

Company Registration No. 11070538 (England and Wales)

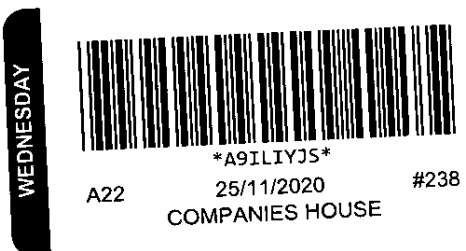
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**ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS
SUBSIDIARIES**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2019

The following accounts are part of the DSEP Package for Co. No. 05219027
Conegate Holdings Limited



ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

COMPANY INFORMATION

Director	Mr David Sullivan
Company number	11070538
Registered office	Ramillies House 2 Ramillies Street London W1F 7LN
Auditor	F Winter & Co. LLP Ramillies House 2 Ramillies Street London W1F 7LN
Business address	Birch Hall Coppice Row Theydon Bois Essex CM16 7DR
Bankers	Royal Bank of Scotland Conqueror House Vision Park, Chivers Way Histon Cambridge CB24 9NL

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

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ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

STRATEGIC REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2019

The director presents the strategic report for the year ended 30 November 2019.

Principal activities

The principal activities of the group are those of Investors and dealers in properties and securities etc. where properties are held for their long term investment potential and they are treated accordingly as investment properties.

Fair review of the business

The year ended 30th November 2019 was a consistent period for the Group, with rental levels being maintained on our investment property portfolio compared to the previous period.

During the year there has been a decrease in the investment property portfolio valuation amounting to £15.5m (2018: £1.8m increase).

The director expects the Group turnover and reserves to decrease in the next financial period in line with the impact of Covid-19 and Brexit on investment property market and disposal of investment properties from existing portfolio respectively.

The result for the year including fair value adjustments showed post tax losses amounting to £15.57m (2018: £4.47m profit). However, the exclusion of fair value and related deferred tax adjustment would result in post tax losses amounting to £3.65m (2018: £2.67m profit). The losses for the year were mainly due to the decrease in fair value of investment properties and a substantial loss on the disposal of a large investment property.

The Group made no acquisition of investment properties and disposed one of its investment property amounting to £77m (2018: £6.03m) during the year under review.

As at 30th November 2019, the net assets in the Group's balance sheet were £90.3m (2018: £106.2m). The decrease in net assets over the year was attributable primarily to the disposals of investment properties during the year under review. The Group's debts as at 30th November 2019 excluding related entity debts amounted to £73m (2018: £101m) equating to a loan to value ratio of 29% (2018: 30%). The total amount of related entity debt amounted to £127m (2018: £126m). The decrease in gearing is primarily due to decrease in the asset base of the investment property portfolio amounting to £77m (2018: £4m) during the year. The Group repaid bank and other loans amounting to £26.1m (2018: £7.23m) during the period.

The revenue in the Group is generated primarily by rents earned from the Group's investment properties and this amounted to £13.98m (2018: £13.2m) for the year. The Group has maintained its rental income at a consistent level for the year.

Restructuring

During the previous period, the group implemented a major restructuring as a part of its strategic planning for some of its entities' involving moving of its investment properties and related borrowings in to a newly incorporated group entity, forming a new holding entity for existing investment property group and de-merging all of its property development activities from this group under a new holding company. This entire restructuring did not affect the group's ultimate beneficial ownership.

Principal risks and uncertainties

The management of the business and the nature of the Group's strategy are subject to a number of risks. Given the size of the group the director has retained the responsibility of monitoring financial risk management. The director has set out below the principal risks facing the business. Where possible processes are in place to monitor and mitigate such risks. To the extent that the risk is insurable, the director is risk averse and widely insured.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

Key performance indicators

The Group's key performance indicators are net assets per share, rental yields, loan to value ratio, rental income growth, interest cover, finance cost rate and total shareholders return and these indicators are monitored closely by the director to ensure optimal business performance. The Group's strategy is to manage the business through the property market cycles, adjusting key investment activities ahead of changing conditions to maximise shareholders return and minimise risks. The Group adds value through active management of assets, its strong financial position and the timing of acquisitions and disposals.

