Company Registration No. 09082296 (England and Wales)

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

COMPANY INFORMATION

Directors	S Egerton G M Linton J D Linton A Linton K Skinner
Secretaries	B Fenn V Linton
Company number	09082296
Registered office	8 Headfort Place Belgravia London SW1X 7DH
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

CONTENTS

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present the strategic report for the year ended 31 March 2018.

Fair review of the business

The company is the main trading entity of the Norman Linton Group of companies, which is headed up by the parent company Norman Linton (Holdings) Limited of which the company is a 100% subsidiary.

The company was established for the sole purpose of converting and developing the four floors of a former office and warehouse block into 50 residential apartments.

The building, which today is known as Maple House, is located in Kentish Town, London.

The building phase of the development was completed in the early part of 2017 and we are on course to sell all the units by the end of the 2019 financial year, or shortly after.

Revenue, number of units sold and profit before tax are the company's key performance indicators.

In the 2018 financial year, we sold 15 apartments achieving a sales value of £12,779,536 (2017: 23 units - £18,289,406); and achieved a profit before tax of £1,713,172 (2017: £1,513,708).

At the date of approval of this report a further 10 units were sold for £8.83m and all bank debt has been cleared down.

Development and performance

The 2018 financial year was a difficult year.

The demand for units was below expectations with discounts having to be offered from the asking price in order to convert enquiries into confirmed sales.

The development has also suffered from cost overruns, particularly financing costs, which eroded our profit margins further.

All Units are forecast to be sold by the end of the current financial year ending 31 March 2019 or shortly thereafter. Once the final Unit has been sold the overall profitability of the development will be determined and reported on in next year's strategic report.

Principal risks and uncertainties
The company's activities expose it to a number of financial risks including market risk, interest rate risk and liquidity risk. In order to maintain liquidity and cash flow to ensure that sufficient funds were available for on-going operations, throughout the project the company has used a mixture of group loans and external debt finance to support the development.

The main risks associated with the company's financial assets and liabilities are set out below:-

Market risk
Potential fluctuations in property prices is considered a principal risk. The company manages this risk through ongoing monitoring of the property market.

Interest rate risk management
The company was exposed to interest rate risk on certain borrowings used to fund the property development. However, the loans, and therefore the company, do not have material interest rate risk exposure as the rates are fixed and all external debt finance has been repaid since the year end. The company does not rely on interest on cash deposits as a key source of income to fund its operations.

Liquidity risk management
Responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the company's short and medium term funding and liquidity management requirements. The company has managed liquidity risk by maintaining adequate reserves during the project through intra-group and banking facilities by continuously monitoring forecast and actual cash flows.

Going concern
The company's principal borrowings are the balances owed to the parent undertaking together with bank loans. All bank loans have been fully repaid post year end, therefore going concern risk is affected by the intercompany loan balances only. The parent company is aware of the company's financing requirements and has confirmed its ongoing financial support, and that the loan will only be repaid, in whole or in part, when cash flow is available.

On behalf of the board

J D Linton
Director
29 March 2019

A Linton
Director
29 March 2019

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities
The principal activity of the company continued to be that of property development.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Egerton
G M Linton
J D Linton
A Linton
K Skinner

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor
The auditor, Citroen Wells, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual 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 the directors have 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 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 company and of the profit or loss of the company 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

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 company's auditor 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 company's auditor is aware of that information.

On behalf of the board

J D Linton	A Linton
Director	**Director**
29 March 2019	29 March 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF 39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

Opinion

We have audited the financial statements of 39-51 Highgate Road Development Limited (the "company") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity 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 company's affairs as at 31 March 2018 and of its profit 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.

Emphasis of matter
We draw attention to Note 16 to the financial statements 'Group transactions with Directors' which states that "Alex, Karen and Norman Linton (together the "Claimants"), who are beneficially interested in 50% of the shares of Norman Linton Holdings Limited ("NLH"), have sent a letter before action to Gary and Jack Linton, and Selina Egerton (the "Respondents") with respect to alleged breaches of their fiduciary duties as directors of the NLH group of companies (the "Group") and other connected allegations. The letter before action also reserves the right to pursue corporate vehicles in which the Respondents are interested should proceedings be required.

