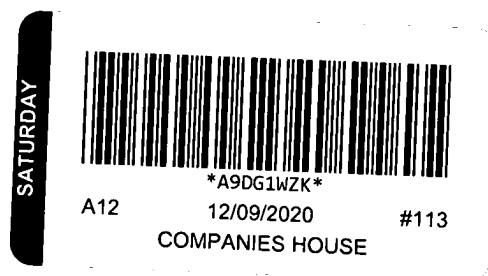


**C R O COPY**

**THE VALENTINE GROUP LIMITED**

**FINANCIAL STATEMENTS**

**31ST MARCH 2020**



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**MAURICE ANDREWS**  
**Chartered Accountants**  
**Global House**  
**1 Ashley Avenue**  
**Epsom**  
**Surrey KT18 5FL**

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**THE VALENTINE GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2020**

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**THE VALENTINE GROUP LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

R.J. Burgess  
J.C.B. South

**Company secretary**

J.K. Hunt

**Registered office**

Global House  
1 Ashley Avenue  
Epsom  
Surrey KT18 5FL

**Company Registration Number**

04598141

**Auditor**

Maurice Andrews  
Chartered Accountants & Statutory Auditors  
Global House  
1 Ashley Avenue  
Epsom  
Surrey KT18 5FL

**THE VALENTINE GROUP LIMITED****DIRECTORS' REPORT****YEAR ENDED 31ST MARCH 2020**

The directors present their report and the financial statements of the company for the year ended 31st March 2020.

**Principal activities**

The principal activities of the company throughout the year were that of a holding company and the provision of management services to its subsidiaries.

**Directors**

The directors who served the company during the year were as follows:

R.J. Burgess

J.C.B. South

**Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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.

**Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

**THE VALENTINE GROUP LIMITED**

**DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31ST MARCH 2020**

**Small company provisions**

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

This report was approved by the board of directors on 21<sup>st</sup> August 2020 and signed on behalf of the board by:



J.K. Hunt  
Company Secretary

**THE VALENTINE GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**THE VALENTINE GROUP LIMITED**  
**YEAR ENDED 31ST MARCH 2020**

**Opinion**

We have audited the financial statements of The Valentine Group Limited (the 'company') for the year ended 31st March 2020 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

**THE VALENTINE GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**THE VALENTINE GROUP LIMITED (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**Other information (continued)**

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 this regard.

**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.

**Matters on which we are required to report by exception**

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**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.

**THE VALENTINE GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**THE VALENTINE GROUP LIMITED (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**Responsibilities of directors *(continued)***

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.

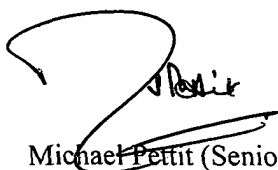
**Auditor's responsibilities for the audit of the financial statements**

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 Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**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.



Michael Pettit (Senior Statutory Auditor)

For and on behalf of  
Maurice Andrews  
Chartered Accountant & Statutory Auditor  
21<sup>st</sup> August 2020

Global House  
1 Ashley Avenue  
Epsom  
Surrey KT18 5FL



**THE VALENTINE GROUP LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST MARCH 2020**

	Note	2020 £	2019 £
<b>Turnover</b>		75,000	76,000
Administrative expenses		(71,008)	(66,869)
<b>Operating profit</b>		3,992	9,131
Income from shares in group undertakings	5	—	150,000
Interest receivable		733	25,008
Interest payable		—	(24,633)
<b>Profit before taxation</b>		4,725	159,506
Tax on profit	6	(898)	(1,806)
<b>Profit for the financial year and total comprehensive income</b>		3,827	157,700
Dividends paid	7	—	(150,000)
Retained earnings at the start of the year		3,109,519	3,101,819
<b>Retained earnings at the end of the year</b>		<u>3,113,346</u>	<u>3,109,519</u>

All the activities of the company are from continuing operations.

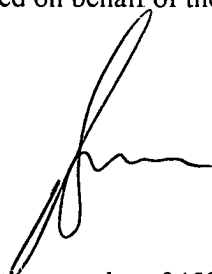
**THE VALENTINE GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**31ST MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	8	2,963,764	2,963,764
<b>Current assets</b>			
Debtors	9	6,304,369	6,456,997
Cash at bank		492,117	345,161
		<u>6,796,486</u>	<u>6,802,158</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(6,641,904)</u>	<u>(6,651,403)</u>
<b>Net current assets</b>		154,582	150,755
<b>Net assets</b>		<u>3,118,346</u>	<u>3,114,519</u>
<b>Capital and reserves</b>			
Called up share capital	11	5,000	5,000
Profit and loss account		3,113,346	3,109,519
<b>Shareholder's funds</b>		<u>3,118,346</u>	<u>3,114,519</u>

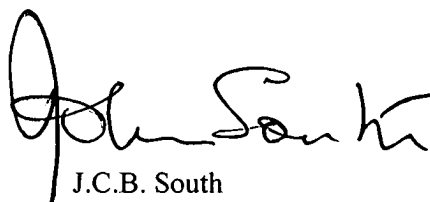
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 21<sup>st</sup> August 2020 and are signed on behalf of the board by:

R.J. Burgess  
Director



J.C.B. South  
Director



Company registration number: 04598141

**THE VALENTINE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2020**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Global House, 1 Ashley Avenue, Epsom, Surrey, KT18 5FL.