Future Prospects

By having a stable, strong management team together with our own financial resources and the facilities available from our bankers, we have the ability to move into the property markets when conditions become more favourable. We believe that this will be possible in the foreseeable future as the vendors either recognise the fragility of the current market and cut their losses or forced to do so by factors beyond their control. Conversely, companies with prominent properties and first class tenants, who are under no pressure to sell, can command higher prices on their portfolio of properties as interest rates are at a record low. This gives us great confidence for future prospects.

Property Investment

The major risk is failure to execute property investment strategies which are value enhancing. This could potentially impact the Net Asset value of the Group and the total property return. To mitigate this issue the management team has defined investment strategy and asset appraisal process including monitoring of macro-economic and property market trends. Investor Market decrease in demand by investors for real estate could adversely impact the net asset value and progress any new investment opportunities. In order to mitigate this issue the Group tries to ensure that its investments are in prime location and actively manage the property portfolio thus providing against some downturn in the market.

Retail/Office occupier market

Reduced tenant occupation, increased supply and tenant defaults due to financial market rationalisation and economic uncertainty could have an impact on the Group's rental income and cash flow, resulting in void costs with a consequential increase in arrears/bad debts and a knock on effect on the Net Asset Value. To mitigate these risks long upward only lease profiles are negotiated with strong covenants, acquisition of prime assets which are easier to re-let, by having diversified tenant base so as to spread the risk and regular monitoring of tenants at risk.

Going Concern

The director has reviewed the current and projected financial position of the Group making reasonable assumptions about future trading prospects. On the basis of this review, and after making enquiries, the director has reasonable expectation that the Group is strongly capitalised and has considerable liquidity and resources to continue in operational existence for the foreseeable future. Furthermore, the Group has strong diversity in terms of tenants spread and the locations of its investments. For this reason the director continues to adopt the going concern basis in preparing the financial statements.

On behalf of the board



Mr David Sullivan
Director
19 August 2020

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2019

The director presents his annual report and financial statements for the year ended 30 November 2019.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr David Sullivan

Results and dividends

The results for the year are set out on page 9.

The group made a post tax loss for the year amounting to £15.57m (2018: £4.47m profit) including fair value adjustments. However, the pre tax loss excluding fair value adjustments would have amounted to £2.92m (2018: £3.3 m profit).

Ordinary dividends were paid amounting to £306,000. The director does not recommend payment of a further dividend.

Finance Risk Management

The company and group operations expose it to a variety of financial risks, the main two being the effects of changes in the credit risk of tenants and interest rate movement exposure on borrowings. The Group have in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debts finance and the related finance costs. The Group also uses plain vanilla interest rate swaps to protect against interest rate movements and no hedge accounting is applied. The Group's activities are funded by a combination of its own funds and bank borrowings and any shortage of financing or refinancing at an acceptable cost could impact the ability to fund property investments and an increased cost of finance. Cash flows are monitored on a regular basis to ensure that sufficient cash is available to meet its liabilities and provide funds for future investments. Sufficient cash balances are available to maintain the Group's loan to value and commitments are not taken if funding is not available.

Interest rate risk

Adverse interest rate movements could impact the cost of borrowings and the ability to refinance. The Group's borrowing are at a variable rate and it controls exposure to interest rate fluctuations by ensuring that the level of gearing is maintained at a reasonable level. Whilst margins are higher than previously enjoyed, we feel certain we will be able to invest the funds profitably over the term of any new loans negotiated.

Credit risk

Financial counterparty risk could result in the loss of the Group's large cash deposits, substantial costs of rearranging facilities and incremental charges in the financing rate. Counterparty credit worthiness is monitored regularly and the Group has an arrangement in place with its bank to offset the cash balances against its liabilities to the bank.

