

Anglia Maintenance Services

Report of the Board

and

Financial Statements

For the year ended 31 March 2017



Company registration number 03300038

CONTENTS

Page

Board and Advisers	2
Director's Report	3
Statement of Director's Responsibilities in Respect of the Director's Report and the Financial Statements	5
Independent Auditor's Report to the Members of Anglia Maintenance Services	6
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement in Changes of Equity	10
Notes to the Financial Statements	11

Anglia Maintenance Services Limited

BOARD AND ADVISERS

Directors

David Lewis

Secretary

Angela Drum (resigned 29 November 2016)
Clare Miller (appointed 29 November 2016)

Registered office

Level 6
6 More London Place
Tooley Street
London
SE1 2DA

Company registration number

03300038

Auditor

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

Anglia Maintenance Services Limited

DIRECTOR'S REPORT

The Director presents his report, together with the audited financial statements of Anglia Maintenance Services Limited (trading as Circle Housing Property Services, 'the Company') for the year ended 31 March 2017.

Anglia Maintenance Services Limited (trading as Circle Housing Property Services, 'the Company'), registered company number 03300038, presents its annual report and audited financial statements for the year ended 31 March 2017.

The Company is a member of Clarion Housing Group Limited ('the Group').

Principal Activities and Business Review

The Company ceased its principal activity of the provision and management of the in-house responsive maintenance activities of the Group in 1 April 2015. This activity was transferred to the Company's ultimate parent company, Clarion Housing Group Limited.

Future developments and Going Concern

The Company will apply to be struck off the Companies Register during the next financial year, therefore the Director does not consider the Company to be a going concern.

In recognition of the Company's net liability position, Circle Anglia Foundation Limited has issued a letter of support confirming that it will ensure the Company is able to meet its liabilities as they fall due until this date.

Directors

The Director who served the Company during the year and to the date of signing these financial statements was David Lewis.

Dividends

A distribution of £1,343k was made during the year ended 31 March 2017 to the Company's ultimate parent, Clarion Housing Group. No such distributions were made in the 2016 financial year.

Payment of Creditors

The Company agrees terms and conditions for its business transactions with suppliers at the time of supply. Payment is then made on these terms, subject to the terms and conditions being met by the suppliers.

Political and charitable donations

The Company made no charitable contributions during the year (2016: £nil) and no political contributions (2016: £nil).

Merger

On 29 November 2016, Circle Anglia Limited, the ultimate parent of the Circle Housing group, transferred its engagements (i.e. its assets and liabilities) to Affinity Sutton Group Limited, the ultimate parent of the Affinity Sutton group, as permitted by the Co-operative and Community Benefit Societies Act 2014. Concurrently, Affinity Sutton Group Limited changed its name to Clarion Housing Group Limited.

Anglia Maintenance Services Limited

DIRECTOR'S REPORT (CONTINUED)

Equal opportunities

The Company has a policy of equal opportunities in all matters. The policy complies with all aspects of best practice.

Health and safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Company has prepared detailed health and safety policies and provides staff training and education on health and safety matters.


Disclosure of information to auditor

The Director who held office at the date of approval of this Director's report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the Director has taken all the 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.

Auditor

Due to EU procurement rules, the Group's statutory audit contract for the next five years will be put out for tender in 2017, with the new auditor appointed in time to audit the annual report and financial statements for the year ended 31 March 2018. KPMG LLP, the Group's current auditors, has expressed their interest in tendering.

For and on behalf of the Board


.....
David Lewis
Director

Anglia Maintenance Services Limited

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

The Director is responsible for preparing the Director's 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 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 ANGLIA MAINTENANCE SERVICES LIMITED

We have audited the financial statements of Anglia Maintenance Services Limited for the 12 month period ended 31 March 2017 set out on pages 8 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) *including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its profit for the 12 month period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in the reports; and
- in our opinion, the reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLIA MAINTENANCE SERVICES LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Andrew Sayers (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London, E14 5GL

Date... 21 July 2017

Anglia Maintenance Services Limited

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	<i>Note</i>	2017 £000	2016 £000
Turnover	3	-	137
Operating costs		(18)	(116)
Operating profit		(18)	21
Interest receivable and other income	5	9	34
Interest payable and similar charges	6	(3)	(19)
Profit on ordinary activities before taxation	4	(12)	36
Tax charge on profit on ordinary activities	8	140	(62)
Profit on ordinary activities after taxation		128	(26)
Other comprehensive income			
Actuarial gain in respect of pension schemes	13	640	1,033
Deferred tax movement on pension scheme	8	(24)	(206)
Total comprehensive income for the year		744	801

The results included in the Statement of Comprehensive Income relate wholly to discontinued activities.

