



Annual Report

for the year ended 31 March 2019

Yarlington Property Management Limited

Registered Number: 4916900

# Yarlington Property Management Limited

## Annual Report for the year ended 31 March 2019

### Contents

|  | Page |
|--|------|
| Directors and Advisors for the year ended 31 March 2019 .....                              | 3    |
| Report of the Board of Directors for the year ended 31 March 2019 .....                    | 4    |
| Independent Auditors' Report to the members of Yarlington Property Management Limited .... | 8    |
| Income Statement for the year ended 31 March 2019 .....                                    | 10   |
| Statement of Financial Position as at 31 March 2019 .....                                  | 11   |
| Notes to the financial statements for the year ended 31 March 2019 .....                   | 12   |

## **Yarlington Property Management Limited**

Registered Number: 4916900

### **Directors and Advisors for the year ended 31 March 2019**

The directors of the company who were in office during the year and up to the date of signing of the financial statements, unless otherwise stated, were

Lindy Morgan (Chair)

Raymond John Thompson

Wayne Morris

William John Coutts (Resigned 11<sup>th</sup> September 2018)

Gary Orr (Resigned 28<sup>th</sup> September 2018)

Caroline Louise Moore

Joanna Makinson

Michael Stancombe

Richard Nicol

Caroline Ramsey (Resigned 14<sup>th</sup> May 2018)

James Overill (Appointed 1<sup>st</sup> January 2019)

#### **Independent Auditors**

PricewaterhouseCoopers LLP

2 Glass Wharf

Bristol

BS2 0FR

#### **Bankers**

The Royal Bank of Scotland plc

2 Hendford

Yeovil

Somerset

BA20 1TN

#### **Tax Advisors**

KPMG LLP (UK)

66 Queen Street

Bristol

BS1 4BE

Yarlington Property Management Limited is a company limited by shares (Registered in England, Company Number 4916900).

The registered office is at Yarlington Housing Group; Lupin Way, Yeovil, Somerset, BA22 8WN.

## **Yarlington Property Management Limited**

Registered Number: 4916900

### **Report of the Board of Directors for the year ended 31 March 2019**

The Board of Directors is pleased to present its report and the audited financial statements, set out on pages 4-19, for the year ended 31 March 2019.

The directors of the company who were in office during the year and up to the date of signing of the financial statements, unless otherwise stated, were

Lindy Morgan (Chair)

Raymond John Thompson

Wayne Morris

William John Coutts (Resigned 11<sup>th</sup> September 2018)

Gary Orr (Resigned 28<sup>th</sup> September 2018)

Caroline Louise Moore

Joanna Makinson

Michael Stancombe

Richard Nicol

Caroline Ramsey (Resigned 14<sup>th</sup> May 2018)

James Overill (Appointed 1<sup>st</sup> January 2019)

#### **The Company**

The Company was registered at Companies House on 30<sup>th</sup> September 2003 in accordance with the Companies Act and is limited by shares. It is a wholly owned subsidiary of Yarlington Housing Group. The Company headquarters are in Yeovil.

#### **Principal Activities**

Yarlington Property Management Limited acts as a management company for twelve leasehold properties at Redwood Grange, Bartletts Elm, Langport. It also provides an external service to South Somerset District Council for installing wet rooms.

#### **Business Review**

The financial position and results for the financial year are set out on pages 10-11 of these statements. The company made a profit before taxation of £2k, (2018: loss before taxation: £5k). The Company made a Gift Aid payment of £27,446 (2018: £nil) to its parent Yarlington Housing Group.

#### **The Board of Directors**

The Directors are responsible for strategy, policy, managing the business and monitoring the performance of the Company's officers.

Board members have an obligation to uphold the values and objectives of the Company. They agree to contribute to and share responsibilities for the policies and decisions of the Board. They declare any conflicts of interest and must act at all times in the best interest of the Company. Board members derive no financial benefit or personal gain of any sort from being on the Board. Board members are appointed by the Board of Yarlington Housing Group, the Company's parent entity.

## **Yarlington Property Management Limited**

Registered Number: 4916900

### **Report of the Board of Directors for the year ended 31 March 2019 (Continued)**

The Board members bring skills and experience, which include:

- General business skills
- Management of staff and of property
- Finance
- Development and building

The Audit and Risk Committee of Yarlington Housing Group has responsibilities for Yarlington Property Management Limited.

Operational matters of the Company are delegated to the Chief Executive and the Executive Team of Yarlington Housing Group.

#### **Corporate Governance**

The Board takes an active interest in all internal control and corporate governance matters. It aims to meet the highest standards of governance and probity.

