

WHITEFRIARS BUSINESS SERVICES LIMITED

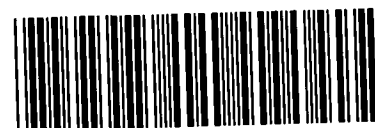
Report and Financial Statements

**For the year ended
31 March 2019**

Companies House Registered Number 05311059

**Registered office: 4040 Lakeside
Solihull Parkway
Birmingham
B37 7YN**

SATURDAY



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24/08/2019
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COMPANY INFORMATION

Director

The following are all members of the Board of Whitefriars Business Services Limited and who have served throughout 2018/19 unless otherwise stated:

Mr K Rodgers

Secretary

Mr S Kellas

Auditor

Beever and Struthers
St. George's House
215-219 Chester Road
Manchester
M15 4JE

STRATEGIC REPORT

The Director presents his report and audited financial statements for Whitefriars Business Services Limited (“the Company”) for the year ended 31 March 2019. The Company is a member of WM Housing Group.

BUSINESS REVIEW

The company commenced trading on 1 June 2006 to provide the non-charitable activities of the Whitefriars Housing Group including some of the services provided in connection with the regeneration of North Solihull and services provided by the Group’s anti-social behaviour team. The company is a non-charitable subsidiary of Whitefriars Housing Group Limited, a charitable Co-Operative and Community Benefit Society.

PRINCIPAL RISKS AND UNCERTAINTIES

In the event that the company’s income source was to end, the company would become dormant. The company does not have a significant debt collection risk. Debts deemed unrecoverable have already been provided for and at the reporting date, the company is not exposed to any unprovided third party debtor (2018: £Nil).

Following the referendum decision on 23 June 2016 in favour of leaving the EU (“Brexit”), the United Kingdom had been due to leave the EU on 29 March 2019, two years after it started the exit process by invoking Article 50 of the EU’s Lisbon Treaty. However, the withdrawal agreement negotiated between the EU and UK was rejected three times by the UK Parliament. Having granted an initial extension of the Article 50 process until 12 April 2019, EU leaders have now backed a six-month extension until 31 October 2019. However, the UK will leave before this date if the withdrawal agreement is ratified by the UK and the EU before then.

Brexit has caused significant uncertainty in financial markets and the political world, and this is likely to continue as politicians negotiate our exit from the EU and put new arrangements in place. As a Group, WM Housing Group will continue to analyse the local and immediate impacts as more information becomes available regarding the timing and nature of the way that the UK will finally leave the EU, and the detailed implications will be tested through our risk management and stress testing arrangements. We have undertaken a detailed Brexit ‘Self-Assessment’, and are confident that our business plan and stress testing are able to withstand the likely range of pressures in the short and medium term.

FINANCIAL PERFORMANCE

The Company does not seek to generate significant financial returns. The company gifts any profit back to its immediate parent undertaking, Whitefriars Housing Group Limited. The Company therefore does not have financial key performance indicators.

STRATEGIC REPORT (Continued)

FUTURE DEVELOPMENT, PERFORMANCE AND POSITION

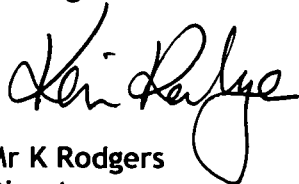
The Company does not intend to expand its operations in the future.

OTHER INFORMATION

The Company has no direct employees and at 31 March 2019, the Company has one male director.

BY ORDER OF THE BOARD

Approved by the board on 18 July 2019
and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Ken Rodgers', written over the printed name.

Mr K Rodgers
Director

REPORT OF THE DIRECTOR

The director presents his report and audited financial statements for the year ended 31 March 2019.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The level of business has further decreased during the year. The director expects that the present level of activity will be continued for the foreseeable future.

During the year, a provision of £Nil (2018: £Nil) was made against trade debtors greater than one year old, as recovery of these debts was deemed to be unlikely.

CHARITABLE DONATIONS

In the year ended 31 March 2018, the company made a payment of gift aid of £24k in respect of the year ended 31 March 2017.

In the year ended 31 March 2019, the company made a payment of gift aid of £25k in respect of the year ended 31 March 2018.

A gift aid payment of £12k is proposed in respect of the year ended 31 March 2019, and this will be paid within 9 months of the end of the financial year.

RESULTS AND DIVIDENDS

The director does not recommend payment of a dividend on the share capital (2018: £Nil).

FIXED ASSETS

The company does not own any fixed assets.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the director must not approve the financial statements unless he 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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. He is 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.

The director has taken all the necessary steps to make us aware, as director, of any relevant audit information and to establish that the auditors are aware of that information. As far as the director is aware, there is no relevant audit information of which the company's auditors are unaware.

REPORT OF THE DIRECTOR (Continued)

STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The director who held office at the date of approval of the Strategic Report and of this Report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and he has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

Beever and Struthers are auditors to the Company, the immediate parent, Whitefriars Housing Group Limited, and the ultimate parent, WM Housing Group Limited.

