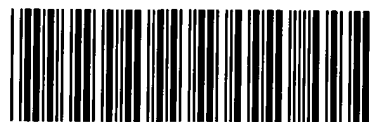


**Anglia Maintenance Services Limited**

**Annual Report and Financial Statements  
For the year ended 31 March 2019**

**Companies House No. 03300038**

WEDNESDAY



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COMPANIES HOUSE

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**BOARD AND ADVISERS**

**Board**

Jack Bargholz (Chair)

**Company Secretary**

Clare Miller (resigned 16 October 2018)  
Louise Hyde (appointed 16 October 2018)

**Registered office**

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

**Auditors**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## **REPORT OF THE BOARD**

Anglia Maintenance Services Limited (the Company), registered company no. 03300038, presents its annual report and audited financial statements for the year ended 31 March 2019.

### **Principal Activities**

The Company is a member of Clarion Housing Group Limited ('the Group') and did not trade during the current and previous financial years. The Company transferred its principal activity of the provision and management of the Group's in-house responsive maintenance service (delivered through Circle Housing Property Services) to Clarion Housing Group Limited on 1 April 2015.

### **Brexit**

The Clarion Housing Group ("the Group") has been managing potential risks arising from Brexit including supply chain concerns, exposure to market sales and managing risks around its funding requirements. The Group has relatively low commercial exposure and has some protection from up and down-turns because of the counter-cyclical nature of rented stock. During the year the Group also raised £500 million of new capital market funding and renewed existing bank facilities to maintain high levels of liquidity.

The Audit and Risk Committee has reviewed the Business's preparation for Brexit, including its regular stress-tests of the business plan. Those stress tests showed that the Group's strong financial position means it is well placed to withstand the shocks of any Brexit scenario.

### **Review of the Year**

The Company incurred interest of £8,000 (2018: £8,000) on its outstanding amounts due to Clarion Housing Group Limited.

During the year Clarion Housing Group Limited released the Company from its obligations under Amounts due to Group undertakings: loans and cash pooling, and Amounts due to Group undertakings: trading. This resulted in other income of £627,000, which contributed to the profit before tax of £619,000.

### **The Group's System of Internal Controls Responsibility**

The Board of Clarion Housing Group Limited is the ultimate governing body for the Group and is committed to the highest standards of business ethics and conduct, and seeks to maintain these standards across all of its operations.

The Board is responsible for ensuring that sound systems of internal control exist across the Group which focus on the significant risks that threaten the Group's ability to meet its objectives, and provide reasonable - but not absolute - assurance against material misstatement or loss.

The key means of identifying, evaluating and managing the systems of internal control are:

- Corporate governance arrangements;
- Written Group-wide financial regulations and delegated authorities, which were subject to review during the year;
- Policies and procedures for all key areas of the business. These are reviewed periodically to ensure their continued appropriateness;

## **REPORT OF THE BOARD (CONTINUED)**

- A Group-wide Internal Audit function, structured to deliver the Audit and Risk Committee's risk-based audit plan. As well as having an in-house team, the Group uses the services of professional firms of auditors and other specialists as necessary. All audit reports are reviewed by the Audit and Risk Committee, which also receives updates on the implementation of agreed external and internal audit recommendations. Detailed reports on the Group's and subsidiaries' activities are also presented to senior managers so that recommendations for strengthened controls and improvement can be implemented promptly;
- A Group-wide Health and Safety function;
- Management structures providing balance and focus within the Group;
- A Group-wide risk management process, which enables management to manage risk so that residual risk, after appropriate mitigation, can be absorbed without serious permanent damage to the Group or its subsidiaries. This includes a formal risk management approach to new business and major development initiatives and action plans to mitigate the worst effects of the risks. Risk management is considered at each Audit and Risk Committee meeting, through reviews of individual risk areas and/or risk maps, as well as considered regularly by the Board;
- The Group and its subsidiaries have annual budgets and long-term business plans. Throughout the year, Boards and managers regularly monitored performance against budgets, value for money and other quality indicators. An important tool in this process is the Group's Balanced Scorecard which identifies performance against key performance indicators, underpinned by supporting performance indicators and management information;
- Regulatory requirements and service objectives with managers ensuring that variances are investigated and acted upon;
- An anti-fraud and anti-bribery culture which is supported by a policy and procedure for dealing with suspected fraud, bribery and whistleblowing. The Group is participating in the 2018/19 National Fraud Initiative, sponsored by the Cabinet Office;
- All housing investment decisions and major commitments were subject to appraisal and approval by the Investment Committee and, when appropriate, the Group Executive Team and the relevant Board, in accordance with the Group's financial regulations; and
- A Group-wide treasury management function reporting at least three times a year to the Treasury Committee.

