Registration number: 05844645

AWG Business Centres Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2022

AWG Business Centres Limited

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AWG Business Centres Limited

Company Information

Directors	Mr J F Cormie
	Mr A Gladston
Company secretary	AWG Corporate Services Limited
Registered office	*Lancaster House* Lancaster Way Ermine Business Park Huntingdon Cambridgeshire PE29 6XU United Kingdom

AWG Business Centres Limited

Strategic Report for the Year Ended 31 March 2022

The directors present their Strategic Report for the year ended 31 March 2022.

Fair review of the business
The company made a loss of £173,000 for the financial year (2021 loss of: £169,000).

The net liabilities of the company are £33,931,000 (2021: £33,758,000).

No dividends were paid by the company during the financial year (2021: £nil).

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of company developments or the performance of the business.

Principal risks and uncertainties
With the exiting from the final lease the company is only exposed to any reconciliation of service charge expenditure and settling the amounts due to tenants where they occupied a property during the relevant service charge year.

Approved by the Board on ..05.12.2022.. and signed on its behalf by:

....

Mr J F Cormie
Director

AWG Business Centres Limited

Directors' Report for the Year Ended 31 March 2022

The directors present their report and the unaudited financial statements for the year ended 31 March 2022.

Directors of the company
The directors who held office during the year, and up to the date of signing the financial statements, unless otherwise stated, were as follows:

Mr J F Cormie

Mr A Gladston

Principal activity
The principal activity of the company was the rental of office premises.

Future developments
The company surrendered its final lease this financial year and therefore will, after resolution of outstanding matters re past leases, become dormant.

Going concern
The company has net current liabilities due to amounts due to fellow group undertakings. The company has received confirmation from a fellow group undertaking that it will provide financial support as and when required. Accordingly, the directors believe that it is appropriate for these financial statements to be prepared on a going concern basis.

Directors' liabilities
The company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against its directors. The company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purpose of section 234 ((2) – 6) of the Companies Act 2006. Both of these were in force throughout the year and to the date of signing the financial statements. Both of these were in force during the financial year and up to the date of approval of the financial statements.

AWG Business Centres Limited

Directors' Report for the Year Ended 31 March 2022

Statement of directors' responsibillities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on ..05.12.2022.. and signed on its behalf by:

....

Mr J F Cormie
Director

AWG Business Centres Limited

Profit and Loss Account for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Turnover	3	24	(17)
Administrative expenses		(4)	8
Operating profit/(loss)		20	(9)
Interest payable and similar expenses	4	(234)	(201)
Loss before tax		(214)	(210)
Tax on loss	7	41	41
Loss for the year		(173)	(169)

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above and therefore no separate statement of comprehensive income has been presented.

AWG Business Centres Limited

(Registration number: 05844645)
Balance Sheet as at 31 March 2022

	Note	2022 £ 000	2021 £ 000
Current assets			
Trade and other receivables	8	7	54
Income tax asset	7	41	41
		48	95
Creditors: Amounts falling due within one year			
Trade and other payables	10	(33,112)	(32,905)
Loans and borrowings	11	(865)	(946)
Creditors: Amounts falling due within one year		(33,977)	(33,851)
Net current liabilities		(33,929)	(33,756)
Total assets less current liabilities		(33,929)	(33,756)
Provisions for liabilities		(2)	(2)
Net liabilities		(33,931)	(33,758)
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account		(33,931)	(33,758)
Total shareholders' deficit		(33,931)	(33,758)

For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 5 to 16 were approved by the Board on ..05.12.2022.. and signed on its behalf by:

....

Mr J F Cormie
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

AWG Business Centres Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Share capital £ 000	Profit and loss account £ 000	Total shareholders' deficit £ 000
At 1 April 2021	-	(33,758)	(33,758)
Loss for the financial year	-	(173)	(173)
Total comprehensive loss	-	(173)	(173)
At 31 March 2022	-	(33,931)	(33,931)

	Share capital £ 000	Profit and loss account £ 000	Total shareholders' deficit £ 000
At 1 April 2020	-	(33,589)	(33,589)
Loss for the financial year	-	(169)	(169)
Total comprehensive loss	-	(169)	(169)
At 31 March 2021	-	(33,758)	(33,758)

AWG Business Centres Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

1 General information

The company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of the company's registered office is shown on page 1. The nature of the company's operations and its principal activities are set out in the Strategic Report on page 2.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
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 have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purposes of FRS 101. Note 13 gives details of the company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

FRS 101 sets out amendments to EU-adopted IFRS that are necessary to achieve compliance with the Act and related Regulations.

The preparation of financial statements in conformity with FRS 101 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. The company applies judgement in determining the level of provision to include in the financial statements in relation to onerous leases. The value of the provision is determined by discounting the expected future cash flows at a rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Aside from provisions, no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, have been identified by management.

The financial statements are prepared in accordance with the historical cost convention and have been prepared on the going concern basis. 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. The functional currency of the company is pounds sterling.

Summary of disclosure exemptions

The following paragraphs of IAS 1 "Presentation of Financial Statements"
- 10 (d), (statement of cashflows)
- 16 (statement of compliance with all IFRS);
- 38 (comparative information in respect of 79(a)(iv) of IAS 1);
- 38 A (requirement for minimum of two primary statements, including cash flow statements); and
- 111 (cash flow statement information)
- IAS 7 "Statement of Cashflows"
- Para 30-31 of IAS 8 "Accounting Policies, changes in accounting estimates and errors" (requirement for disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- requirement of IAS 24 "Related Party Disclosure" to disclose related party transactions entered into between two or more members of a Group.