Future developments

Please refer to the strategic report page number 2.

Auditor

In accordance with the company's articles, a resolution proposing that F Winter & Co. LLP be reappointed as auditor of the group will be put at a General Meeting.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

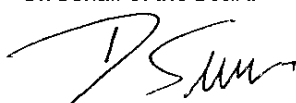
DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

On behalf of the board



Mr David Sullivan
Director

19 August 2020

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2019

The director is responsible for preparing the Annual Report 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

Opinion

We have audited the financial statements of Rosequake Investment Holdings Limited and its Subsidiaries (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2019 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group 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 group's and the parent company's affairs as at 30 November 2019 and of its loss 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 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 group's or the parent 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.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 director

As explained more fully in the Director's Responsibilities Statement, 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 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 director is responsible for assessing the group's and the parent 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 intend to liquidate the group or the parent 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

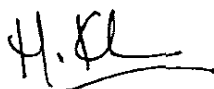
ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

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.



Hilesh Khakhria (Senior Statutory Auditor)
for and on behalf of F Winter & Co. LLP

19 August 2020

Chartered Accountants
Statutory Auditor

Ramillies House
2 Ramillies Street
London
W1F 7LN

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2019

		2019	2018
	Notes	£	£
Revenue	5	13,978,502	13,198,745
Administrative expenses		(10,038,228)	(3,275,876)
Value adjustments on fixed assets		(15,455,000)	1,800,000
Operating (loss)/profit	6	(11,514,726)	11,722,869
Investment income	10	8,291	83
Finance costs	11	(6,866,776)	(6,635,134)
(Loss)/profit before taxation		(18,373,211)	5,087,818
Tax on (loss)/profit	12	2,802,783	(614,341)
(Loss)/profit for the financial year		(15,570,428)	4,473,477


ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2019

	Notes	2019 £	£	2018 £	£
Non-current assets					
Property, plant and equipment	14	69,842		44,080	
Investment properties	15	247,665,000		340,120,000	
Investments	16	88,237		88,237	
		247,823,079		340,252,317	
Current assets					
Trade and other receivables	18	1,269,481		1,144,879	
Cash		49,887,084		2,881,153	
		51,156,565		4,026,032	
Current liabilities	19	(100,601,402)		(104,457,887)	
Net current liabilities		(49,444,837)		(100,431,855)	
Total assets less current liabilities		198,378,242		239,820,462	
Non-current liabilities	20	(101,738,644)		(123,768,527)	
Provisions for liabilities	23	(6,351,928)		(9,887,835)	
Net assets		90,287,670		106,164,100	
Equity					
Called up share capital	25	123,782,984		123,782,984	
Merger reserve		(20,877,110)		(20,877,110)	
Retained earnings		(12,618,204)		3,258,226	
Total equity		90,287,670		106,164,100	

The financial statements were approved and signed by the director and authorised for issue on 19 August 2020


Mr David Sullivan
Director


ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Non-current assets					
Investments	16		123,782,980		123,782,980
Current assets					
Trade and other receivables	18	47,136		120,000	
Cash		44,230		4	
		91,366		120,004	
Current liabilities	19	(74,689)		(39,000)	
Net current assets			16,677		81,004
Total assets less current liabilities			123,799,657		123,863,984
Equity					
Called up share capital	25		123,782,984		123,782,984
Retained earnings			16,673		81,000
Total equity			123,799,657		123,863,984

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £241,673 (2018 - £81,000).