The Group Chief Executive and senior subsidiary managers have reviewed the internal control and assurance arrangements by reference to checks on the above and a report has been made to the respective Boards on the effectiveness of the control systems for the year ended 31 March 2019 and up to the date of approval of the Annual Report and the Financial Statements. The Audit and Risk Committee and the Group Board have expressed their satisfaction with these arrangements.

### **Status**

No weaknesses were found in internal controls which resulted in material losses, contingencies or uncertainties that require disclosure in the financial statements, for the year ended 31 March 2019 and up to the date of approval of the financial statements.

### **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.

## **REPORT OF THE BOARD (CONTINUED)**

### **Directors**

The Director holding office during the period and at the date of this report is listed on page 3.

### **Directors' and officers' liability**

Directors and officers liability insurance has been purchased by the Group during the year, and covers the Company.

### **Dividends**

No dividend was paid during the year and none is proposed.

### **Charitable and Political Contributions**

The Company made no charitable contributions during the year (2018: £nil) and no political contributions (2018: £nil).

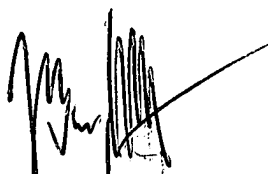
### **Disclosure of Information to Auditor**

The Board members who held office at the date of approval of this Report of the Board 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 Board member has taken all the steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

KPMG LLP have expressed their willingness to continue in office as the Group's auditor. Accordingly, a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

By order of the Board



Jack Bargholz  
Director  
31 July 2019

## **STATEMENT OF BOARD'S RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE BOARD AND THE FINANCIAL STATEMENTS**

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has 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 Board must not approve the financial statements unless it is 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 Board is 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;
- 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 it either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board 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 the Board to ensure that the financial statements comply with the Companies Act 2006. The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it 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**

## **Opinion**

We have audited the financial statements of Anglia Maintenance Services Limited ("the Company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity 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 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **The impact of uncertainties due to the UK exiting the European Union on our audit**

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 Board, 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.

## **Emphasis of matter – non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

## **Report of the Board**

The Board is responsible for the report of the Board. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the report of the Board 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 report of the Board;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion the report has 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**

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### **Board's responsibilities**

As explained more fully in their statement set out on page 7, the Board is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines 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 it either intends to liquidate the Company or to cease operations, or has 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](http://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.



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

26 September 2019

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019**

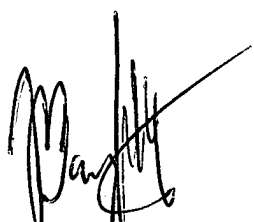
	Notes	2019 £'000	2018 £'000
Other income	4	627	-
<b>Operating profit</b>		<b>627</b>	<b>-</b>
Interest payable and financing costs	5	(8)	(8)
<b>Profit/(loss) on ordinary activities before taxation</b>	6	<b>619</b>	<b>(8)</b>
Tax charge on profit/loss on ordinary activities	7	-	-
<b>Profit/(loss) for the year</b>		<b>619</b>	<b>(8)</b>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Notes	2019 £'000	2018 £'000
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	-	(619)
<b>Net current liabilities</b>		-	(619)
<b>Net liabilities</b>		-	(619)
<b>Capital and reserves</b>			
Share capital	9	-	-
Profit and loss account		-	(619)
<b>Deficit on equity shareholder's funds</b>		-	(619)

The financial statements were approved by the Board and signed on its behalf by:



Jack Bargholz  
Director  
31 July 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Non-equity share capital £'000	Income and expenditure reserve £'000	Total capital and reserves £'000
Balance as at 1 April 2017	-	(611)	(611)
Loss for the year ending 31 March 2018	-	(8)	(8)
<b>Balance as at 31 March 2018 and 1 April 2018</b>	-	<b>(619)</b>	<b>(619)</b>
Profit for the year ending 31 March 2019	-	619	619
<b>Balance as at 31 March 2019</b>	-	-	-

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

### **1. Accounting policies**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (March 2018) ("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 prepared on an accruals basis and under the historical cost convention.

#### **Going concern**

The Company did not trade during the current and previous financial years. It is intended that the Company will be struck off the Companies Register during the year to 31 March 2020. The Director considers that in light of this, the use of the going concern basis is not appropriate. These financial statements have therefore been prepared on the break-up basis, although this has not led to any change to the primary statements nor the corresponding notes.

#### **Disclosure exemptions**

The Company has taken advantage of the exemptions in FRS 102 in respect of the following:

- a. the requirement to present a statement of cash flows and related notes; and
- b. financial instrument disclosures, including: categories of financial instruments; items of income, expense, gains or losses in respect of financial instruments; and, exposure to, and management of, financial risks.

