

Registration number: 11399508

Avery Row Management Limited

Directors' Report and Financial Statements

for the Period from 15 September 2019 to 12 September 2020



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Company Information

Directors	Kevin Boylan Charles Mason
Company secretary	Jennifer Dooley
Registered office	Weston Centre 10 Grosvenor Street London United Kingdom W1K4QY
Auditors	Ernst & Young LLP 1 More London Place London United Kingdom SE1 2AF

Directors' Report for the Period from 15 September 2019 to 12 September 2020

The directors present their report and the financial statements for the period from 15 September 2019 to 12 September 2020.

Directors' of the company

The directors, who held office during the period, were as follows:

Helen Gibson (Resigned 27 July 2020)

Kevin Boylan

Charles Mason

Notification of an interest in the shares of this company and shares in or debentures of other group companies by the directors was not required because at the end of the period each was also a director of a company of which this company is wholly owned subsidiary undertaking.

No director had at any time during the period any material interest in a contract with the company, other than service contracts.

Principal activity

The principal activity of the company is that of a property management company.

Fair review of the business

The COVID-19 pandemic has become a worldwide crisis and at the date of this report the situation is still evolving. Although a vaccine programme will be rolled out within the next four months some restrictions will continue to be in place and although the end appears in sight normality is not expected to return until well into 2021. However, the company is well placed to continue to operate under its principal activity through the uncertain times.

Trading results, dividends and transfers to reserves

The statement of comprehensive income for the period is set out on page 8. The profit on ordinary activities was £74,306 (2019: a profit of £13,111).

No dividend is recommended for the period (2019: £nil).

Principal risks and uncertainties

The principal risk to the company would be a loss of a managed property's tenants which would limit the company's ability to derive income.

The company currently manages properties in the office and retail sectors. The COVID-19 pandemic has had a profound effect on these areas. The management team have reacted by cutting service charge budgets, delaying property improvements and allowing particularly distressed tenants to take advantage of payment holidays. This has ensured the company is in the best position possible to benefit from the recovery of the economy following an effective vaccine rollout.

Going concern

The Company is dependent upon its ultimate parent company, Wittington Investments Limited ('Wittington') for continuing financial support. Wittington has provided the Company with an undertaking that it will continue to make available such funds as are needed by the Company for a period of at least 12 months from the date of accounts signing and accordingly the directors consider it appropriate to continue to adopt the going concern basis in preparing the company's financial statements.

**Directors' Report for the Period from 15 September 2019 to 12 September 2020
(continued)**

Subsequent events

The COVID-19 pandemic has become a worldwide crisis and at the date of this report the situation was still evolving. It has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The outbreak presents uncertainty and risk with respect to the underlying investments, their performance, and financial results. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material impact of the COVID-19 outbreak but the directors anticipate valuations to be adversely impacted. There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.


Disclosure of information to the 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 auditor is unaware; and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

Approved by the Board on 10 June 2021 and signed on its behalf by:



.....
Charles Mason
Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Directors' 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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;
- state whether FRS 101 has 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.

Independent Auditor's Report to the Members of Avery Row Management Limited

Opinion

We have audited the financial statements of Avery Row Management Limited (the 'company') for the period ended 12 September 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 11, 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 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 12 September 2020 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 below. 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 the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, 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 in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

Other information

The other information comprises the information included in the Directors' Report, other than the financial statements and our auditor's report thereon. The directors are 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 this report, we do not express any form of assurance conclusions 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 Avery Row Management Limited (continued)

Opinion on other matter 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are 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 directors 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.

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 website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

**Independent Auditor's Report to the Members of Avery Row Management Limited
(continued)**

Ernst & Young LLP

.....
Philip Young (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

1 More London Place
London
United Kingdom
SE1 2AF

10 June 2021

Statement of Comprehensive Income
for the Period from 15 September 2019 to 12 September 2020

	Note	12 September 2020 £	14 September 2019 £
Turnover	4	91,736	19,267
Administrative expenses		-	(3,081)
Operating profit		91,736	16,186
Profit before tax		91,736	16,186
Tax on profit on ordinary activities	6	(17,430)	(3,075)
Profit for the period		74,306	13,111
Other comprehensive income/(expense)		-	-
Total comprehensive income		74,306	13,111

All activities of the company are from continuing operations.

