

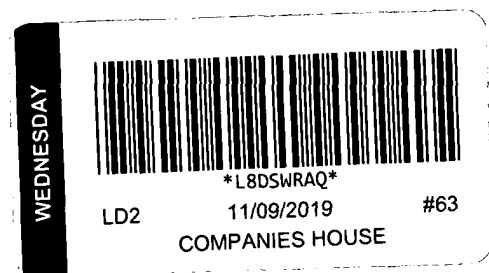
NICON DEVELOPMENTS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018



NICON DEVELOPMENTS LIMITED
REGISTERED NUMBER: 00897640

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	3	11,759	13,159
Investments	4	1,000	1,000
Investment property	5	3,686,875	3,102,555
		<u>3,699,634</u>	<u>3,116,714</u>
Current assets			
Stocks	6	1,120,542	3,309,002
Debtors: amounts falling due within one year	7	126,875	63,951
Cash at bank and in hand	8	2,371,891	122,864
		<u>3,619,308</u>	<u>3,495,817</u>
Creditors: amounts falling due within one year	9	(3,394,088)	(4,075,862)
Net current assets/(liabilities)		<u>225,220</u>	<u>(580,045)</u>
Total assets less current liabilities		<u>3,924,854</u>	<u>2,536,669</u>
Creditors: amounts falling due after more than one year	10	(386,183)	(442,679)
Provisions for liabilities			
Deferred tax	11	(300,000)	(300,000)
		<u>(300,000)</u>	<u>(300,000)</u>
Net assets		<u><u>3,238,671</u></u>	<u><u>1,793,990</u></u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account		3,238,571	1,793,890
		<u><u>3,238,671</u></u>	<u><u>1,793,990</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject

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REGISTERED NUMBER: 00897640

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 September 2019.



A C Nicholas
Director

The notes on pages 3 to 11 form part of these financial statements.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

The company is a private company (limited by shares), domiciled in England and Wales. The company's registered office is 45 Silver Street, Enfield, EN1 3EF. The company's principal activity continues to be that of property development and investment. During the year the company had, including directors, an average of 4 employees (2017 - 3).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors consider the going concern basis to be appropriate having paid due regard to the company's projected results for the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income

Revenue from a lease or licence to occupy is recognised in the period in which the rent falls due in accordance with the terms of the lease or licence as adjusted by deferred or accrued income where the rental periods under the lease or licence are not co-terminous with the financial year when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the company will receive the consideration due under the lease or licence.

Sale of property

Revenue from the sale of property is recognised when all of the following conditions are satisfied:

- . there has been exchange of contracts and completion on the sale;
- . the amount of revenue can be measured reliably;
- . it is probable that the company will receive the consideration due under the transaction; and
- . the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Pensions

The company is one of two employers who can contribute to the Nicholas Holdings Executive Pension Scheme which is an approved scheme. The pension charge represents any amounts paid by the company to the fund in the year.

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and equipment	-	15% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	10% straight line
Motor vehicles	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.8 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable properties, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

2.9 Valuation of investments

Investments in other unlisted undertakings where market value cannot be reliably determined are stated at historic cost less impairment.

2.10 Stocks

Stocks include land acquisition and development costs and are stated at the lower of cost and net realisable value. Development costs include the purchase of raw materials and labour.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its estimated selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 Creditors

Short term creditors are measured at transaction price.

3. TANGIBLE FIXED ASSETS

	Other fixed assets £
Cost	
At 1 January 2018	43,421
Additions	1,748
At 31 December 2018	<u>45,169</u>
Depreciation	
At 1 January 2018	30,262
Charge for the year on owned assets	3,149
At 31 December 2018	<u>33,411</u>
Net book value	
At 31 December 2018	<u><u>11,758</u></u>
At 31 December 2017	<u><u>13,159</u></u>

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Fixed asset investments

	Unlisted investments £
Cost	
At 1 January 2018	1,000
At 31 December 2018	<u>1,000</u>
Net book value	
At 31 December 2018	<u>1,000</u>
At 31 December 2017	<u>1,000</u>

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Investment property

	Freehold investment property £
Valuation	
At 1 January 2018	3,102,555
Additions at cost	410,107
Surplus on revaluation	174,213
At 31 December 2018	3,686,875

The fair value investment property reserve at 31 December 2018 (included within the profit and loss account reserve) was £1,986,817 (2017 - £1,812,604). The fair value increase in the year was £174,213 (2017 - decrease £40,140). The additions at cost reflects the costs transferred from stock of properties developed and retained as investment properties.

The 2018 valuations were made by A C Nicholas B Sc (Estate Management), a director of the company, , on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £	2017 £
Historic cost	<u>1,400,058</u>	<u>989,951</u>

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Stocks

	2018 £	2017 £
Land and development costs	<u>1,120,542</u>	<u>3,309,002</u>

7. Debtors

	2018 £	2017 £
Trade debtors	23,143	9,985
Other debtors	94,055	39,250
Prepayments and accrued income	9,677	14,716
	<u>126,875</u>	<u>63,951</u>

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>2,371,892</u>	<u>122,864</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	27,856	25,433
Trade creditors	11,093	2,024
Corporation tax	32,000	41,631
Other taxation and social security	3,488	8,182
Other creditors	3,229,384	3,939,055
Accruals and deferred income	90,267	59,537
	<u>3,394,088</u>	<u>4,075,862</u>

The bank loan above is secured, see the following note for further details.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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10. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans repayable within one to two years	29,103	26,573
Bank loans repayable between two and five years	357,080	416,106
	<u>386,183</u>	<u>442,679</u>

Secured loans

The bank loan above and detailed in the previous note is secured by a first legal charge over one of the freehold investment properties of the company and by a personal guarantee of £25,000 given by A C Nicholas, a director of the company.

11. Deferred taxation

	2018 £	2017 £
At beginning of year	300,000	300,000
At end of year	<u>300,000</u>	<u>300,000</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Investment property at fair value	<u>300,000</u>	<u>300,000</u>

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. Related party transactions

Nicholas Holdings Limited ("NHL") is a company controlled by members of the Nicholas family. Included within the income statement for the year are net charges payable to NHL of £323,175 (2017 - £172,184) and at 31 December 2018 the company owed NHL £3,067,091 (2017 - £3,376,029). The remainder of the movement in the amount owed to NHL during the year was a combination of fund transfers and cost recharges. The amount owed to NHL is included within other creditors. There are no fixed terms in respect of this liability and it is therefore repayable on demand.

Genotin Developments Limited ("Genotin") is a company also owned and controlled by the Nicholas family. During the year the company repaid £936 to Genotin. At 31 December 2018 £158,042 was owed to Genotin by the company (2017 - £158,978).

A C Nicholas Properties LLP ("the LLP") is an LLP whose members are the company, NHL and various members of the Nicholas family. Included within fixed asset investments is the company's £1,000 (2017 - £1,000) investment in the LLP.

14. Controlling parties

The company was controlled by members of the Nicholas family during the year and subsequently.