The financial statements were approved and signed by the director and authorised for issue on 19 August 2020


Mr David Sullivan
Director

Company Registration No. 11070538

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2019

		Share capital	Meger reserve	Retained earnings	Total
		£	£	£	£
Balance at 1 December 2017		2,104	-	108,625,209	108,627,313
Year ended 30 November 2018:					
Profit for the year		-	-	4,473,477	4,473,477
Other comprehensive income:					
Issue of share capital	25	160,000,000	-	-	160,000,000
Reduction of shares	25	(36,217,020)	-	-	(36,217,020)
Transfers on restructuring		(2,100)	(20,877,110)	(109,840,460)	(130,719,670)
Total comprehensive income for the year		123,780,880	(20,877,110)	(105,366,983)	(2,463,213)
Balance at 30 November 2018		123,782,984	(20,877,110)	3,258,226	106,164,100
Year ended 30 November 2019:					
Loss for the year		-	-	(15,570,428)	(15,570,428)
Other comprehensive income:					
Dividends	13	-	-	(306,000)	(306,000)
Total comprehensive income for the year		-	-	(15,876,428)	(2,463,213)
Balance at 30 November 2019		123,782,984	(20,877,110)	(12,618,202)	90,287,672

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	Share capital £	Retained earnings £	Total £
Balance at 1 December 2017		4	-	4
Year ended 30 November 2018:				
Profit and total comprehensive income for the year		-	81,000	81,000
Issue of share capital	25	160,000,000	-	160,000,000
Reduction of shares	25	(36,217,020)	-	(36,217,020)
Balance at 30 November 2018		123,782,984	81,000	123,863,984
Year ended 30 November 2019:				
Profit and total comprehensive income for the year		-	241,673	241,673
Dividends	13	-	(306,000)	(306,000)
Balance at 30 November 2019		123,782,984	16,673	123,799,657

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	31	10,910,858		10,883,088	
Interest paid		(6,866,776)		(6,635,134)	
Taxes paid		(595,951)		(787,516)	
Net cash inflow from operating activities		3,448,131		3,460,438	
Investing activities					
Purchase of property, plant and equipment		(50,866)		(655)	
Proceeds on disposal of property, plant and equipment		9,600		-	
Proceeds on disposal of investment property		69,992,500		5,780,514	
Interest received		8,291		83	
Net cash generated from investing activities		69,959,525		5,779,942	
Financing activities					
Repayment of bank loans		(26,095,725)		(6,359,231)	
Dividends paid to equity shareholders		(306,000)		-	
Net cash used in financing activities		(26,401,725)		(6,359,231)	
Net increase in cash and cash equivalents		47,005,931		2,881,149	
Cash and cash equivalents at beginning of year		2,881,153		4	
Cash and cash equivalents at end of year		49,887,084		2,881,153	

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2019

1 Company information

Rosequake Investment Holdings Limited, the parent entity is a private company limited by shares incorporated in England and Wales with registration number 11070538. The registered office is Ramillies House, 2 Ramillies Street, London, W1F 7LN.

The group consists of Rosequake Investment Holdings Limited and all of its subsidiaries.

2 Compliance with accounting standards

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.

3 Accounting policies

3.1 Accounting convention

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 with early application of the FRS 102 Triennial Review 2017 amendments in full.

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

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss account in these financial statements. The parent company's pre tax profit for the year was £298,362 (2018: £100,000).

The company is qualifying entity for the purposes of FRS102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures,
- Section 11 'Basic Financial Instruments'
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

3.2 Basis of consolidation

The consolidated financial statements include information for Rosequake Investment Holdings Limited and all the subsidiaries within the group. Following a group reconstruction in 2017, and as permitted by Financial Reporting Standard 6 and the Companies Act 2006, the group adopted merger accounting. The comparative figures have been restated in accordance with company law as if the undertakings acquired had been included in the consolidation throughout that year. A copy of consolidated financial statements is available from F. Winter & Co. LLP, Ramillies House, 2 Ramillies Street, London, W1F 7LN.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

3 Accounting policies (Continued)

3.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Reporting period

The financial statements are presented for the year ended 30th November 2019. The comparative period was from 25th November 2017 to 30th November 2018.