Going concern

The company has net liabilities but has received confirmation from a fellow group undertaking that financial support will be given as and when required and accordingly the financial statements have been prepared on a going concern basis.

Changes in accounting policy

New standards, interpretations and amendments effective

None of the standards, interpretations and amendments effective 1 April 2021 have had a material effect on the financial statements.

Revenue recognition

Revenue represents the income receivable (excluding value added tax) in the ordinary course of business for *rents and other charges to tenants and also represents the value of property development activity where legal* contracts have been unconditionally exchanged. Rental income is recognised evenly over the life of the lease contract.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as fixed assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the trade receivables

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Trade payables include amounts owed to group undertakings that are part interest bearing, part interest free, and are repayable on demand with no fixed repayment date, and are therefore classifed in current liabilities.

Borrowings
All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Leases

Definition

A lease is a contract, or a part of a contract, that conveys the right to use an asset or a physically distinct part of an asset ("the underlying asset") for a period of time in exchange for consideration. Further, the contract must convey the right to the company to control the asset or a physically distinct portion thereof. A contract is deemed to convey the right to control the underlying asset if, throughout the period of use, the company has the right to:

· Obtain substantially all the economic benefits from the use of the underlying asset, and:
· Direct the use of the underlying asset (eg direct how and for what purpose the asset is used)

AWG Business Centres Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

Initial recognition and measurement

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.
The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

Subsequent measurement

After the commencement date, the company measures the lease liability by:
(a) Increasing the carrying amount to reflect interest on the lease liability;
(b) Reducing the carrying amount to reflect the lease payments made; and
(c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.
Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are [presented separately as non-operating included in finance cost] in the income statement, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.
The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

Lease modifications

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.
The modification is accounted for as a separate lease if both:
(a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
(b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.
If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.
If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.
For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.
For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

Short term and low value leases

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).
The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.
Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the income statements.

Sub leases

If an underlying asset is re-leased by the company to a third party and the company retains the primary obligation under the original lease, the transaction is deemed to be a sublease. The company continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as a lessor (intermediate lessor). When the head lease is a short term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria applicable to Lessor Accounting in IFRS 16 by reference to the right-of-use asset in the head lease (and not the underlying asset of the head lease).
After classification lessor accounting is applied to the sublease.

3 Turnover

The analysis of the company's turnover, all of which is generated in the United Kingdom, for the year from discontinued operations is as follows:

	2022 £ 000	2021 £ 000
Rental income	24	(17)

4 Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest on bank borrowings	6	5
Interest on loans from group undertakings	228	196
	234	201

5 Directors' remuneration and employee information

None of the directors of the company received any emoluments during the year or preceding year in respect of their services to the company.

There were no employees of the company in this or the preceding year.

6 Auditors' remuneration

The company was not audited in this or the previous financial year.

7 Tax on loss

Tax credited in the profit and loss account

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax	(41)	(40)
UK corporation tax adjustment to prior periods	-	(1)
	(41)	(41)

The tax on loss for the year is lower than the standard rate of corporation tax in the UK (2021: higher than the standard rate of corporation tax in the UK) of 19% (2021: 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Loss before tax	(214)	(210)
Corporation tax at standard rate	(41)	(40)
Decrease in current tax from adjustment for prior periods	-	(1)
Total tax credit	(41)	(41)

8 Trade and other receivables

	2022 £ 000	2021 £ 000
Trade receivables	-	26
Other receivables	7	28
Trade and other receivables	7	54

9 Share capital

Authorised, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Share capital of £1 each	1	1	1	1

The company has one class of ordinary shares which carries no right to fixed income.

10 Trade and other payables

	2022 £ 000	2021 £ 000
Trade payables	-	23
Amounts due to group undertakings	33,112	32,882
	33,112	32,905

Amounts due to group undertakings are loans which are repayable on demand and interest is charged at Bank of England base rate plus 0.5%.

11 Loans and borrowings

	2022 £ 000	2021 £ 000
Current loans and borrowings		
Bank overdrafts	865	946

12 Parent and ultimate parent undertaking

The company's immediate parent undertaking is AWG Property Limited, a company registered in Scotland.

Osprey Acquisitions Limited is the parent company of the smallest group to consolidate the financial statements of the company, copies of which can be obtained from the registered office at Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire PE29 6XU.

Anglian Water Group Limited is the parent company of the largest group to consolidate the financial statements of the company, copies of which can be obtained from Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, Cambridgeshire, PE29 6XU. The registered address of Anglian Water Group Limited is, 44 Esplanade, St Helier, Jersey, JE4 9WG.

The Directors consider Anglian Water Group Limited to be the ultimate parent undertaking and controlling party. Anglian Water Group Ltd is itself owned by a consortium of investors consisting of CPP Investment Board Private Holdings (6) Inc, First Sentier Investors (Luxembourg) Infrastructure (B) GP S.a.r.l as managing general partner of Infrastructure Lux (B) SCSp, Global InfraCo (HK) E, Limited, Infinity Investments S.A. and Camulodunum Investments Ltd.