The Claimants assert that the breaches have caused a financial loss to the Group and its shareholders, with a claim for damages of multi-millions of pounds. Subject to the Respondents response to the letter before action, the Claimants intend, among other matters, to seek permission for NLH to issue a claim in its own name against the Respondents.

The Respondents deny the allegations and have indicated that they will respond substantively in due course and that they will bring counterclaims.

The implications of the dispute on the preparation of the financial statements are as follows:

1. Any recoveries arising to the Group from the dispute will be recognised in the financial year in which they are virtually certain.

2. Any obligations arising from the dispute will be recognised in the financial year when it becomes more likely than not that the Group will be required to make a payment and the amount can be estimated reliably.

3. The Claimants consider that further disputed transactions may emerge as the above dispute progresses. In the meantime these Financial Statements have been approved without prejudice to that dispute and nothing in this document is intended to constitute the Claimants ratification of the same or of any of the matters the subject of that dispute. These Financial Statements have been prepared without any attempt to adjudicate or opine on that dispute, and are not intended to express, and shall not be construed as expressing, any view on any of the matters of that dispute. This qualification applies particularly pertinently (but not exclusively) to the Related Party transactions referred in Note 14 above and to the matters referred in this Note 16.

At the date of approval of these financial statements, it is not possible to estimate, with any degree of accuracy or certainty, the financial effect of the dispute on the Group since it is contingent on the outcome of the pre-action correspondence. As a result, no amounts are capable of recognition in these Financial Statements."

Our opinion is not modified in respect of this matter.

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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

As explained more fully in the Directors' Responsibilities Statement 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, 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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.

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.

Citroen Wells

David Marks FCA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

29 March 2019

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Revenue	3	12,779,536	18,289,406
Cost of sales		(9,827,474)	(13,663,907)
Gross profit		2,952,062	4,625,499
Administrative expenses		(63,991)	(278,056)
Operating profit	4	2,888,071	4,347,443
Other interest receivable and similar income	6	89,588	93,044
Interest payable and similar charges	7	(1,264,487)	(2,926,779)
Profit before taxation		1,713,172	1,513,708
Taxation	8	(682,429)	(625,000)
Profit for the financial year		1,030,743	888,708

The Income Statement has been prepared on the basis that all operations are continuing operations.

39-51 HIGHGATE ROAD DEVELOPMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		2018		2017	
	Notes	**£**	**£**	**£**	**£**
Current assets					
Inventories	**9**	8,216,500		17,398,234	
Trade and other receivables	**10**	556,274		6,203,302	
Cash at bank and in hand		457,408		126,575	
		9,230,182		23,728,111	
Current liabilities	**11**	(8,755,358)		(24,284,030)	
Net current assets/(liabilities)			474,824		(555,919)
Equity					
Called up share capital	**13**		100		100
Retained earnings			474,724		(556,019)
Total equity			474,824		(555,919)

The financial statements were approved by the board of directors and authorised for issue on 29 March 2019 and are signed on its behalf by:

J D Linton
Director

A Linton
Director

Company Registration No. 09082296

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2016	100	(1,444,727)	(1,444,627)
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	888,708	888,708
Balance at 31 March 2017	100	(556,019)	(555,919)
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	1,030,743	1,030,743
Balance at 31 March 2018	100	474,724	474,824

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1 Accounting policies

Company information
39-51 Highgate Road Development Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 Headfort Place, Belgravia, London, SW1X 7DH.

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.

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 following disclosure exemptions on the grounds that consolidated financial statements are prepared by the the parent company, Norman Linton (Holdings) Limited, copies of which are available from its registered office at 8 Headfort Place, Belgravia, London, SW1X 7DH:

- a reconciliation of the number of shares outstanding at the beginning and end of the period [FRS 102 para 4.12(a)(iv)];
- the requirement to prepare a statement of cash flows [Section 7 of FRS 102 and para 3.17(d)];
- certain financial instruments disclosures. [FRS 102 paras 11.39 - 11.48A, 12.26 - 12.29];
- the non-disclosure of key management personnel compensation in total. [FRS 102 para 33.7].