3.5 Revenue

The group revenue comprises of rental income, service charges and other recoverable from tenants. Revenue is measured at the fair value of consideration received or recoverable and is stated net of discounts and VAT.

3.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% per annum on a straight line basis
Motor vehicles	20% per annum on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

3.7 Investment properties

Investment properties are those properties which are held to earn rentals and/or for capital appreciation. These are initially recognised at cost, which include the purchase cost and any directly attributable expenditure. Subsequently they are measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the properties are sold. The net unrealised gains for the year are transferred to fair value reserve. When the gains are realised on disposal, the net realised gains are transferred to retained earnings.

3.8 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 group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

3 Accounting policies

(Continued)

3.9 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.

3.10 Financial instruments

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, 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.

Other financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Classification of financial liabilities

Basic financial liabilities, including trade and other payables, 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.

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

3.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

3.12 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 income statement 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

3 Accounting policies

(Continued)

Deferred tax

The tax expense represents the sum of tax currently payable and deferred tax. Deferred tax is provided at the rate expected to apply at the date that the timing differences reverse, based on rates enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

Tax deferred or accelerated is accounted for in respect of all material timing differences.

3.13 Retirement benefits

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised on profit and loss account when due.

3.14 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements estimates and assumptions that may effect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses.

Critical accounting estimates - Investment Properties

At 30th November 2019 the carrying value of the Group's investment properties was £247,665,000 (2018: £340,120,000). For the period under review, the group's investment properties were subject to an internal valuation exercise. The fair value of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices. For investment properties where there is no active market, fair value is determined as Group's proportionate share of their fair value of the underlying net assets, subject to adjustment if, in the opinion of the director, market conditions and limited liquidity are expected to adversely affect the amount ultimately realisable from the investment. The current market valuations were performed internally as at 30th November 2019 on behalf of the directors' by Mr. Tim Cooper, an employee of the group who is a qualified chartered surveyor and a member of the RICS, on an open market basis. Following this valuation a deficit of £15,455,000 (2018: £1,800,000 surplus) on the value of the properties was recognised in the financial statements. Whilst the director exercises due care and attention to make reasonable estimates taking into account all available information in estimating the future selling prices, the estimates will, in all likelihood, differ from actual selling prices achieved in the future periods and these differences may, in certain circumstances be very significant.

4 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

5 Revenue

The group's revenue comprises of rental income, service charges, dilapidation income and receivables from tenants derived from its principal activity wholly undertaken in the United Kingdom.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

6 Operating (loss)/profit

	2019 £	2018 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Directors' remuneration	10,000	10,000
Depreciation of owned property, plant and equipment	25,101	21,883
Profit on disposal of property, plant and equipment	(9,599)	-
Loss on disposal of investment property	7,007,500	249,486

7 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	9,000	8,000
Audit of the financial statements of the company's subsidiaries	12,000	12,000
	21,000	20,000

8 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Office and management	17	17	1	1

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	588,232	579,360	10,000	10,000
Social security costs	70,685	49,309	2,264	-
Pension costs	9,847	11,588	-	-
	668,764	640,257	12,264	10,000

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

9	Director's remuneration	2019	2018
		£	£
	Remuneration for qualifying services	10,000	10,000
10	Investment income	2019	2018
		£	£
	Interest income		
	Interest on bank deposits	3,781	-
	Other interest income	4,510	83
	Total income	8,291	83
11	Finance costs	2019	2018
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	3,471,294	3,482,769
	Other interest on financial liabilities	3,395,108	3,152,321
		6,866,402	6,635,090
	Other finance costs:		
	Other interest	374	44
	Total finance costs	6,866,776	6,635,134
12	Taxation	2019	2018
		£	£
	Current tax		
	UK corporation tax on profits for the current period	758,273	691,254
	Adjustments in respect of prior periods	(25,149)	(88)
	Total current tax	733,124	691,166
	Deferred tax		
	Origination and reversal of timing differences	(3,535,907)	(76,825)
	Total tax (credit)/charge	(2,802,783)	614,341

