

Company registration number 07265684 (England and Wales)

MARKET TOWN DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

MARKET TOWN DEVELOPMENTS LIMITED

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MARKET TOWN DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|--------------------|-----------------|--------------------|-----------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 8,734 | | 8,412 |
| Investments | 5 | | 2,001 | | 2,001 |
| | | | <u>10,735</u> | | <u>10,413</u> |
| Current assets | | | | | |
| Debtors | 6 | 6,430,553 | | 6,455,775 | |
| Cash at bank and in hand | | 30,251 | | 13,408 | |
| | | <u>6,460,804</u> | | <u>6,469,183</u> | |
| Creditors: amounts falling due within one year | 7 | <u>(6,538,047)</u> | | <u>(6,484,941)</u> | |
| Net current liabilities | | | <u>(77,243)</u> | | <u>(15,758)</u> |
| Net liabilities | | | <u>(66,508)</u> | | <u>(5,345)</u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 1,000 | | 1,000 |
| Profit and loss reserves | | | <u>(67,508)</u> | | <u>(6,345)</u> |
| Total equity | | | <u>(66,508)</u> | | <u>(5,345)</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 16 May 2022 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 2021

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 2021

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 2021

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 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 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 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

3 Employees

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

| | 2021 Number | 2020 Number |
|-------|----------------|----------------|
| Total | 12 | 12 |

4 Tangible fixed assets

| | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|-------------------------------|----------------|------------|
| Cost | | | |
| At 1 April 2020 | 3,442 | 17,261 | 20,703 |
| Additions | - | 2,448 | 2,448 |
| At 31 March 2021 | 3,442 | 19,709 | 23,151 |
| Depreciation and impairment | | | |
| At 1 April 2020 | 3,442 | 8,849 | 12,291 |
| Depreciation charged in the year | - | 2,126 | 2,126 |
| At 31 March 2021 | 3,442 | 10,975 | 14,417 |
| Carrying amount | | | |
| At 31 March 2021 | - | 8,734 | 8,734 |
| At 31 March 2020 | - | 8,412 | 8,412 |

5 Fixed asset investments

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| 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 2021

6 Debtors

| | 2021 | 2020 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Amounts owed by group undertakings | 6,016,524 | 6,137,592 |
| Other debtors | 410,287 | 317,149 |
| Prepayments and accrued income | 3,742 | 1,034 |
| | <u>6,430,553</u> | <u>6,455,775</u> |

7 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 12,892 | 43,553 |
| Amounts owed to group undertakings | 73,728 | 48,917 |
| Taxation and social security | 46,561 | 26,152 |
| Other creditors | 6,402,070 | 6,363,253 |
| Accruals and deferred income | 2,796 | 3,066 |
| | <u>6,538,047</u> | <u>6,484,941</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 and the auditor was The Martlet Partnership LLP.

9 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 £379,171 (2020: £298,387). 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 £6,144,222 (2020: £6,171,850). 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.

MARKET TOWN DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 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.