#### **Interest receivable, interest payable and financing costs**

Interest receivable is only recognised to the extent that it is probable that it will be recoverable when due.

Interest payable is recognised over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Transaction costs relating to the refinancing of existing debt are expensed as incurred unless there is a substantial modification of the terms.

#### **Corporation tax**

The Company is liable to corporation tax, and the charge is based on the profit for the year taking into account differences between certain items for taxation and accounting purposes.

Deferred tax is provided for in full 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 is calculated using the tax rates and laws which have been enacted (given Royal Assent) or substantively enacted (passed by the House of Commons) by the reporting date and 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 charge/(credit) is presented either in the Income Statement, Other Comprehensive Income or equity depending on the transaction that resulted in the tax charge/(credit).

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 assets and liabilities are offset only where allowed by FRS 102, and likewise they are not discounted.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

### 2. Significant judgements and estimates

#### Significant judgements

With the exception of those relating to accounting estimates and uncertainty, no significant judgements have been made in applying the Company's accounting policies.

#### Accounting estimates

The nature of estimation means that actual outcomes could differ from the estimates made. No accounting estimates have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities - and therefore the income and expenses recognised - within the next financial year.

### 3. Director's remuneration

Jack Bargholz is an employee of Clarion Housing Group Limited and is representative of that entity. His remuneration is disclosed there as appropriate.

The director is considered the key management personnel for the purposes of FRS 102.

### 4. Other income

	2019 £'000	2018 £'000
Amounts due to Group undertakings waived	<u>627</u>	<u>-</u>

During the year Clarion Housing Group Limited released the Company from its obligations under Amounts due to Group undertakings: loans and cash pooling, and Amounts due to Group undertakings: trading. This resulted in other income of £627,000

### 5. Interest payable and financing costs

	2019 £'000	2018 £'000
Interest payable to Group undertakings	<u>8</u>	<u>8</u>

### 6. Loss on ordinary activities before taxation

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.

There are no staff employed by the Company and hence no staff costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

7. Tax on profit on ordinary activities

	2019 £'000	2018 £'000
<b>Analysis of charge/(credit) in period</b>		
<u>Current tax:</u>		
Current tax on income for the period	-	-
Adjustment in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Recognised in profit and loss	<u>-</u>	<u>-</u>

The Company's tax charge for the period is lower than 19% (2018: tax credit lower than 19%), the rate of corporation tax in the UK. The differences are explained below.

	2019 £'000	2018 £'000
<b>Reconciliation of tax recognised in profit and loss</b>		
Profit/(loss) on ordinary activities before taxation	<u>619</u>	<u>(8)</u>
Tax at 19% (2018: 19%)	118	(2)
<u>Effects of:</u>		
Income not subject to corporation tax	(119)	-
Other timing differences	-	2
Group relief	1	-
	<u>-</u>	<u>-</u>

The change in the rate of UK corporation tax to 17% from 1 April 2020 was substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)**

**8. Creditors: amounts falling due within one year**

	2019	2018
	£'000	£'000
Amounts due to Group undertakings: loans and cash pooling	-	484
Amounts due to Group undertakings: trading	-	135
	<u>-</u>	<u>619</u>

**9. Share capital**

	2018	2017
	£	£
<b>Shares of £1 allotted, issued and fully paid</b>		
At the beginning and the end of the year	<u>1</u>	<u>1</u>

**10. Related party transactions**

The Company has taken advantage of the exemption in FRS 102 to not disclose transactions with other wholly owned members of the Clarion Housing Group.

Debtor and creditor balances with other members of the Group are either debt subject to a market rate of interest or trading balances which are non-interest bearing and are due to be settled within one year of their recognition.

The Group has a cash pooling arrangement whereby cash held by subsidiaries is pooled into the ultimate parent's bank accounts. As a result the Group's subsidiaries generally hold very little cash and instead have an interest-bearing intercompany balance with the ultimate parent.

No other related party transactions require disclosure.

**11. Ultimate parent undertaking**

The Company is a subsidiary undertaking of Circle Living Limited which is registered in England and Wales under the Companies Act 2006.

The Company's ultimate parent undertaking is Clarion Housing Group Limited, a registered society under the Co-operative and Community Benefit Societies Act 2014 and which is regulated by the Regulator of Social Housing. Group accounts have been prepared by Clarion Housing Group Limited and are available from [www.clarionhg.com](http://www.clarionhg.com). Clarion Housing Group Limited's registered office is: Level 6, 6 More London Place, Tooley Street, London, SE1 2DA.