There were no recognised gains or losses other than the result shown in the Statement of Comprehensive Income; consequently no Statement of Changes in Equity has been prepared.

Anglia Maintenance Services Limited

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

Company registration number 03300038

	Note	2017 £000	2016 £000
Fixed assets			
Other fixed assets	9	-	-
		<hr/>	<hr/>
		-	-
Current assets			
Debtors due within one year		-	-
		<hr/>	<hr/>
		-	-
Creditors: amounts falling due within one year	10	(611)	(591)
		<hr/>	<hr/>
Net current assets		(611)	(591)
		<hr/>	<hr/>
Total assets less current liabilities		(611)	(591)
		<hr/>	<hr/>
Pension assets/ liabilities		-	579
		<hr/>	<hr/>
Total net liabilities		(611)	(12)
		<hr/>	<hr/>
Capital and reserves			
Share capital	14	-	-
		<hr/>	<hr/>
Profit and loss account		(611)	(12)
		<hr/>	<hr/>
		(611)	(12)
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors on 17 July 2017
and signed on its behalf by:


David Lewis
Director

Anglia Maintenance Services Limited

Statement of Changes in Equity for the year ended 31 March 2017

	Non-equity share capital £000	Income and expenditure reserve £000	Total capital and reserves £000
Balance as at 1 April 2015	-	(813)	(813)
Surplus for the year	-	(26)	(26)
<u>Other comprehensive income for the year</u>			
Actuarial gain on pension scheme	-	827	827
Deferred tax movement on pension scheme	-	-	-
Total comprehensive income for the year	-	(12)	(12)
Balance as at 31 March 2016 and 1 April 2016	-	(12)	(12)
Surplus for the year	-	128	128
<u>Other comprehensive income for the year</u>			
Actuarial gain on pension scheme	-	640	640
Deferred tax movement on pension scheme	-	(24)	(24)
Pension transfer to group member	-	(1,343)	(1,343)
Total comprehensive income for the year	-	(611)	(611)
Balance as at 31 March 2017	-	(611)	(611)

The notes on pages 11 to 19 form an integral part of these financial statements.

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017

1. Legal status

Anglia Maintenance Services Limited ('the Company') is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006.

2. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements are presented in Sterling (£), on an accruals basis and under the historical cost convention.

The Company has adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes.
- Financial instrument disclosures, including:
 - Categories of financial instruments,
 - Items of income, expenses, gains or losses relating to financial instruments, and
 - Exposure to and management of financial risks.

Going concern

The Company's trade was transferred to the Company's ultimate parent company, Clarion Housing Group Limited, on 1 April 2015. As agreed with Norfolk County Council, the Company transferred its pension scheme to Clarion Housing Group Limited on the 22 July 2016 and the Director plans to strike the Company off the Companies Register. As a result, the Director does not consider the Company to be a going concern.

In recognition of the Company's net liability position, Circle Anglia Foundation Limited has issued a letter of support confirming that it will ensure the Company is able to meet its liabilities as they fall due until this date.

Turnover

Turnover represents income in respect of repair and maintenance activities, net of Value Added Tax, and intercompany recharges. Turnover is recognised as receivable upon delivery of the services provided.

Current and deferred taxation

Deferred tax is provided for on differences between the treatment of certain items for taxation and accounting purposes, unless the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax assets are only 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

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

2. Accounting policies (continued)

calculated 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.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in the Income Statement, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial instruments

Debtors and creditors are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction and does not qualify for treatment as a concessionary loan, in which case the present value of the future receipts discounted at a market rate of interest is used.