**2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Revenue recognition**

Turnover represents management fees receivable.

**Taxation**

The taxation expense represents the aggregate amount of current tax recognised in the reporting period. Tax is recognised against profit, except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income.

Current tax is recognised on taxable profit for the current period. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**THE VALENTINE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**3. Accounting policies (continued)**

**Investments**

Fixed asset investments are recorded at cost.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**4. Auditor's remuneration**

	<b>2020</b>	2019
	£	£
Fees payable for the audit of the financial statements	<u>12,000</u>	<u>9,996</u>

**5. Income from shares in group undertakings**

	<b>2020</b>	2019
	£	£
Dividends received from group undertakings	<u>—</u>	<u>150,000</u>

**6. Tax on profit**

**Major components of tax expense**

	<b>2020</b>	2019
	£	£
<b>Current tax:</b>		
UK current tax expense	<u>898</u>	<u>1,806</u>
<b>Tax on profit</b>	<u>898</u>	<u>1,806</u>

**THE VALENTINE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**6. Tax on profit (continued)**

**Reconciliation of tax expense**

The tax assessed on the profit on ordinary activities for the year is the same as (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020	2019
	£	£
Profit on ordinary activities before taxation	4,725	159,506
Profit on ordinary activities by rate of tax	898	30,306
Income from shares in group undertakings	–	(28,500)
Tax on profit	898	1,806

**7. Dividends**

Dividends paid during the year

	2020	2019
	£	£
Dividends on 'A' shares	–	150,000

**8. Investments**

**Shares in group undertakings**

	£
<b>Cost</b>	
At 1st April 2019 and 31st March 2020	2,963,764
<b>Carrying amount</b>	
At 31st March 2020	2,963,764
At 31st March 2019	2,963,764

**Subsidiaries, associates and other investments**

	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>		
First Rented Housing Group Limited	Ordinary	100
Ashworth Assured Tenancies Limited	Ordinary	100
Buckingham Assured Properties Limited	Ordinary	100

**THE VALENTINE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**8. Investments (continued)**

The results and capital and reserves for the year are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2020	2019	2020	2019
	£	£	£	£
First Rented Housing Group Limited	6,667,200	6,527,327	152,493	700,420
Ashworth Assured Tenancies Limited	4,005,382	3,150,051	34,079	39,008
Buckingham Assured Properties Limited	<u>2,850,299</u>	<u>2,875,985</u>	<u>(29,582)</u>	<u>35,595</u>

**9. Debtors**

	2020	2019
	£	£
Amounts owed by group undertakings	<u>6,304,369</u>	<u>6,456,997</u>

**10. Creditors: Amounts falling due within one year**

	2020	2019
	£	£
Amounts owed to group undertakings	6,623,729	6,632,500
Corporation tax	898	1,806
Other creditors	<u>17,277</u>	<u>17,097</u>
	<u>6,641,904</u>	<u>6,651,403</u>

**11. Called up share capital**

**Authorised share capital**

	2020		2019	
	No.	£	No.	£
'A' Shares shares of £0.10 each	5,000	500	5,000	500
'B' Shares shares of £0.10 each	<u>45,000</u>	<u>4,500</u>	<u>45,000</u>	<u>4,500</u>
	<u>50,000</u>	<u>5,000</u>	<u>50,000</u>	<u>5,000</u>

**Issued, called up and fully paid**

	2020		2019	
	No.	£	No.	£
'A' Shares shares of £0.10 each	5,000	500	5,000	500
'B' Shares shares of £0.10 each	<u>45,000</u>	<u>4,500</u>	<u>45,000</u>	<u>4,500</u>
	<u>50,000</u>	<u>5,000</u>	<u>50,000</u>	<u>5,000</u>

A shares carry 9 votes for each share held whilst B shares carry 1 vote for each share held. Otherwise A and B shares rank pari passu in all respects.

**THE VALENTINE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31ST MARCH 2020**

**12. Related party transactions**

The company has loaned money to its subsidiary, First Rented Housing Group Limited. This loan is repayable on demand.

The company received funds from managing agents in respect of rents receivable by its subsidiaries, First Rented Housing Group Limited, Ashworth Assured Tenancies Limited and Buckingham Assured Properties Limited. These loans are repayable on demand.

The aggregate amounts of these loans are shown in notes 9 and 10 of the financial statements.

The company charged £75,000 (2019-£76,000) for management services to the companies listed above, and interest of £Nil (2019- £24,633).

During the year the company paid consultancy fees of £30,000 (2019-£35,000) to J.C.B. South, a director of the company.

**13. Controlling party**

The company's immediate and ultimate parent company is The Valentine Group Holdings Limited.