1.2 Going concern
The financial statements have been prepared on a going concern basis.

The company's activity as a property developer is supported by bank financing and short term loan facilities from group undertakings.

The Directors consider that the company has sufficient liquid resources to meet its financial requirements for a period of at least 12 months from the date of approval of these financial statements.

1.3 Revenue
Revenue is recognised at the date of completion of the sale of properties.

1.4 Inventories
Properties under development are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the cost of acquiring development property, cost of construction and related professional fees.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

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1 Accounting policies **(Continued)**

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position 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 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from 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 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 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

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

1.9 Bank borrowings

Bank borrowings are initially stated in the Statement of Financial Position at the fair value of the consideration received, net of direct finance costs. The finance costs, including issue costs, are charges to the Statement of Comprehensive Income over the term of the borrowings.

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.

Critical judgement
The following judgement has had the most significant effect on amounts recognised in the financial statements.

Valuation of inventories
At the end of each reporting period the directors consider the valuation of inventories, to ensure that the balance is stated at the lower of cost and estimated selling price less costs to complete and sell. In doing so, the directors look at the selling prices after the year end and use their experience in the industry to ensure that they are satisfied the inventories are fairly stated.

3 Revenue

An analysis of the company's revenue is as follows:

	2018 £	2017 £
Revenue analysed by class of business		
Property development	12,779,536	18,289,406

	2018 £	2017 £
Revenue analysed by geographical market		
United Kingdom	12,779,536	18,289,406

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	15,000

5 Employees

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

	2018 Number	2017 Number
Management	5	5

6 Investment income

	2018 £	2017 £
Interest income		
Interest on bank deposits	374	-
Other interest income	89,214	93,044
Total income	89,588	93,044

7 Finance costs

	2018 £	2017 £
Interest on bank loans	651,048	839,688
Interest payable to group undertakings	282,909	904,328
Loan arrangement fees	318,211	1,182,763
Other interest	12,319	-
	1,264,487	2,926,779

8 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	685,000	625,000
Adjustments in respect of prior periods	(2,571)	-
Total current tax	682,429	625,000

The rate of corporation tax chargeable against assessable profits changed, with effect on 1 April 2017, from 20% to 19%.

8 Taxation **(Continued)**

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

	2018	2017
	£	£
Profit before taxation	1,713,172	1,513,708
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	325,503	302,742
Tax effect of expenses that are not deductible in determining taxable profit	414,656	611,203
Tax effect of utilisation of tax losses not previously recognised	-	(288,945)
Group relief	(55,159)	-
Under/(over) provided in prior years	(2,571)	-
Taxation charge for the year	682,429	625,000

9 Inventories

	2018	2017
	£	£
Properties under development	8,216,500	17,398,234

The carrying value of inventories pledged as security for liabilities is £8,216,500 (2017: £17,398,234).

10 Trade and other receivables

	2018	2017
Amounts falling due within one year:	£	£
Trade receivables	53,358	-
Other receivables	502,916	6,185,302
Prepayments and accrued income	-	18,000
	556,274	6,203,302

11 Current liabilities

	Notes	2018 £	2017 £
Bank loans	12	3,768,306	16,249,024
Trade payables		69,329	364,717
Amounts due to group undertakings		3,506,332	6,590,991
Corporation tax		999,748	625,000
Other taxation and social security		106,976	-
Other payables		23,000	35,000
Accruals and deferred income		281,667	419,298
		8,755,358	24,284,030

12 Bank borrowings

	2018 £	2017 £
Bank loans	3,768,306	16,249,024
Payable within one year	3,768,306	16,249,024

The company, together with Linton Property Development Limited- a related undertaking- has a facility with Oaknorth Bank Limited ("the Oaknorth loan"). This loan bears interest at base rate plus 6.5% per annum and was fully repaid in July 2018.

The Oaknorth loan is secured by a fixed charge over the company's leasehold interest in the Maple Building and a floating charge over the assets and undertakings of the company, together with a fixed charge over an Airspace Lease above the Maple Building, owned by Linton Property Developments Limited.