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

12 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
(Loss)/profit before taxation	(18,373,211)	5,087,818
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(3,490,910)	966,685
Tax effect of expenses that are not deductible in determining taxable profit	766	59,037
Gains not taxable	1,329,601	2,422
Permanent capital allowances in excess of depreciation	(21,850)	(1,568)
Depreciation on assets not qualifying for tax allowances	4,211	3,609
Other permanent differences	(599,452)	(415,756)
Under/(over) provided in prior years	-	(88)
Deferred tax adjustments in respect of prior years	(25,149)	-
Taxation (credit)/charge	(2,802,783)	614,341

13 Dividends

	2019 £	2018 £
Final paid	306,000	-

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

14 Property, plant and equipment

Group	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 December 2018	42,304	89,307	131,611
Additions	15,349	35,517	50,866
Disposals	-	(27,100)	(27,100)
At 30 November 2019	57,653	97,724	155,377
Depreciation and impairment			
At 1 December 2018	17,458	70,075	87,533
Depreciation charged in the year	5,558	19,543	25,101
Eliminated in respect of disposals	-	(27,099)	(27,099)
At 30 November 2019	23,016	62,519	85,535
Carrying amount			
At 30 November 2019	34,637	35,205	69,842
At 30 November 2018	24,848	19,232	44,080

15 Investment property

	Group 2019 £	Company 2019 £
Fair value		
At 1 December 2018 and 30 November 2019	340,120,000	-
Disposals	(77,000,000)	-
Net gains or losses through fair value adjustments	(15,455,000)	-
At 30 November 2019	247,665,000	-

As at 30th November 2019, the fair value of investment properties has been arrived at on the basis of an internal valuation carried out by Mr. Tim Cooper, a qualified chartered surveyor and a member of the RICS, on an open market basis and it is in agreement with the directors of the Group.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The fair value of investment properties reflect among other things, rental income from current leases and assumptions about future rental lease income based on current market conditions and anticipated plans for the properties.

On a historical cost basis these would have been included at an original cost of £273,235,148 (2018: £350,050,000).

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

16 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	17	-	-	123,782,980	123,782,980
Unlisted investments		88,237	88,237	-	-
		<u>88,237</u>	<u>88,237</u>	<u>123,782,980</u>	<u>123,782,980</u>

The unlisted investment represents 15% of the issued equity in J2 World Limited.

Movements in non-current investments Group

Cost or valuation

At 1 December 2018 and 30 November 2019

Investments
other than
loans
£

88,237

Carrying amount

At 30 November 2019

88,237

At 30 November 2018

88,237

Movements in non-current investments Company

Cost or valuation

At 1 December 2018 and 30 November 2019

Shares in
group
undertakings
£

123,782,980

Carrying amount

At 30 November 2019

123,782,980

At 30 November 2018

123,782,980

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

17 Subsidiaries

Details of the company's subsidiaries at 30 November 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Conegate (2003) Limited	England and Wales	Investors in properties	Ordinary	-	100.00
Conegate (2005) Limited	England and Wales	Investors in properties	Ordinary	-	100.00
Conegate (2006) Limited	England and Wales	Investors in properties	Ordinary	-	100.00
Conegate Holdings Limited	England and Wales	Investors in properties	Ordinary	-	100.00
Conegate Limited (formerly New Conegate Limited)	England and Wales	Investors in properties	Ordinary	-	100.00
GC Co. No. 103 Limited	England and Wales	Investors in properties	Ordinary	-	100.00
Rosequake Limited	England and Wales	Investors in properties	Ordinary	100.00	-

The group has opted for audit exemption for the following entities Rosequake Limited, GC Co. No. 103 Limited and Conegate Holdings Limited under section 479A of the Companies Act 2006. While Conegate (2003) Limited, Conegate (2005) Limited and Conegate (2006) Limited are exempt from audit under small companies regime.