Pensions

Defined benefit pension schemes

The Company participated in the Norfolk County Council defined benefit pension scheme which provide benefits based on final pensionable pay. The assets and liabilities of the scheme were transferred to the Company's ultimate parent, Clarion Housing Group, on the 22 July 2016.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The significant areas of management judgement and estimation are outlined below and explained more fully within the accounting policies:

- Useful lives of depreciable assets and residual values (note 9)
- Defined benefit obligations (note 13)

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

3. Turnover

Turnover is in respect of housing repair and maintenance services provided to customers located in the United Kingdom.

	2017 £000	2016 £000
Intercompany recharge	-	137

4. Profit/(Loss) on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2017 £000	2016 £000
Operating lease charges - land and buildings	-	30
Pension scheme current service costs, settlements and curtailments	18	105
Auditor's remuneration (exclusive of VAT):		
- for audit services	-	2

For 2016/17 auditors' remuneration has been expensed in the accounts of Clarion Housing Group Limited and no audit or non-audit fees are charged to the Company.

5. Interest receivable and other income

	2017 £000	2016 £000
Net interest receipt on net defined benefit liabilities	9	-
Interest receivable from Group undertakings	-	34
	9	34

6. Interest payable and similar charges

	2017 £000	2016 £000
Net interest expense on net defined benefit liabilities	-	19
Interest payable to Group undertakings	3	-
	3	19

7. Employees and Directors' remuneration

The Company has no employees. All employees acting on behalf of the Company are employed by Clarion Housing Group Limited or Affinity Sutton Homes Limited.

Directors' remuneration

The Director did not receive any remuneration in the year. The Director is considered the key management personnel for the purposes of FRS 102.

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

8. Tax on profit on ordinary activities

	2017 £000	2016 £000
Analysis of tax charge		
Current tax	-	-
Deferred tax	(140)	62
Tax (credit)/charge on surplus on ordinary activities	(140)	62

The tax credit (2016: charge) assessed for the year is higher (2016: higher) than the profit shown in the profit and loss account multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%). Differences are explained below.

	2017 £000	2016 £000
Tax reconciliation		
Surplus for the year before taxation	(12)	36
UK corporation tax rate of 20% (2016: 20%)	(2)	7
Effect of:-		
- Transfers (deferred tax)	(140)	-
- Timing differences on pension	(25)	-
- Depreciation less than capital allowances	-	(3)
- Carry forward losses	27	58
Tax credit for the year	(140)	62

The changes in the rate of UK corporation tax to 19% from 1 April 2017, and to 17% from 1 April 2020 were substantively enacted by the reporting date.

9. Other fixed assets

	Furniture, fixtures and fittings £000	Computer equipment £000	Total £000
Costs			
As at 1 April 2016	294	261	555
As at 31 March 2017	294	261	555
Depreciation			
As at 1 April 2016	(294)	(261)	(555)
As at 31 March 2017	(294)	(261)	(555)
Net book value			
As at 31 March 2017	-	-	-
As at 31 March 2016	-	-	-

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

10. Creditors: Amounts falling due within one year

	2017 £000	2016 £000
Amounts owed to Group undertakings		
- Circle Anglia Treasury Limited	180	180
- Other Group companies	431	295
Deferred tax	-	116
	<u>611</u>	<u>591</u>

11. Related party transactions

As 100% of the Company's voting rights are controlled within the group headed by Clarion Housing Group Limited, the Company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with other entities which form part of the Group (or investees of the Group qualifying as related parties).

12. Operating lease charges and commitments

At 31 March 2017, the Company had future minimum operating lease commitments falling due as follows:

Future minimum operating lease commitments are as follows:	2017	2016
Leases expiring in:	£000	£000
Less than one year - land and buildings	-	17
Two to five years - other commitments	-	-
More than five years - other commitments	-	-
	<u>-</u>	<u>17</u>

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

13. Pensions

The Company operated a defined benefit scheme which was transferred to the ultimate parent company, Clarion Housing Group, on the 22 July 2016. The assets of the scheme are held in a separate trustee administered fund, the Norfolk County Council Superannuation Fund. The actuarial liabilities in relation to the scheme are subject to triennial valuation by independent actuaries. The last triennial valuation was carried out in 2016 and an actuarial valuation was carried out for 31 March 2017 using the projected unit method.