#### **Employees**

The Company has no employees (2018: nil).

#### **Charitable donations**

The Company made no charitable donations during the year (2018: £nil).

#### **Insurance**

During the year and up to the date of this report, the company maintained liability insurance and third-party indemnification provisions for its directors, under which the Company has agreed to indemnify the directors to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities as directors of the Company. These indemnities are Qualifying Third Party Indemnity Provisions as defined in Section 234 of the Companies Act.

#### **Financial Risk Management Policy**

Yarlington Housing Group, the parent entity of Yarlington Property Management Limited, engages specialist treasury advisors to advise on interest rate and liquidity risk across the Group. The Board approves a treasury management policy annually; this policy addresses cash flow risk. This policy is applied to all entities within the Group.

#### **Going Concern**

The Board, after reviewing the Company's budget for 2019/2020 and the Group's medium term financial position as detailed in the 30-year business plan, is of the opinion that the Company has adequate resources to continue in business for the foreseeable future. The financial statements are therefore prepared on a going concern basis.

## **Report of the Board of Directors for the year ended 31 March 2019 (Continued)**

### **Independent Auditors**

A resolution will be made at the Annual General Meeting to appoint PricewaterhouseCoopers LLP as auditors to 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 auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The directors 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.

**Yarlington Property Management Limited**

Registered Number: 4916900

**Report of the Board of Directors for the year ended 31 March 2019  
(Continued)**

The directors of the ultimate parent entity are responsible for the maintenance and integrity of the ultimate parent entity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the Board of Directors on 31<sup>st</sup> July 2019 and signed on its behalf by.

**Signed:**

Two handwritten signatures in black ink. The first signature is a stylized, cursive 'Aley'. The second signature is a more complex cursive signature, possibly 'R. L. ...'.

## • *Independent auditors' report to the members of Yarlington Property Management Limited*

### Report on the audit of the financial statements

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#### Opinion

In our opinion, Yarlington Property Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 March 2019; the income statement for the year then ended; the accounting policies; and the notes to the financial statements.

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#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### • *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Report of the Board of Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



# Yarlington Property Management Limited

## Registered Number: 4916900

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

- ***Strategic Report and Report of the Board of Directors***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Board of Directors for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Board of Directors

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## **Responsibilities for the financial statements and the audit**

- ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

- ***Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- ***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

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

- we have not received all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



- Lynn Pamment (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

9 August 2019

## Income Statement for the year ended 31 March 2019

|  | Note | 2019<br>£'000 | 2018<br>£'000 |
|--|------|---------------|---------------|
| Turnover                               | 4    | 9             | 7             |
| Cost of sales                          |      | (5)           | -             |
| <b>Gross profit</b>                    |      | 4             | 7             |
| Operating expenditure                  |      | (3)           | (13)          |
| <b>Operating profit/(loss)</b>         |      | 1             | (6)           |
| Interest receivable and similar income | 5    | 1             | 1             |
| <b>Profit/(loss) before taxation</b>   | 6    | 2             | (5)           |
| Gift Aid to Yarlington Housing Group   |      | (27)          | -             |
| Tax on profit/(loss)                   | 8    | -             | -             |
| <b>Loss for the financial year</b>     | 12   | (25)          | (5)           |

All of the Company's turnover and results disclosed above are derived from continuing activities.

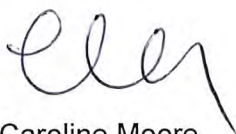
There were no other comprehensive income or expenses other than those reported above. No statement of comprehensive income is therefore presented.

## Statement of Financial Position as at 31 March 2019

|   | Note | 2019<br>£'000 | 2018<br>£'000 |
|---|------|---------------|---------------|
| <b>Current assets</b>                                 |      |               |               |
| Debtors   | 9    | 169           | 196           |
| Cash at bank and in hand                              |      | 1             | 1             |
|   |      | 170           | 197           |
| <b>Creditors: amounts falling due within one year</b> | 10   | (3)           | (5)           |
| <b>Net Assets</b>                                     |      | 167           | 192           |
| <b>Capital and reserves</b>                           |      |               |               |
| Called up Share Capital                               | 11   | -             | -             |
| Retained earnings                                     | 12   | 167           | 192           |
| <b>Total Shareholders' Funds</b>                      | 12   | 167           | 192           |

The notes on pages 12 to 19 are an integral part of these financial statements.

