

REGISTERED NUMBER: 08020218 (England and Wales)

**DIRECTORS' REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018
FOR
MARLBOROUGH PROPERTY CO LIMITED**

**KPMG LLP
Statutory Auditor, Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ**

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FOR THE YEAR ENDED 30 JUNE 2018**

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MARLBOROUGH PROPERTY CO LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2018**

DIRECTORS:

Mr W L Adderley
Mr D L Wright

REGISTERED OFFICE:

Two Marlborough Court
Watermead Business Park
Syston
Leicestershire
LE7 1AD

REGISTERED NUMBER:

08020218 (England and Wales)

INDEPENDENT AUDITORS:

KPMG LLP
Statutory Auditor, Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2018.

PRINCIPAL ACTIVITIES

The principal activity of the group in the year under review was that of providing asset management services to the commercial and residential properties in the group in addition to commercial property investment and development.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2017 to the date of this report.

Mr W L Adderley
Mr D L Wright

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr D L Wright - Director

10 December 2018

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare Group and parent company financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARLBOROUGH PROPERTY CO LIMITED

Opinion

We have audited the financial statements of Marlborough Property Co Limited ("the company") for the year ended 30 June 2018, which comprise the consolidated profit and loss account, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon. Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, 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; or

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARLBOROUGH PROPERTY CO LIMITED

-the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Ian Borley (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Statutory Auditor, Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

12 December 2018

MARLBOROUGH PROPERTY CO LIMITED (REGISTERED NUMBER: 08020218)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	30/6/18 £	30/6/17 £
TURNOVER		8,607,525	7,779,812
Cost of sales		<u>57,687</u>	<u>28,477</u>
GROSS PROFIT		8,549,838	7,751,335
Administrative expenses		<u>555,212</u>	<u>458,465</u>
		7,994,626	7,292,870
Other income		30,000	-
Gain on revaluation of investment property		-	9,769,002
OPERATING PROFIT		<u>8,024,626</u>	<u>17,061,872</u>
(Loss)/profit on sale of investments	3	<u>(107,934)</u>	<u>4,986,014</u>
		7,916,692	22,047,886
Interest receivable and similar income	4	<u>298,087</u>	<u>246,507</u>
		8,214,779	22,294,393
Interest payable and similar expenses	5	<u>2,958,442</u>	<u>2,120,334</u>
PROFIT BEFORE TAXATION		<u>5,256,337</u>	<u>20,174,059</u>
Tax on profit	6	<u>277,180</u>	<u>3,106,503</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>4,979,157</u></u>	<u><u>17,067,556</u></u>
Profit attributable to: Owners of the parent		<u><u>4,979,157</u></u>	<u><u>17,067,556</u></u>

The notes form part of these financial statements

MARLBOROUGH PROPERTY CO LIMITED (REGISTERED NUMBER: 08020218)**CONSOLIDATED BALANCE SHEET
30 JUNE 2018**

	Notes	30/6/18 £	30/6/17 £
FIXED ASSETS			
Tangible assets	8	2,816,517	2,927,738
Investments	9	-	-
Investment property	10	<u>247,650,904</u>	<u>261,144,954</u>
		<u>250,467,421</u>	<u>264,072,692</u>
CURRENT ASSETS			
Debtors	11	1,701,714	738,914
Cash at bank		<u>6,649,356</u>	<u>6,793,439</u>
		8,351,070	7,532,353
CREDITORS			
Amounts falling due within one year	13	(118,841,593)	(128,998,557)
NET CURRENT LIABILITIES		<u>(110,490,523)</u>	<u>(121,466,204)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		139,976,898	142,606,488
CREDITORS			
Amounts falling due after more than one year	14	(110,595,664)	(117,737,777)
PROVISIONS FOR LIABILITIES	15	<u>(995,992)</u>	<u>(1,462,626)</u>
NET ASSETS		<u>28,385,242</u>	<u>23,406,085</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>28,385,142</u>	<u>23,405,985</u>
SHAREHOLDERS' FUNDS		<u>28,385,242</u>	<u>23,406,085</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 10 December 2018 and were signed on its behalf by:

Mr D L Wright - Director

MARLBOROUGH PROPERTY CO LIMITED (REGISTERED NUMBER: 08020218)

**COMPANY BALANCE SHEET
30 JUNE 2018**

	Notes	30/6/18 £	30/6/17 £
FIXED ASSETS			
Tangible assets	8	97,067	116,826
Investments	9	1,287,722	1,287,722
Investment property	10	-	-
		<u>1,384,789</u>	<u>1,404,548</u>
CURRENT ASSETS			
Debtors	11	231,327,382	245,671,535
Other financial assets	12	286,222	-
Cash at bank		<u>4,665,594</u>	<u>4,282,731</u>
		236,279,198	249,954,266
CREDITORS			
Amounts falling due within one year	13	(115,509,536)	(125,652,084)
NET CURRENT ASSETS		<u>120,769,662</u>	<u>124,302,182</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		122,154,451	125,706,730
CREDITORS			
Amounts falling due after more than one year	14	(110,595,664)	(117,737,777)
PROVISIONS FOR LIABILITIES	15	-	(126)
NET ASSETS		<u>11,558,787</u>	<u>7,968,827</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>11,558,687</u>	<u>7,968,727</u>
SHAREHOLDERS' FUNDS		<u>11,558,787</u>	<u>7,968,827</u>
Company's profit for the financial year		<u>3,589,960</u>	<u>4,980,357</u>

The notes form part of these financial statements

COMPANY BALANCE SHEET - continued
30 JUNE 2018

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 10 December 2018 and were signed on its behalf by:

Mr D L Wright - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2016	100	6,338,429	6,338,529
Changes in equity			
Total comprehensive income	-	17,067,556	17,067,556
Balance at 30 June 2017	100	23,405,985	23,406,085
Changes in equity			
Total comprehensive income	-	4,979,157	4,979,157
Balance at 30 June 2018	100	28,385,142	28,385,242

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2016	100	2,988,370	2,988,470
Changes in equity			
Total comprehensive income	-	4,980,357	4,980,357
Balance at 30 June 2017	100	7,968,727	7,968,827
Changes in equity			
Total comprehensive income	-	3,589,960	3,589,960
Balance at 30 June 2018	100	11,558,687	11,558,787

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. STATUTORY INFORMATION

Marlborough Property Co Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements were prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014, and with the Companies Act 2006 (as applicable to companies subject to the small companies' regime). The changes to FRS 102 issued in September 2015 effective for periods beginning on or after 1 January 2016 have been adopted and therefore, as a small company the financial statements have been prepared under section 1A the small entities regime of FRS 102.

The financial statements have been prepared on the going concern basis, notwithstanding group net current liabilities of £110,490,523 (2017: £121,466,204). The directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors confirm that the loans due to the parent company will not become repayable until an investment property is sold by one of the subsidiary companies or other funding becomes available to the company. On this basis they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirement of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosure paragraph 33.7;
- key management personnel compensation;

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES - continued

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 until a reliable measure of fair value becomes available.

Revaluation gains and losses are recognised in the income statement.

Financial instruments

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies, 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 receipts 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.

Derivative instruments

The company uses interest rate swaps to adjust interest rate exposures. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of interest rate swap contracts are determined by calculating the present value of the estimated future cash flows based on observable yield curves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. PROFIT/LOSS ON SALE

	30/6/18 £	30/6/17 £
(Loss)/profit on sale of investments	<u>(107,934)</u>	<u>4,986,014</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	30/6/18 £	30/6/17 £
Interest recharge	2,603	226,793
Bank interest received	7,222	17,617
Refinancing cost recharges	-	2,097
Net gain on financial assets measured at fair value through profit and loss	288,262	-
	<u>298,087</u>	<u>246,507</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	30/6/18 £	30/6/17 £
Bank loan interest	2,763,805	2,036,598
Refinancing costs	150,787	83,736
Other Interest	43,850	-
	<u>2,958,442</u>	<u>2,120,334</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	30/6/18 £	30/6/17 £
Current tax:		
UK corporation tax	743,814	1,890,222
Deferred tax	(466,634)	1,216,281
Tax on profit	<u>277,180</u>	<u>3,106,503</u>

UK corporation tax has been charged at 19% (2017 - 19.75%).

