

Company Registration No. 03343045 (England and Wales)

Addison Developments Limited

**Unaudited financial statements
for the year ended 31 March 2020**

Pages for filing with the Registrar

Addison Developments Limited

Company information

Directors	The Hon Charlotte Townshend DL J R Townshend M K Scrace (Appointed 1 November 2019)
Secretary	M K Scrace
Company number	03343045
Registered office	The Estate Office Melbury Sampford Dorchester Dorset DT2 0LF
Accountants	Saffery Champness LLP Midland House 2 Poole Road Bournemouth Dorset BH2 5QY
Bankers	National Westminster Bank plc 2 Hendford Yeovil Somerset BA20 1TN Santander UK plc 2 Triton Square Regents Place London NW1 3AN
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Investment advisors	Cazenove Capital Management 12 Moorgate London EC2R 6DA

Addison Developments Limited

Contents

	Page
Balance sheet	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 12

Addison Developments Limited

Balance sheet

As at 31 March 2020

		2020	2019
	Notes	£	£
Fixed assets			
Investments	3	16,829,123	16,015,256
Current assets			
Debtors		7,771,902	4,883,459
Cash at bank and in hand		2,065,321	633,672
		<u>9,837,223</u>	<u>5,517,131</u>
Creditors: amounts falling due within one year		<u>(134,597)</u>	<u>(5,655)</u>
Net current assets		<u>9,702,626</u>	<u>5,511,476</u>
Total assets less current liabilities		<u>26,531,749</u>	<u>21,526,732</u>
Creditors: amounts falling due after more than one year		(8,100,000)	(3,500,000)
Provisions for liabilities	7	<u>(131,892)</u>	<u>(149,499)</u>
Net assets		<u><u>18,299,857</u></u>	<u><u>17,877,233</u></u>
Capital and reserves			
Called up share capital	8	7,000,000	7,000,000
Fair value reserve		880,973	1,049,631
Profit and loss reserves		<u>10,418,884</u>	<u>9,827,602</u>
Total equity		<u><u>18,299,857</u></u>	<u><u>17,877,233</u></u>

Addison Developments Limited

Balance sheet (continued)

As at 31 March 2020

In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 30 March 2021 and are signed on its behalf by:

The Hon Charlotte Townshend DL
Director

Company Registration No. 03343045

Addison Developments Limited

**Statement of changes in equity
For the year ended 31 March 2020**

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2018	7,000,000	978,318	9,830,857	17,809,175
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	68,058	68,058
Transfers	-	71,313	(71,313)	-
Balance at 31 March 2019	7,000,000	1,049,631	9,827,602	17,877,233
Year ended 31 March 2020:				
Profit and total comprehensive income for the year	-	-	422,624	422,624
Transfers	-	(168,658)	168,658	-
Balance at 31 March 2020	7,000,000	880,973	10,418,884	18,299,857

Addison Developments Limited

Notes to the financial statements For the year ended 31 March 2020

1 Accounting policies

Company information

Addison Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Estate Office, Melbury Sampford, Dorchester, Dorset, DT2 0LF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group financial statements.

1.2 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Employees

There were no employees during the year apart from the directors (2019: nil).

Addison Developments Limited

Notes to the financial statements (continued)
For the year ended 31 March 2020

3 Fixed asset investments

		2020	2019
		£	£
Investments in subsidiaries	4	2,500,215	2,500,215
Loans to subsidiaries	4	5,382,559	5,882,427
Investments in associates	5	85	85
Loans to associates	5	237,312	237,312
Listed investments		2,172,633	2,358,898
Unlisted investments		6,536,319	5,036,319
		<u>16,829,123</u>	<u>16,015,256</u>

The fair value of listed investments was determined with reference to the quoted market price at the reporting date. The cost of the shares on acquisition was £1,151,408 (2019: £1,151,408).

Unlisted investments represents shares held in subsidiary undertakings and participating interests. Further details of these have been included within notes 4 and 6.

Movements in fixed asset investments

	Shares in group undertakings and participating interests	Loans to group undertakings and participating interests	Other investments	Total
	£	£	£	£
Cost or valuation				
At 1 April 2019	2,500,300	6,119,739	7,395,217	16,015,256
Additions	-	813,884	2,000,000	2,813,884
Valuation changes	-	-	(186,265)	(186,265)
Repayment	-	(1,313,752)	(500,000)	(1,813,752)
	<u>2,500,300</u>	<u>5,619,871</u>	<u>8,708,952</u>	<u>16,829,123</u>
At 31 March 2020	<u>2,500,300</u>	<u>5,619,871</u>	<u>8,708,952</u>	<u>16,829,123</u>
Carrying amount				
At 31 March 2020	<u>2,500,300</u>	<u>5,619,871</u>	<u>8,708,952</u>	<u>16,829,123</u>
At 31 March 2019	<u>2,500,300</u>	<u>6,119,739</u>	<u>7,395,217</u>	<u>16,015,256</u>