These financial statements on page 10 to 19 were approved by the board of directors on the 31<sup>st</sup> July 2019 and were signed on its behalf by:



Caroline Moore

Director

31<sup>th</sup> July 2019



Wayne Morris

Director

31<sup>th</sup> July 2019

## **Notes to the financial statements for the year ended 31 March 2019**

### **1 Statement of compliance**

The individual financial statements of Yarlington Property Management Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **2 General Information**

Yarlington Property Management Limited acts as a management company for twelve leasehold properties at Redwood Grange, Bartletts Elm, Langport. It also provides an external service to SSDC for installing wet rooms.

Yarlington Property Management Limited is a company limited by shares (Registered in England, Company Number 4916900). The registered office is at Yarlington Housing Group; Lupin Way, Yeovil, Somerset BA22 8WN.

### **3 Accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

These financial statements are prepared on the going concern basis under the historical cost convention. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are not considered to be any critical accounting estimates or judgements in preparing these financial statements and so it has not been necessary to include a section detailing these.

#### **Going Concern**

The Board, after reviewing the Company's budget for 2019/2020 and the Group's medium term financial position as detailed in the 30-year business plan, is of the opinion that the Company has adequate resources to continue in business for the foreseeable future. The financial statements are therefore prepared on a going concern basis.

## **Notes to the financial statements for the year ended 31 March 2019 (continued)**

### **3 Accounting policies (continued)**

There has been discussion amongst the board regarding registering the company as dormant in the future due to the negligible activity over the last few years but no decision has been made at the current time.

#### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent, Yarlington Housing Group, includes the company's cash flows in its own consolidated financial statements. It has also taken the exemption available to not prepare a statement of changes in equity.

Yarlington Property Management Limited is a 100% owned subsidiary of Yarlington Housing Group, therefore Yarlington Housing Group's audit committee oversees the activities in Yarlington Property Management Limited. Regular reports on the impact of FRS102 were taken to the audit committee and training was provided to ensure that the committee members were aware of and understood the changes arising from FRS102. Discussions to explore the options available took place with the committee.

#### **Turnover recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The company recognises turnover when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of turnover can be measured reliably; (d) it is probable that future economic benefits will flow to the entity.

### **3 Accounting policies (continued)**

#### **Value Added Tax (VAT)**

The Company's main income stream, being the provision of repair contracting services, is chargeable at the standard rate to third parties and is not subject to VAT for services to the parent entity. The Company is in the same VAT group as its parent entity. The majority of expenditure is subject to VAT, the majority of which the Company is unable to reclaim – this expenditure is therefore shown inclusive of VAT.

#### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### **(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

### 3 Accounting policies (continued)

#### Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### Distributions to equity holders

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

#### Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

### 4 Turnover

Turnover represents the invoiced value (excluding VAT) for goods and services supplied to group companies and third parties.

The geographical range of the business is the South West of England and all turnover is generated from this region. The turnover can be split into two areas of the business:

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| External repairs/installation works        | -             | -             |
| Service chargeable works at Redwood Grange | 9             | 7             |
|  | 9             | 7             |

### 5 Interest receivable and similar income

|                     | 2019<br>£'000 | 2018<br>£'000 |
|---------------------|---------------|---------------|
| Interest receivable | 1             | 1             |

Interest is receivable from the parent entity, Yarlington Housing Group.

## 6 Profit/(loss) before taxation

|                                       | 2019<br>£'000 | 2018<br>£'000 |
|---------------------------------------|---------------|---------------|
| <b>This is stated after charging:</b> |               |               |
| Auditors' remuneration                |               |               |
| - audit of these financial statements | 1             | 3             |
| - other services relating to taxation | -             | 1             |

## 7 Employees and directors' emoluments

None of the 8 Directors who served during the year received emoluments (2018: nil).

Those Directors who are paid employees of Yarlington Housing Group receive no remuneration from Yarlington Property Management Limited. They are remunerated by Yarlington Housing Group and their emoluments for the year are presented in the financial statements of that entity (see note 9). The role of Directors to Yarlington Property Management Limited is totally incidental to their role as Group Directors and their salary is for the completion of their role for the group. Total emoluments paid to the Directors of the company for their services across the group are summarised below.

