

Company Registration No. 07265684 (England and Wales)

MARKET TOWN DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

MARKET TOWN DEVELOPMENTS LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

MARKET TOWN DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		4,997		3,536
Investments	4		2,001		2,001
			<u>6,998</u>		<u>5,537</u>
Current assets					
Debtors	5	6,020,074		5,718,413	
Cash at bank and in hand		30,700		23,676	
		<u>6,050,774</u>		<u>5,742,089</u>	
Creditors: amounts falling due within one year	6	<u>(6,061,595)</u>		<u>(5,753,209)</u>	
Net current liabilities			<u>(10,821)</u>		<u>(11,120)</u>
Total assets less current liabilities			<u>(3,823)</u>		<u>(5,583)</u>
Capital and reserves					
Called up share capital	7		1,000		1,000
Profit and loss reserves			<u>(4,823)</u>		<u>(6,583)</u>
Total equity			<u>(3,823)</u>		<u>(5,583)</u>

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

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 17 December 2019 and are signed on its behalf by:

N Jones
Director

Company Registration No. 07265684

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Market Town Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Martlet House, E1, Yeoman Gate, Yeoman Way, Worthing, West Sussex, BN13 3QZ.

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. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2019 are the first financial statements of Market Town Developments Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the balance sheet date there was an excess of liabilities over assets. The company is held in a small group and is supported indirectly by the beneficial owner K M M Al Tajir with loans from companies both within and outside the group structure, in which K M M Al Tajir has a material interest. K M M Al Tajir has informed the board of directors that he will continue to support the company indirectly with loans from companies both within and outside the group structure until the company is in a position to support itself. The board of directors for this reason consider it appropriate for the accounts to be prepared on a going concern basis.

1.3 Reporting period

The comparative amounts presented in the financial statements (including related notes) are not entirely comparable with the current period amounts since the previous reporting period covers 15 months. The accounting reference date was changed last year for administrative purposes.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets 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	20% straight line basis
Computers	25% 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 credited or charged to profit or loss.

1.6 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.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 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.

1.9 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.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors 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.

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.

1.10 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.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2018 - 5).

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2018	3,442	8,578	12,020
Additions	-	3,037	3,037
At 31 March 2019	3,442	11,615	15,057
Depreciation and impairment			
At 1 April 2018	3,442	5,042	8,484
Depreciation charged in the year	-	1,576	1,576
At 31 March 2019	3,442	6,618	10,060
Carrying amount			
At 31 March 2019	-	4,997	4,997
At 31 March 2018	-	3,536	3,536

4 Fixed asset investments

	2019	2018
	£	£
Investments	2,001	2,001

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2018 & 31 March 2019	2,001
Carrying amount	
At 31 March 2019	2,001
At 31 March 2018	2,001

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	5,821,045	5,551,874
Other debtors	199,029	166,539
	<u>6,020,074</u>	<u>5,718,413</u>

6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	25,947	11,140
Amounts owed to group undertakings	48,917	48,917
Taxation and social security	13,466	12,644
Other creditors	5,972,065	5,678,117
Accruals and deferred income	1,200	2,391
	<u>6,061,595</u>	<u>5,753,209</u>

7 Called up share capital

	2019	2018
	£	£
Ordinary share capital Issued and fully paid 1,000 Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Macdonald B.A. F.C.A.

The auditor was The Martlet Partnership LLP.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Related party transactions

Transactions with related parties

The company provided an interest free loan to Palladian Real Estate Limited, a company registered in the United Kingdom and the company's ultimate parent company within the group structure. The amount outstanding at the balance sheet date was £26,733 (2018: £26,446). The loan is repayable on demand.

The company has provided an interest free loan to Market Town Foods Limited, a company registered in the United Kingdom within the group structure. The amount outstanding at the balance sheet date was £3,891,522 (2018: £3,889,174). This loan was provided with no formal repayment terms.

The company has provided an interest free loan to The Angel Inn (Petworth) Limited, a company registered in the United Kingdom within the group structure. The amount outstanding at the balance sheet date was £45,225 (2018: £3,833). This loan was provided with no formal repayment terms.

The company has provided an interest free loan to E. Street Restaurants Limited, a company registered in the United Kingdom within the group structure. The amount outstanding at the balance sheet date was £1,857,469 (2018: £1,662,700). This loan was provided with no formal repayment terms.

The company has provided an interest free loan to Augustus Brandt Antiques International Limited, a company registered in the United Kingdom and outside the group structure. The amount outstanding at the balance sheet date was £189,272 (2018: £131,020). This loan was provided with no formal repayment terms.

The company has provided an interest free loan to Wickerton Investments Limited, a company registered in Gibraltar and within the group structure. The amount outstanding at the balance sheet date was £96 (2018: £2,856). This loan was provided with no formal repayment terms.

The company was provided with an interest free loan from companies outside the group structure, companies in which director K M M Al Tajir has a material interest. The loans outstanding at the balance sheet date totalled £5,950,342 (2018: £5,677,391). The director has confirmed that the loans from companies outside the group will not be repaid until the company is in a position to do so.

10 Parent company

The company's ultimate parent company is Palladian Real Estate Limited, a company registered in the United Kingdom.

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.