Balance Sheet as at 12 September 2020

	Note	12 September 2020 £	14 September 2019 £
Current assets			
Debtors	7	116,329	20,525
Cash at bank and in hand		<u>51,932</u>	<u>32,751</u>
		168,261	53,276
Creditors: amounts falling due within one year	8	<u>(80,843)</u>	<u>(40,164)</u>
Net assets		<u>87,418</u>	<u>13,112</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		<u>87,417</u>	<u>13,111</u>
Shareholders' funds		<u>87,418</u>	<u>13,112</u>

Approved by the Board on 10 June 2021 and signed on its behalf by:



Charles Mason
 Director

Statement of Changes in Equity
for the Period from 15 September 2019 to 12 September 2020

	Share capital £	Retained earnings £	Total £
Profit for the period	-	13,111	13,111
Other comprehensive income	-	-	-
Total comprehensive income	-	13,111	13,111
New share capital subscribed	1	-	1
At 14 September 2019	<u>1</u>	<u>13,111</u>	<u>13,112</u>
At 15 September 2019	1	13,111	13,112
Profit for the period	-	74,306	74,306
Other comprehensive income	-	-	-
Total comprehensive income	-	74,306	74,306
At 12 September 2020	<u>1</u>	<u>87,417</u>	<u>87,418</u>

Notes to the Financial Statements for the Period from 15 September 2019 to 12 September 2020

1 Accounting reference date

The accounting reference date of the Company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared to 12 September 2020.

2 Accounting policies

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantages of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Wittington Investments Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Wittington Investments Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House. The Company is incorporated and domiciled in England and Wales.

Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital (paragraph 79(a)(iv) of IAS);
- Disclosures in respect of transactions with wholly owned subsidiaries (paragraphs 17 and 18A of IAS 24 and the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member);
- Disclosures in respect of capital management (paragraph 134 - 136 of IAS 1);
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Wittington Investments Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by 7 Financial Instrument Disclosures.
- The effects of new but not yet effective IFRSs (paragraphs 30 and 31 of IAS 8);

Notes to the Financial Statements for the Period from 15 September 2019 to 12 September 2020 (continued)

2 Accounting policies (continued)

Going concern

The Company is dependent upon its ultimate parent company, Wittington Investments Limited ('Wittington') for continuing financial support. Wittington has provided the Company with an undertaking that it will continue to make available such funds as are needed by the Company for a period of at least 12 months from the date of accounts signing and accordingly the directors consider it appropriate to continue to adopt the going concern basis in preparing the company's financial statements.

New accounting policies

The following accounting standards and amendments were adopted during the year and had no significant impact on the company:

- IFRS 16 Leases
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IFRS 9 Prepayment features with Negative Compensation
- Amendments to IAS 19 Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures
- Annual Improvements to IFRS 2015 - 2017

The company is assessing the impact of the following standards, interpretations and amendments that are not yet effective. Where already endorsed by the EU, these changes will be adopted on the effective dates noted. Where not yet endorsed by the EU, the adoption date is less certain:

- IFRS 17 Insurance Contracts effective 2024 financial year (not yet endorsed by the EU)
- Amendments to IFRS 3 Definition of a Business effective 2021 financial year
- Amendments to IAS 1 and IAS 8 Definition of Material effective 2021 financial year
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current effective 2023 financial year (not yet endorsed by the EU)
- Amendments to References to the Conceptual Framework in IFRS Standards effective 2021 financial year

The impact of the other standards effective in 2021 and beyond have not yet been fully assessed.

Revenue recognition

Property management income is recognised as performance obligations are met under the respective property management fee arrangements. The performance obligations include facilities management, procurement of suppliers and service charge management. Property management fees are recovered on a quarterly basis.