BY ORDER OF THE BOARD

Approved by the board on 18 July 2019
and signed on its behalf by

A handwritten signature in black ink, appearing to be 'Stuart Kellas', written over a horizontal line.

Stuart Kellas
Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEFRIARS BUSINESS SERVICES LIMITED

Opinion

We have audited the financial statements of Whitefriars Business Services Limited "the company" for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEFRIARS BUSINESS SERVICES LIMITED
(Continued)**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the report of the director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and report of the director has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the director.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEFRIARS BUSINESS SERVICES LIMITED
(Continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Maria Hallows (Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS, Statutory Auditor
St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: 22. 8. 19

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

	Notes	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Turnover		12	25
Operating Costs		-	-
Profit on ordinary activities before taxation	3	12	25
Tax on profit on ordinary activities	5	-	-
Total comprehensive income for the year		12	25

The company's turnover and expenses all relate to continuing operations.

The company has no other recognised gains and losses and the result for the year has been calculated on the historical cost basis.

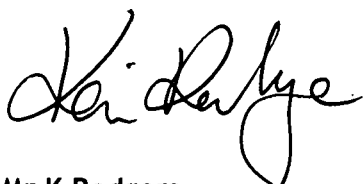
The notes on pages 13 - 18 are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019

	Notes	2019 £'000	2018 £'000
Current Assets			
Debtors due within one year	6	53	66
Cash		<u>2</u>	<u>2</u>
		55	68
 Creditors: Amounts falling due within one year	 7	 <u>(2)</u>	 <u>(2)</u>
 Net Current Assets		 53	 66
 Creditors: Amounts falling due after more than one year		 <u>-</u>	 <u>-</u>
 Net assets		 <u>53</u>	 <u>66</u>
 Share Capital and Reserves			
Called up share capital	9	-	-
Profit and loss account		<u>53</u>	<u>66</u>
		<u>53</u>	<u>66</u>

The notes on pages 13 - 18 are an integral part of the financial statements.

Approved by the board on 18 July 2019
and signed on its behalf by



Mr K Rodgers
Director

Companies House Registered Number: 05311059

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

	Called up share capital £'000	Profit & Loss account £'000	Total £'000
At 1 April 2017	-	65	65
Profit for the year	-	25	25
Distribution of Gift Aid	-	(24)	(24)
Total comprehensive income for the year	-	1	1
At 31 March 2018	-	66	66
Profit for the year	-	12	12
Distribution of Gift Aid	-	(25)	(25)
Total comprehensive income for the year	-	(13)	(13)
At 31 March 2019	-	53	53

The notes on pages 13 - 18 are an integral part of the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 £'000	2018 £'000
Cash flows from operating activities		
Total Comprehensive Income for the financial year	(13)	1
Changes in:		
Trade and other debtors	13	(1)
Trade and other creditors	-	-
Cash generated from operations	-	-
Interest paid	-	-
Interest received	-	-
Tax paid	-	-
Net cash from operating activities	-	-
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase/(decrease)in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of year	2	2
Cash and cash equivalents at the end of year	2	2

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

LEGAL STATUS

Whitefriars Business Services Limited is incorporated in England under the Companies Act 2006 as a private limited company with a share capital. The registered office is: -

4040 Lakeside
Solihull Parkway
Birmingham
B37 7YN

1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in compliance with FRS102 (March 2018) with effect from 1 April 2017.

2 ACCOUNTING POLICIES

At the date of these financial statements the Director has carried out a detailed and comprehensive review of the business and its future prospects. In the opinion of the Director, the Company is expected to be able to continue trading within the current arrangements and consequently the financial statements are presented on the going concern basis.

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the company. Disclosures in the financial statements have been rounded to £000's.

(b) Revenue recognition

Turnover represents non-charitable income, primarily for services provided to the North Solihull Partnership. All turnover arose on activities undertaken in the UK.

(c) Financial instruments

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

Financial instruments are measured at fair value with any changes recognised in profit and loss.

(d) Segmental information

All income, expenditure and net assets are derived from UK operations.

(e) Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

(f) Pensions

The Company does not operate its own pension scheme.

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

2 ACCOUNTING POLICIES (Continued)

(g) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting 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. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements: -

- **Bad debts.** The company makes a provision for trade debts that are older than one year, on the basis that they are unlikely to be recoverable.

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	2019 £'000	2018 £'000
Recharge from Whitefriars Housing Group Limited	-	-

The Group's audit fee is incurred and paid by the Group. The proportion of the Group's audit fee relating to the Company is £1k (2018: £1k).

4 STAFF COSTS

The Company did not have any staff or executive directors employed during the year (2018: Nil).

