

Company Registration No. 07265684 (England and Wales)

MARKET TOWN DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
PAGES FOR FILING WITH REGISTRAR

MARKET TOWN DEVELOPMENTS LIMITED

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MARKET TOWN DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		8,412		4,997
Investments	4		2,001		2,001
			<u>10,413</u>		<u>6,998</u>
Current assets					
Debtors	5	6,454,741		6,020,074	
Cash at bank and in hand		14,442		30,700	
		<u>6,469,183</u>		<u>6,050,774</u>	
Creditors: amounts falling due within one year	6	<u>(6,484,941)</u>		<u>(6,061,595)</u>	
Net current liabilities			<u>(15,758)</u>		<u>(10,821)</u>
Total assets less current liabilities			<u>(5,345)</u>		<u>(3,823)</u>
Capital and reserves					
Called up share capital	7		1,000		1,000
Profit and loss reserves			<u>(6,345)</u>		<u>(4,823)</u>
Total equity			<u>(5,345)</u>		<u>(3,823)</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 30 March 2021 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 2020

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.

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 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.

1.4 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

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

1.5 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.

1.6 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.

1.7 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.

1.8 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 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.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 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.

1.11 Retirement benefits

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Employees

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

	2020 Number	2019 Number
Total	12	9

3 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2019	3,442	11,615	15,057
Additions	-	5,646	5,646
At 31 March 2020	3,442	17,261	20,703
Depreciation and impairment			
At 1 April 2019	3,442	6,618	10,060
Depreciation charged in the year	-	2,231	2,231
At 31 March 2020	3,442	8,849	12,291
Carrying amount			
At 31 March 2020	-	8,412	8,412
At 31 March 2019	-	4,997	4,997

4 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	2,001	2,001

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Shares in group undertakings
			£
	Cost or valuation		
	At 1 April 2019 & 31 March 2020		2,001
	Carrying amount		
	At 31 March 2020		2,001
	At 31 March 2019		2,001
5	Debtors	2020	2019
	Amounts falling due within one year:	£	£
	Amounts owed by group undertakings	6,137,592	5,821,045
	Other debtors	317,149	199,029
		<u>6,454,741</u>	<u>6,020,074</u>
6	Creditors: amounts falling due within one year	2020	2019
		£	£
	Trade creditors	43,553	25,947
	Amounts owed to group undertakings	48,917	48,917
	Taxation and social security	26,152	13,466
	Other creditors	6,363,253	5,972,065
	Accruals and deferred income	3,066	1,200
		<u>6,484,941</u>	<u>6,061,595</u>
7	Called up share capital	2020	2019
		£	£
	Ordinary share capital		
	Issued and fully paid		
	1,000 Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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.

9 Events after the reporting date

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. The virus has promulgated significantly outside China, and now exists in most of the world. As a result, the World Health Organization declared COVID-19 a pandemic in March 2020.

The company is closely monitoring the situation, by taking all required measures to limit the risk of contagion of employees, to maintain the company's business, together with taking several steps to further strengthen the financial position and maintaining the company's financial liquidity. The company's management has activated several operating and safety procedures, in order to mitigate the potential impact on operations.

10 Related party transactions

Transactions with related parties

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 £298,387 (2019: £189,272). 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 £6,171,850 (2019: £5,950,342). 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.

11 Parent company

The company's ultimate parent company is Palladian Real Estate Limited, a company registered at Unit E1, Yeoman Gate, Yeoman Way, Worthing, England.

The company is included in the consolidated accounts of Palladian Real Estate Limited.

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.