**Notes to the Financial Statements for the Period from 15 September 2019 to
12 September 2020 (continued)**

2 Accounting policies (continued)

Tax

Income tax on the profit for the period comprises of current and deferred tax. Current tax is expected to be paid (or recovered) using tax rates and laws enacted, or substantively enacted, by the balance sheet date, together with any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences that exist at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured at the rate expected to apply in the period in which the temporary differences are realised. A deferred tax asset is recognised only to the extent that it is probable that future profits will be available against which the asset can be recognised.

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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet 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.

4 Turnover

The analysis of the company's turnover for the period from continuing operations is as follows:

	12 September 2020	14 September 2019
	£	£
Property management fees	<u>91,736</u>	<u>19,267</u>

5 Operating costs

The auditor's remuneration for the period was £3,105 (2019: £2,575). The auditor's remuneration is borne by the parent company.

**Notes to the Financial Statements for the Period from 15 September 2019 to
 12 September 2020 (continued)**

5 Operating costs (continued)

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Wittington Investments Limited.

The Company did not employ staff at any time during the period nor make any payments in respect of wages and salaries.

The directors of the company are remunerated by the other group companies. Total remuneration attributable for qualifying services to this company is negligible.

6 Income tax

Tax (charged)/credited in the statement of comprehensive income

	12 September 2020 £	14 September 2019 £
Current tax		
Tax charge	<u>(17,430)</u>	<u>(3,075)</u>

The difference between the total tax charge shown and the amount calculated by applying the standard rate of UK Corporation tax to the profit before tax is as follows:

	12 September 2020 £	14 September 2019 £
Profit before tax	<u>91,736</u>	<u>16,186</u>
Nominal tax charge at standard rate of corporation tax of 19% (2019: 19%)	<u>(17,430)</u>	<u>(3,075)</u>
Current period tax charge	<u>(17,430)</u>	<u>(3,075)</u>

The previously enacted reduction in the UK corporation tax rate to 17% which was expected to come into effect from 1 April 2020 was repealed in the Finance Act 2020 thereby maintaining the current rate of 19%. The UK Budget 2021 announcements on 3 March 2021 included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023.

7 Debtors

	12 September 2020 £	14 September 2019 £
Trade receivables	<u>116,329</u>	<u>20,525</u>

**Notes to the Financial Statements for the Period from 15 September 2019 to
 12 September 2020 (continued)**

8 Creditors: amounts falling due within one period

	12 September 2020	14 September 2019
	£	£
Amounts due to related parties	55,012	35,831
Corporation tax	20,505	3,075
Other creditors	5,326	1,258
	<u>80,843</u>	<u>40,164</u>

9 Share capital

Issued, allotted, called up and fully paid shares

	12 September 2020		14 September 2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

10 Parent and ultimate parent undertaking

The company's immediate parent is Wittington Investments (Properties) Limited.

The ultimate parent is Wittington Investments Limited.

The ultimate controlling party is Wittington Investments Limited and, through their control of Wittington Investments Limited, the trustees of the Garfield Weston Foundation ("the Foundation"), the Foundation, a grant making trust and registered charity, is the majority shareholder of Wittington Investments Limited. The Trustees of the Foundation are Persons with Significant Control in relation to Wittington Investments Limited, the ultimate parent entity.

**Notes to the Financial Statements for the Period from 15 September 2019 to
12 September 2020 (continued)**

10 Parent and ultimate parent undertaking (continued)

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Wittington Investments Limited, incorporated in England.

The address of Wittington Investments Limited is:

Weston Centre
10 Grosvenor Street
London
W1K 4QY
England

Wittington Investments Limited is also the smallest group in which these financial statements are consolidated..

11 Subsequent events

The COVID-19 pandemic has become a worldwide crisis and at the date of this report the situation was still evolving. It has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The outbreak presents uncertainty and risk with respect to the underlying investments, their performance, and financial results. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material impact of the COVID-19 outbreak but the directors anticipate valuations to be adversely impacted. There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.