5 TAXATION

	2019 £'000	2018 £'000
UK Corporation Tax		
UK Corporation Tax on surplus for the period	-	-
	-	-
The tax assessed on the surplus on ordinary activities for the period is lower than the rate of Corporation Tax in the UK of 19% (2018: 19%): -		
Profit on ordinary activities before tax	12	25
Corporation Tax calculated as surplus on activities before tax, multiplied by 19% (2018: 19%)	2	5
Effect of:		
Qualifying charitable donations	(2)	(5)
	-	-

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

6 DEBTORS

	2019 £'000	2018 £'000
Due within one year:		
Trade debtors	-	-
Amount due from Parent entity	53	66
	<u>53</u>	<u>66</u>

During the year ended 31 March 2019, a provision of £Nil (2018: £Nil) has been made against trade debtors greater than one year old, as recovery of these debts was deemed to be unlikely.

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Accruals and deferred income	1	2
Amounts due to Group entities	1	-
	<u>2</u>	<u>2</u>

8 FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2019 £'000	2018 £'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>53</u>	<u>66</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1</u>	<u>2</u>

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors and amounts owed by the parent undertakings.

Financial liabilities measured at amortised cost comprise other creditors and amounts owed to Group undertakings.

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

9 SHARE CAPITAL

	2019 £	2018 £
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

10 FINANCIAL COMMITMENTS

The company does not have any capital commitments or any commitments under non-cancellable operating leases.

11 ANALYSIS OF CHANGES IN NET DEBT

	At Beginning of the Year £'000	Cash Flows £'000	Non-Cash Movements £'000	At End of the Year £'000
Cash and Cash Equivalents	<u>2</u>	-	-	<u>2</u>
	<u>2</u>	-	-	<u>2</u>

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

12 RELATED PARTY DISCLOSURES

Relationships between registered and non-registered elements of the business

The table below shows where relationships exist between WM Housing Group members.

	WMHG	WF	WMH	OCA	FHA	WMD	WMT	WMT2	WMTV	WBS	AGES
WMHG		✓	✓	✓	✓	✓					
WF	✓		✓	✓	✓	✓	✓	✓	✓	✓	
WMH	✓	✓		✓		✓		✓	✓		
OCA	✓	✓	✓					✓	✓		✓
FHA	✓	✓						✓	✓		
WMD	✓	✓	✓								
WMT		✓									
WMT2		✓	✓	✓	✓						
WMTV		✓	✓	✓	✓						
WBS		✓									
AGES				✓							

Entities in the table are abbreviated as follows and [R] denotes where the entity is a Registered Provider

WM Housing Group Limited [R]	WMHG	WM Treasury plc	WMT
Whitefriars Housing Group Limited [R]	WF	WM Treasury 2 plc	WMT2
West Mercia Homes Limited [R]	WMH	WM Treasury Vehicle Limited	WMTV
Optima Community Association Limited [R]	OCA	Whitefriars Business Services Limited	WBS
Family Housing Association (Birmingham) Limited [R]	FHA	Attwood Green Estate Services Limited	AGES
West Mercia Development Limited	WMD		

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

12 RELATED PARTY DISCLOSURES (Continued)

Transactions with registered elements of the business

Whitefriars Business Services Limited receives services from and pays Gift Aid to the immediate parent Whitefriars Housing Group Limited.

	WMHG £'000	WF £'000	WMH £'000	OCA £'000	FHA £'000
2019	6	117	-	-	-
2018	13	227	-	-	-

The 2018 figures have been restated to reflect the new methodology used to report this information.

A proposed Gift Aid payment of £12k has been taken into account when calculating the Corporation Tax due in respect of the year ended 31 March 2019. This payment will be recognised in the Statement of Comprehensive Income in the year in which it is paid.

Transactions with non-registered entities

There were no transactions with non-registered elements of the business in the year ended 31 March 2019 (2018 : £Nil).

13 CONTROLLING PARTY

The immediate parent of Whitefriars Business Services Limited is Whitefriars Housing Group Limited, a Co-operative and Community Benefit Society, registered in England and Wales. The ultimate parent undertaking of Whitefriars Business Services Limited is WM Housing Group Limited, a Co-operative and Community Benefit Society, registered in England and Wales.

Whitefriars Housing Group Limited accounts, being the immediate Group accounts in which Whitefriars Business Services is consolidated, are available from its registered office; 4040 Lakeside, Solihull Parkway, Birmingham, B37 7YN. WM Housing Group Limited accounts, being the ultimate Group accounts in which Whitefriars Business Services is consolidated, are available from its registered office; 4040 Lakeside, Solihull Parkway, Birmingham, B37 7YN.

On 2nd April 2019, members of WM Housing Group formally announced plans to amalgamate their group structure and rebrand as Citizen. The change will mean the organisation's registered providers; Family Housing Association (Birmingham) Limited, Optima Community Association Limited, West Mercia Homes Limited, Whitefriars Housing Group Limited and WM Housing Group Limited will no longer exist as legal entities, with the amalgamation and rebrand being completed by the Autumn of 2019. From the date of amalgamation, Citizen Housing Group Limited will become both the immediate and ultimate parent of Whitefriars Business Services Limited.