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2016. The additional rate reduction in the UK tax rate to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2017 and substantively enacted on 26 September 2016. This will reduce the company's future tax charge accordingly.

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

The profit after tax of the company was £3,589,961 (2017: £4,980,357).

8. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2017	2,740,493	287,190	32,640	3,060,323
Additions	-	19,035	6,316	25,351
At 30 June 2018	<u>2,740,493</u>	<u>306,225</u>	<u>38,956</u>	<u>3,085,674</u>
DEPRECIATION				
At 1 July 2017	54,810	61,442	16,333	132,585
Charge for year	54,810	72,590	9,172	136,572
At 30 June 2018	<u>109,620</u>	<u>134,032</u>	<u>25,505</u>	<u>269,157</u>
NET BOOK VALUE				
At 30 June 2018	<u>2,630,873</u>	<u>172,193</u>	<u>13,451</u>	<u>2,816,517</u>
At 30 June 2017	<u>2,685,683</u>	<u>225,748</u>	<u>16,307</u>	<u>2,927,738</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

8. TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 July 2017	140,581	32,640	173,221
Additions	19,035	6,316	25,351
At 30 June 2018	<u>159,616</u>	<u>38,956</u>	<u>198,572</u>
DEPRECIATION			
At 1 July 2017	40,062	16,333	56,395
Charge for year	35,938	9,172	45,110
At 30 June 2018	<u>76,000</u>	<u>25,505</u>	<u>101,505</u>
NET BOOK VALUE			
At 30 June 2018	<u>83,616</u>	<u>13,451</u>	<u>97,067</u>
At 30 June 2017	<u>100,519</u>	<u>16,307</u>	<u>116,826</u>

9. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2017 and 30 June 2018	<u>1,287,722</u>
NET BOOK VALUE	
At 30 June 2018	<u>1,287,722</u>
At 30 June 2017	<u>1,287,722</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018**

9. FIXED ASSET INVESTMENTS - continued

The company owns 100% of the issued share capital of the companies listed below:

Marlborough Property (Helensburgh) Limited
 Marlborough Property (Watermead) Limited
 Marlborough Property (Colmore Row) Limited
 Marlborough Property (Staines) Limited
 Marlborough Property (Water Court) Limited
 Marlborough Property (Digbeth) Limited
 Marlborough Property (NBS 169) Limited
 Marlborough Property (Douglas) Limited
 Marlborough Property (Putney One) Limited
 Marlborough Property (Putney Two) Limited
 Marlborough Property (Beckenham) Limited
 Marlborough Property (Camden) Limited
 Marlborough Property (Chiswick) Limited
 Marlborough Property (Clapham) Limited
 Marlborough Property (Eltham) Limited
 Marlborough Property (Kilburn) Limited
 Marlborough Property (Pinner) Limited
 Marlborough Property (Putney) Limited
 Marlborough Property (Rickmansworth) Limited
 Marlborough Property (Temple Fortune) Limited
 Marlborough Property (Whetstone) Limited

The registered office for all companies listed above is; Two Marlborough Court, Watermead Business Park, Syston, Leicestershire, LE7 1AD.

10. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 July 2017	261,144,954
Additions	5,950
Disposals	(13,500,000)
At 30 June 2018	<u>247,650,904</u>
NET BOOK VALUE	
At 30 June 2018	<u>247,650,904</u>
At 30 June 2017	<u>261,144,954</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

10. INVESTMENT PROPERTY - continued**Group**

Fair value at 30 June 2018 is represented by:

	£
Cost	237,881,902
Revaluation in 2017	9,769,002
	<u>247,650,904</u>

If the investment property had not been revalued it would have been included at the following historical cost:

	30/06/18	30/06/17
	£	£
Cost	<u>237,881,902</u>	<u>251,375,952</u>

The Directors have reviewed the fair value of the property as at 30 June 2018, and consider that the valuation referred to above reflects the fair value of the property as at 30 June 2018 for the purpose of these accounts.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30/6/18	30/6/17	30/6/18	30/6/17
	£	£	£	£
Trade debtors	10,773	15,641	-	-
Amounts owed by group undertakings	-	-	230,810,545	245,620,000
Derivative	286,222	-	-	-
Tax	461,969	-	461,969	-
VAT	-	-	1,444	-
Deferred tax asset	-	-	1,889	-
Prepayments and accrued income	942,750	723,273	51,535	51,535
	<u>1,701,714</u>	<u>738,914</u>	<u>231,327,382</u>	<u>245,671,535</u>

The company has loans due from its subsidiaries which are repayable on demand.

12. OTHER FINANCIAL ASSETS

	Company	
	30/6/18	30/6/17
	£	£
Interest rate swap derivative	<u>286,222</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30/6/18	30/6/17	30/6/18	30/6/17
	£	£	£	£
Trade creditors	44,346	22,445	36,921	16,370
Amounts owed to group undertakings	115,000,000	125,000,000	115,000,100	125,000,100
Corporation tax	771,518	992,561	-	185,782
VAT	404,784	417,649	-	2,867
Other creditors	31,250	31,250	-	-
Accruals and deferred income	2,589,695	2,534,652	472,515	446,965
	<u>118,841,593</u>	<u>128,998,557</u>	<u>115,509,536</u>	<u>125,652,084</u>

The company has loans from its parent, WA Capital Limited which are repayable on demand.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30/6/18	30/6/17	30/6/18	30/6/17
	£	£	£	£
Bank loans - 1-2 years	55,934,664	-	55,934,664	-
Bank loans - 2-5 years	54,661,000	117,737,777	54,661,000	117,737,777
	<u>110,595,664</u>	<u>117,737,777</u>	<u>110,595,664</u>	<u>117,737,777</u>

The bank loan drawn down in June 2015 is a five year interest only facility which is secured on properties held in its subsidiary undertakings. Interest is charged quarterly at 1.95% above 3 month LIBOR.

15. PROVISIONS FOR LIABILITIES

	Group		Company	
	30/6/18	30/6/17	30/6/18	30/6/17
	£	£	£	£
Deferred tax				
Accelerated capital allowances	342,118	369,245	-	126
Other timing differences	653,874	1,093,381	-	-
	<u>995,992</u>	<u>1,462,626</u>	<u>-</u>	<u>126</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2018

15. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 July 2017	1,462,626
Credit to Income Statement during year	(466,634)
Balance at 30 June 2018	<u>995,992</u>

Company

	Deferred tax £
Balance at 1 July 2017	126
Credit to Income Statement during year	(2,015)
Balance at 30 June 2018	<u>(1,889)</u>

Company

The provision of £1,889 (2017: (£126)) relates to accelerated capital allowances.

Group

The provision of £133,753 (2017: £151,716) relates to accelerated capital allowances.

The provision of £823,019 (2017: £1,271,690) relates to the revaluation of investment property.

The provision of £39,220 (2017: £39,220) relates to losses arising in earlier periods.

16. RELATED PARTY DISCLOSURES

The immediate parent company and the ultimate parent undertaking is WA Capital Ltd, a company incorporated in England and Wales with registered address of Two Marlborough Court, Watermead Business Park, Syphon, Leicester's LEA 1AD.

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.