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| The aggregate emoluments paid or receivable by non-executive Directors & former non-executive directors (Board Member Remuneration) | 47            | 40            |
| The aggregate emoluments paid or receivable by Executive Directors & former Executive Directors (Exec Team Remuneration)            | 289           | 329           |
| The emoluments paid to the highest paid Director excluding pension contributions  | 170           | 177           |
| The aggregate amount of Directors' or past Directors' pensions, excluding amounts payable under a properly funded pension scheme    | 38            | 39            |



**Yarlington Property Management Limited**

Registered Number: 4916900

**Notes to the financial statements for the year ended 31 March 2019  
(continued)****8 Tax on profit/(loss)**

|  | 2019<br>£'000 | 2018<br>£'000 |
|--|---------------|---------------|
| Current tax charge for the year - Corporation tax at 19% (2018: 19%) | -             | -             |
| Deferred tax   | -             | -             |
| <b>Taxation charge for the year</b>                                  | -             | -             |

| <b>Factors affecting the tax charge for the year</b>                                       | <b>2019<br/>£'000</b> | <b>2018<br/>£'000</b> |
|--|-----------------------|-----------------------|
| Profit/(Loss) before taxation  | 2                     | (5)                   |
| Tax on profit/(loss before taxation) at Standard rate of Corporation Tax of 19% (2018:19%) | -                     | (1)                   |
| Group relief surrendered   | 27                    | 1                     |
| Gift Aid payment   | (27)                  | -                     |
| <b>Total tax charge for the year</b>   | -                     | -                     |

**Deferred taxation**

|                          | <b>Deferred tax asset</b> |                       |
|--------------------------|---------------------------|-----------------------|
|                          | <b>2019<br/>£'000</b>     | <b>2018<br/>£'000</b> |
| At beginning of the year | -                         | -                     |
| Deferred tax credit      | -                         | -                     |
| At the end of the year   | -                         | -                     |

**Factors that may affect future tax charges**

The standard rate of corporation tax in the UK effective from 1 April 2017 was 20%. The July 2015 Budget Statement announced changes to the UK corporation tax rate which reduced the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. The Finance Act 2016 reduced the main rate of corporation tax to 17% from 1 April 2020. These changes were substantively enacted on 26 October 2015 and 6 September 2016 respectively, and accordingly deferred tax balances within the financial statements have been calculated using a rate of 19% (2018:19%).

Notes to the financial statements for the year ended 31 March 2019  
(continued)

**9 Debtors**

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| <b>Amounts falling due within one year:</b>         |               |               |
| Trade debtors                                       | 1             | -             |
| Amounts owed by group undertakings                  | -             | -             |
| Amounts owed by parent undertaking (see note below) | 168           | 196           |
|   | <b>169</b>    | <b>196</b>    |

Amounts owed by parent undertaking represent cumulative amounts due for maintenance services previously provided and is repayable on demand. The interest applied to this amount is included within 'amounts owed by group undertakings'. The interest rate applied is 0.40%.

**10 Creditors: amounts falling due within one year**

|                                    | 2019<br>£'000 | 2018<br>£'000 |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | -             | -             |
| Accruals and deferred income       | 3             | 5             |
|                                    | <b>3</b>      | <b>5</b>      |

All balances are unsecured and accrue no interest.

**11 Called up Share Capital**

|   | 2019<br>Number | 2018<br>Number | 2019<br>£ | 2018<br>£ |
|---|----------------|----------------|-----------|-----------|
| Authorised Shares of £1 each              | 100            | 100            | 100       | 100       |
| Allotted and fully paid Shares of £1 each | 1              | 1              | 1         | 1         |

**Notes to the financial statements for the year ended 31 March 2019  
(continued)**

**12 Reconciliation of movements in Shareholders' Funds**

|   | <b>2019</b>  | 2018       |
|---|--------------|------------|
|   | <b>£'000</b> | £'000      |
| Balance of retained earnings as at 1 April  | 192          | 197        |
| Profit/(Loss) for the financial year before Gift Aid paid to Yarlington Housing Group | 2            | (5)        |
| Gift Aid paid to Yarlington Housing Group   | (27)         | -          |
| <b>Balance of retained earnings as at 31 March</b>                                    | <b>167</b>   | <b>192</b> |
| <b>Balance of Called Up Share Capital as at 31<sup>st</sup> March</b>                 | <b>-</b>     | <b>-</b>   |
| <b>Total Shareholders' Funds at 31 March</b>  | <b>167</b>   | <b>192</b> |

**13 Related party transactions**

In line with the related party policy noted on page 15, transactions with members of the same group are not disclosed.

There are no related party transactions that require disclosure.

**14 Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is Yarlington Housing Group, a charitable community benefit society registered in the United Kingdom. Yarlington Property Management Limited is a subsidiary undertaking of Yarlington Housing Group and therefore Yarlington Housing Group is also the immediate parent. The largest and smallest group in which the results of the company are consolidated is that headed by Yarlington Housing Group. The consolidated financial statements of the Group are available to the public and can be obtained from the Company's registered office.