Principal actuarial assumptions at the yearend were as follows:

	2017	2016
Inflation	2.4%	2.3%
Pension increase rate	2.4%	2.2%
Salary increase rate	2.7%	3.2%
Discount rate	2.6%	3.5%

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	Male	Female
Current pensioner aged 65	22.1 years	24.4 years
Future retiree upon reaching 65	24.1 years	26.4 years

The fair value of the assets held by the pension scheme and the expected rate of return for each asset is as follows:

Net pension asset / (liability)

The net pension deficit at the year end comprised the following	2017	2016
	£000	£000
Total market value of assets	9,024	8,505
Present value of scheme liabilities	(7,681)	(7,926)
Transfer to other Group member	(1,343)	
Net pension deficit	-	579
Related deferred tax (liability) / asset	-	(116)
Net pension asset / (liability)	-	463

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

13. Pensions (continued)

Movement in deficit during the year	2017	2016
	£000	£000
As at 1 April 2016	579	(762)
Current service costs	(19)	(105)
Administration expenses	(1)	(1)
Settlements and curtailments	-	-
Contributions paid	135	433
Expected return on employer assets	101	261
Interest cost	(92)	(280)
Actuarial gains / (losses)	640	1,033
Transfer to other Group member	(1,343)	
	<u>-</u>	<u>579</u>
Movement in present value of defined benefit obligation	2017	2016
	£000	£000
As at 1 April 2016	(7,926)	(8,765)
Current service cost	(19)	(105)
Interest expense	(92)	(280)
Settlements and curtailments	-	-
Actuarial gains / (losses)	317	1,094
Contributions by members	(4)	(22)
Benefits paid	43	152
Transfer to other Group member	7,681	
As at 31 March 2017	<u>-</u>	<u>(7,926)</u>
Movement in fair value of plan assets	2017	2016
	£000	£000
As at 1 April 2016	8,505	8,003
Administration expenses	(1)	(1)
Actuarial (losses) / gains	323	(61)
Return on assets excluding amounts included in net interest	101	261
Contributions by employer	135	433
Contributions by members	4	22
Benefits paid	(43)	(152)
Transfer to other Group member	(9,024)	
As at 31 March 2017	<u>-</u>	<u>8,505</u>

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

13. Pensions (continued)

Categories of plan assets as a percentage of total plan assets	2017	2016
Equities	62%	58%
Bonds	25%	27%
Property	10%	13%
Cash	3%	2%
Fair value	2017	2016
	£000	£000
Equities	5,595	4,932
Bonds	2,256	2,297
Property	902	1,106
Cash	271	170
	<u>9,024</u>	<u>8,505</u>
Analysis of amounts recognised in operating surplus	2017	2016
	£000	£000
Current service costs	(18)	(105)
Settlements and curtailments	-	-
Administrative expenses	(1)	(1)
	<u>(19)</u>	<u>(106)</u>
Analysis of amounts credited/(charged)	2017	2016
to interest payable and financing costs	£000	£000
Expected return on assets	101	261
Interest on liabilities	(92)	(280)
	<u>9</u>	<u>(19)</u>
Analysis of amounts recognised in other comprehensive income	2017	2016
	£000	£000
Changes in financial assumptions	317	1,094
Return on assets excluding amounts included in net interest	323	(61)
	<u>640</u>	<u>1,033</u>

Anglia Maintenance Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

14. Share capital

	2017 £	2016 £
Authorised share capital		
10,000 ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
	2017 No.	2016 No.
Issued, called up and fully paid		
Fully paid ordinary shares of £1 each	1	1
	<hr/>	<hr/>

15. Ultimate parent undertaking

The Company is a wholly owned subsidiary of Circle Living Limited, registered office Level 6, 6 More London Place, Tooley Street, London SE1 2DA.

The ultimate parent undertaking is Clarion Housing Group Limited, registered office Level 6, 6 More London Place, Tooley Street, London SE1 2DA which is a registered society under the Co-operative and Communities Benefit Societies Act 2014 and regulated by the Homes and Communities Agency.

Group accounts have been prepared by the ultimate parent undertaking and are available from, Level 6, 6 More London Place, Tooley Street, London SE1 2DA.