18 Trade and other receivables

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade receivables	68,928	30,118	-	-
Corporation tax recoverable	80,593	93,739	-	-
Amounts owed by group undertakings	-	-	43,736	120,000
Other receivables	1,101,582	1,001,009	3,400	-
Prepayments and accrued income	18,378	20,013	-	-
	<u>1,269,481</u>	<u>1,144,879</u>	<u>47,136</u>	<u>120,000</u>

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

19 Current liabilities

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans	21	23,301,261	27,367,417	-	-
Non bank loans	21	75,383,039	75,038,102	-	-
Trade payables		844,072	1,076,734	-	-
Corporation tax payable		187,889	63,547	56,689	19,000
Other taxation and social security		488,423	468,377	-	-
Other payables		82,576	88,479	-	10,000
Accruals and deferred income		314,142	355,231	18,000	10,000
		<u>100,601,402</u>	<u>104,457,887</u>	<u>74,689</u>	<u>39,000</u>

Non-bank loans include debts amounting to £75,383,039 (2018: £75,038,102) due to companies under common control which are repayable on demand and carry an interest rate of base plus 2% per annum.

Other payables and accruals include debts amounting to £261,297 (2018: £313,557) due to companies under common control which are repayable on demand.

20 Non-current liabilities

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans and overdrafts	21	49,890,699	73,203,116	-	-
Non bank loans	21	51,847,945	50,565,411	-	-
		<u>101,738,644</u>	<u>123,768,527</u>	<u>-</u>	<u>-</u>

21 Borrowings

		Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans		73,191,959	100,570,533	-	-
Non bank loans		127,230,964	125,603,513	-	-
		<u>200,422,943</u>	<u>226,174,046</u>	<u>-</u>	<u>-</u>
Payable within one year		98,684,298	102,405,519	-	-
Payable after one year		101,738,644	123,768,527	-	-

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

21 Borrowings

(Continued)

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the Group. There have been no defaults on any loans during the year under review and the Group has operated within its banking covenants.

The above bank and other loans are repayable by instalments between 2019 and 2021.

All the borrowings as at 30th November 2019, are at floating interest rates and bears interest at rates between 0.85% to 2.25% over either bank base rate, LIBOR and LIBOR swaps.

The total amount of bank borrowings which are subject to interest rate swaps amounted to £3,734,092 (2018: £3,852,523).

Non bank loans included in non current liabilities amounting to £51,847,945 (2018: £50,565,411) represents debts including accrued interest owed by the Group to New Rickleford Limited (Co. Reg. No. 11043203) (2018: New Rickleford Limited and Rickleford Limited (Co. Reg. No. 08156827)) which is a company under common control and not part of the Group. Interest is charged at 2% per annum above the base rate on a compound basis. This loan is repayable by 4th August 2021.

Non bank loans due within one year amounting to £75,383,039 (2018: £75,038,102) represents debt owed by the Group to New Rickleford Limited (2018: New Rickleford Limited and Rickleford Limited). These are unsecured loans which carry an interest rate of base plus 2% per annum and are repayable on demand.

22 Provisions for liabilities

		Group 2019	2018	Company 2019	2018
	Notes	£	£	£	£
Deferred tax liabilities	23	6,351,928	9,887,835	-	-

23 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2019	Liabilities 2018
Group	£	£
Balance brought forward	9,887,835	9,964,660
Charge for the period	(3,535,907)	(76,825)
	6,351,928	9,887,835

The deferred tax liability set out above is expected to reverse in the future and relates to accelerated capital allowances that are expected to mature within the same period and fair value gains on the investment properties which have been included in income statement but are not taxable until sold.