Addison Developments Limited**Notes to the financial statements (continued)**
For the year ended 31 March 2020**4 Subsidiaries**

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Addison Developments Four Limited	1	Property investment	Ordinary	100.00	
Addison Developments One Limited	1	Dormant	Ordinary		100.00
Addison Developments Three Limited	1	Holding company	Ordinary	100.00	
Addison Developments Two Limited	1	Dormant	Ordinary		100.00
Biggin Morrison Developments Limited	2	Property development	Ordinary	83.33	
Biggin Morrison London One Limited	2	Property development	Ordinary		83.33
Biggin Morrison London Two Limited	2	Property development	Ordinary	74.50	
Biggin Morrison Oxford One Limited	2	Property development	Ordinary		83.33
Biggin Morrison Oxford Three Limited	2	Dormant	Ordinary		83.33
Biggin Morrison Oxford Two Limited	2	Property development	Ordinary		83.33
BMS Somerset One Limited	2	Property development	Ordinary	55.00	
Connaught Court LLP	4	Property development	Member	75.75	
Moorcrest Solutions Limited	3	Property trading company	Ordinary	100.00	
Strangways Morrison Limited	2	Property development	Ordinary	62.00	

Addison Developments Limited

Notes to the financial statements (continued)

For the year ended 31 March 2020

4 Subsidiaries (continued)

Registered Office addresses:

- 1** The Estate Office, Melbury Sampford, Dorchester, Dorset, DT2 0LF
- 2** 341 Latimer Road, London, United Kingdom, W10 6RA
- 3** Mill Mall Suite 6 Wickhams Cay 1 PO BOX 3085, Road Town, Tortola, British Virgin Islands
- 4** Colenso House, Omega 1, Monks Cross Drive, York, United Kingdom, YO32 9GZ

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Addison Developments Four Limited	94,164	222,752
Addison Developments One Limited	-	1
Addison Developments Three Limited	(666)	(7,451)
Addison Developments Two Limited	-	1
Biggin Morrison Developments Limited	(1,113)	12,722
Biggin Morrison London Two Limited	(15,988)	(42,675)
BMS Somerset One Limited	(23,220)	(24,823)
Connaught Court LLP	591,536	3,887,123
Moorcrest Solutions Limited	882,484	30,671,491
Strangways Morrison Limited	(9,131)	(25,102)

Addison Developments Limited

Notes to the financial statements (continued)
For the year ended 31 March 2020

5 Associates

Details of the company's associates at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Biggin Morrison Investments Limited	341 Latimer Road, London, United Kingdom, W10 6RA	Property Development	Ordinary	42.50	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(loss)	Capital and Reserves
	£	£
Biggin Morrison Investments Limited	(3,134)	(3,625)

Addison Developments Limited**Notes to the financial statements (continued)****For the year ended 31 March 2020****6 Significant undertakings**

The company also has significant holdings in undertakings which are not consolidated:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
224 KHS General Partner Limited	47 Esplanade St, Hellier Jersey JE1 0BD	Property Development	Ordinary		35.00
South Residential Limited	Ship House, 35 Battersea Square, London, SW11 3RA	Rental property management	Ordinary	33.00	
Southern Residential Two Limited	As above	Dormant	Ordinary		33.00
Cygnat Industries Limited	The Estate Office, Holding Company Melbury Sampford, Dorchester, Dorset, DT2 0LF		Ordinary	15.00	

The aggregate capital and reserves and the result for the year of significant undertakings noted above was as follows:

Name of undertaking	Profit/(Loss) Capital and Reserves	
	£	£
224 KHS General Partner Limited	-	1
South Residential Limited	-	1
Southern Residential Two Limited	-	1
Cygnat Industries Limited	(2,552,613)	38,002,583

Addison Developments Limited**Notes to the financial statements (continued)****For the year ended 31 March 2020****7 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2020	2019
Balances:	£	£
Investments	131,892	149,499
	<u> </u>	<u> </u>
		2020
Movements in the year:		£
Liability at 1 April 2019		149,499
Credit to profit or loss		(17,607)
		<u> </u>
Liability at 31 March 2020		131,892
		<u> </u>

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
7,000,000 Ordinary shares of £1 each	7,000,000	7,000,000
	<u> </u>	<u> </u>

9 Events after the reporting date

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has impacted all business sectors. In the UK, the current response to COVID 19 means that we are faced with an unprecedented set of circumstances. At the approval date of these financial statements the future impact to the property development market is unknown and we cannot reliably estimate its effect on trading in the short term.

In light of the current uncertainties the directors have assessed the potential financial implications of the pandemic, and have assessed that the company have sufficient resources to allow it to trade through this period without any additional working capital funding required.

10 Related party transactions

Transactions with related parties have been identified. As the transactions have been conducted under normal market conditions, disclosures have been excluded from the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.