount £000	Contractual cash flows £000	In not more than one month £000	In not more than 3 months £000	In more than 3 months but less than 1 year £000	In more than one year but not more than 5 years £000
Trade and other payables	967	967	765	-	-	202
Amounts owing to group companies	180	180	180	-	-	-
Total	1,147	1,147	945	-	-	202

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

18. Financial instruments (continued)

2017	Carrying amount £000	Contractual cash flows £000	In not more than one month £000	In not more than 3 months £000	In more than 3 months but less than 1 year £000	In more than one year but not more than 5 years £000
Trade and other payables	994	994	799	-	-	195
Amounts owing to group companies	219	219	219	-	-	-
Total	**1,213**	**1,213**	**1,018**	**-**	**-**	**195**

There are no differences between the fair values of financial assets and liabilities and their carrying amounts showing in the Statement of Financial Position.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

Currency risk

The Company is not exposed to any currency risk as all transactions are denominated in Sterling.

Interest rate risk

The Company has no interest bearing liabilities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Based on historic default rates and the current debtor profile, the Company believes that no impairment provision is necessary in respect of its trade and other receivables. For maximum credit exposure see note 11. Management carefully manages its exposure to credit risk.

The Company's financial assets at the year-end were as follows:

	Year ended 2018 £000	**Year ended 2017 £000**
Cash and cash equivalents	838	513
Trade receivables	994	974
Amounts due from group undertakings	133	42
	1,965	1,529

Trade and other receivables are current assets and are expected to convert to cash over the next twelve months.

There are no significant concentrations of credit risk within the Company. The Company is exposed to credit risk from sales. It is Company policy to assess the credit risk of major new customers before entering contracts. The majority of customers use the Company's services as part of a housing transaction and consequently the sales are paid from the proceeds of the house sale. The majority of the commercial customers are large financial institutions and as such the credit risk is not significant. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the balance sheet date. The following table presents a breakdown of the gross trade receivables between the main types of customer:

	2018 £000	**2017 £000**
Individual customers	-	-
Other commercial customers	994	974
	994	974

The cash and cash equivalents consist only of bank balances, and is held with an institution with an A+ credit rating.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

18. Financial instruments (continued)

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and level of dividends to ordinary shareholders.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

19. Ultimate parent undertaking

The Company is a 75% owned subsidiary of Connells Limited. The ultimate parent undertaking is Skipton Building Society, which is registered in the United Kingdom. The largest group in which the results are consolidated is that headed by Skipton Building Society. The smallest group is that headed by Connells Limited and the consolidated accounts of this company are available to the public and can be obtained from:

Connells Limited
Cumbria House
16 - 20 Hockliffe Street
Leighton Buzzard
Bedfordshire
LU7 1GN