Company

The company has no deferred tax assets or liabilities.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

24 Retirement benefit schemes

	2019	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	9,847	11,588

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

25 Share capital

	Group and company	
	2019	2018
Ordinary share capital	£	£
Issued and fully paid		
58,944,280 Ordinary 'A' shares of 10p each	5,894,428	5,894,428
589,442,780 Ordinary 'B' shares of 10p each	58,944,278	58,944,278
589,442,780 Ordinary 'C' shares of 10p each	58,944,278	58,944,278
	123,782,984	123,782,984

With effect from 10th December 2018, the A, B and C shares have the following rights to income and capital:

The A shares are entitled to income distributions and capital distributions and capital proceeds on a sale of A shares up to £18,455,104 in aggregate. The B shares are entitled to income distributions and capital distributions and capital proceeds on a sale of B shares up to £2,336,089 after the holders of A shares have received £18,455,104 in aggregate. The C shares are entitled to income distributions and capital distributions and capital proceeds on a sale of C shares, after the holder of A shares and B shares have received £20,791,193 in aggregate.

26 Group restructuring

During the previous period, the group implemented a major restructuring as a part of its strategic planning for some of its entities' involving moving of investment properties and related borrowings in to a newly incorporated group entity, forming a new holding entity for existing group and de-merging all of its property development activities without any implication on its ultimate beneficial ownership.

27 Events after the reporting date

During the post balance sheet period, the director expects the group turnover and reserves to decrease fairly in line with the impact of Covid-19 and Brexit on investment property market and disposal of investment properties from existing portfolio respectively.

28 Contingent liabilities

The group is party to a fixed and floating charge on its assets as security for the borrowings of the group. There have been no defaults during the year under review and the Group has operated within its banking covenants.

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

31 Cash generated from group operations

	2019 £	2018 £
(Loss)/profit for the year after tax	(15,570,428)	4,473,477
Adjustments for:		
Taxation (credited)/charged	(2,802,783)	614,341
Finance costs	6,866,776	6,635,134
Investment income	(8,291)	(83)
Gain on disposal of property, plant and equipment	(9,599)	-
Loss on disposal of investment property	7,007,500	249,486
Depreciation and impairment of property, plant and equipment	25,101	21,883
Value adjustments on fixed assets	15,455,000	(1,800,000)
Movements in working capital:		
(Increase) / decrease in trade and other receivables	(137,748)	22,012
Increase in trade and other payables	85,330	666,838
Cash generated from operations	10,910,858	10,883,088

ROSEQUAKE INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2019

29 Related party transactions

The material related party transactions during the year ended 30th November 2019 were:

Non bank loans included in non current liabilities amounting to £51,847,945 (2018: £50,565,411) represents debts including accrued interest owed by the Group to New Rickleford Limited (Co. Reg. No. 11043203) (2018: New Rickleford Limited and Rickleford Limited (Co. Reg. No. 08156827)) which is a company under common control and not part of the Group. Interest is charged at 2% per annum above the base rate on a compound basis. This loan is repayable by 4th August 2021.

As at 30th November 2019 the following balances have been shown within other debtors:

£82,394 (2018: £82,394) due from a company controlled by the director and shareholder.

The above balances arose as a consequence of proceeds from sale of retail outlets banked in the Group.

As at 30th November 2019 the following balances have been shown within non bank loans payable within one year:

- £75,383,039 (2018: £75,038,102) due to a company controlled by the director and shareholder.

During the year, management charges relating to property management amounting to £1,151,601 (2018: £1,208,048) were paid to a company controlled by the director and shareholder. The balance outstanding at the year end amounted to £96,297 (2018: £148,558).

All of the above companies are independent entities and does not form part of this group.

The group has taken advantage of the exemption in FRS102 35.1A not to disclose transactions between group members where the subsidiaries are wholly owned by the parent.

30 Controlling party

The company is under control of its director, Mr. D. Sullivan by virtue of his shareholding.

As at 30th November 2019, Mr. D. Sullivan, the director of the Group is the ultimate controlling party by virtue of his shareholding.