13 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary Shares of £1 each	100	100

14 Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 - Related Party Disclosures, from the requirement to disclose transactions with wholly owned companies within the same group.

Related undertakings

G M Linton is a director and shareholder of Gordon Duff Linton Limited. During the year Gordon Duff Linton Limited provided interior design services for which it charged £11,870 (2017: £43,818). At 31 March 2018, £1,193 (2017: £nil) was owed in respect of these services, which was fully repaid subsequently.

All the directors are also directors and shareholders of Linton Property Developments Limited ("LPD"). During the year the company recharged net expenses of £243,577 (2017: £4,549,055) and interest of £85,410 (2017: £91,000). At 31 March 2018 the company was owed £419,987 by LPD (2017: £6,012,346), which was fully repaid subsequently.

G M Linton is a director and controlling shareholder of Linton London Developments Limited ("LLD"). During the year, the company recharged interest of £2,187 (2017: £2,044) to LLD. As at 31 March 2018, the company was owed £33,434 by LLD (2017: £31,246).

G M Linton is a director and controlling shareholder of Linton Development Management 1 Limited. During the year, the company was charged development management fees amounting to £31,500 (2017: £349,000).

G M Linton is a director and controlling shareholder of Headfort Construction Limited. During the year the company was charged decorating fees amounting to £4,250 (2017: £nil).

A Linton is a director and shareholder of Linton Tamman Limited (formerly Linton Digital Limited). During the year the company was charged marketing fees amounting to £11,000 (2017: £nil). At 31 March 2018, £4,000 (2017: £nil) was owed in respect of these services.

G M Linton is a director and controlling shareholder of Linton Central Services Limited. During the year the company was charged management fees amounting to £30,351 (2017: £57,518) and was recharged interest of £1,459 (2017: £nil). At 31 March 2018 the company was owed £22,295 (2017: £20,837).

15 Controlling party

The company is a wholly owned subsidiary of Norman Linton (Holdings) Limited, a company incorporated in England and Wales.

Consolidated financial statements are prepared by Norman Linton (Holdings) Limited, copies of which are available from its registered office: 8 Headfort Place, Belgravia, London, SW1X 7DH.

16 Group transactions with Directors

Alex, Karen and Norman Linton (together the "Claimants"), who are beneficially interested in 50% of the shares of Norman Linton Holdings Limited ("NLH"), have sent a letter before action to Gary and Jack Linton, and Selina Egerton (the "Respondents") with respect to alleged breaches of their fiduciary duties as directors of the NLH group of companies (the "Group") and other connected allegations. The letter before action also reserves the right to pursue corporate vehicles in which the Respondents are interested should proceedings be required.

The Claimants assert that the breaches have caused a financial loss to the Group and its shareholders, with a claim for damages of multi-millions of pounds. Subject to the Respondents response to the letter before action, the Claimants intend, among other matters, to seek permission for NLH to issue a claim in its own name against the Respondents.

The Respondents deny the allegations and have indicated that they will respond substantively in due course and that they will bring counterclaims.

The implications of the dispute on the preparation of the financial statements are as follows:

1. Any recoveries arising to the Group from the dispute will be recognised in the financial year in which they are virtually certain.

2. Any obligations arising from the dispute will be recognised in the financial year when it becomes more likely than not that the Group will be required to make a payment and the amount can be estimated reliably.

3. The Claimants consider that further disputed transactions may emerge as the above dispute progresses. In the meantime these Financial Statements have been approved without prejudice to that dispute and nothing in this document is intended to constitute the Claimants ratification of the same or of any of the matters the subject of that dispute. These Financial Statements have been prepared without any attempt to adjudicate or opine on that dispute, and are not intended to express, and shall not be construed as expressing, any view on any of the matters of that dispute. This qualification applies particularly pertinently (but not exclusively) to the Related Party transactions referred in Note 14 above and to the matters referred in this Note 16.

At the date of approval of these financial statements, it is not possible to estimate, with any degree of accuracy or certainty, the financial effect of the dispute on the Group since it is contingent on the outcome of the pre-action correspondence. As a result, no amounts are capable of recognition in these Financial Statements.