

Company Registration No. 00304503 (England and Wales)

Lingwood Estates Plc

**Annual report and
group financial statements
for the year ended 31 March 2019**



Saffery Champness
CHARTERED ACCOUNTANTS

Lingwood Estates Plc

Company information

Directors Gerald King FCMI (Chairman)
Ismay King
Hilary King-Thompson MRAC MCMI FInstD (Chief Executive)
Helen Shorthouse MRAC
Toby King-Thompson

Company number 00304503

Registered office 71 Queen Victoria Street
London
EC4V 4BE

Independent auditors Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers The Royal Bank of Scotland plc
Private Banking
49 Charing Cross
Admiralty Arch
London
SW1A 2BZ

Nationwide Building Society
Moulton Park
Northampton
NN3 6NW

HSBC Bank plc
65 Cornmarket Street
Oxford
OX1 3HY

Handelsbanken
Seacourt Tower
West Way
OX2 0JJ

Solicitors TLT LLP
One Redcliff Street
Bristol
BS1 6TP

Lingwood Estates Plc

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Strategic report

For the year ended 31 March 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

Following the expiration of the Oxford property lease in the prior year, substantial refurbishments have been completed and a new tenancy secured on a ten year lease.

All other properties in the Group's portfolio are satisfactorily let to high quality tenants. The lease on the Kingston property comes to an end in the next financial year, and efforts are being made to secure a new tenancy.

During the year, the group has secured a new plot of land, and is currently evaluating the investment prospects.

The Group has long term borrowings with Nationwide Building Society for a term of 5 years which are repayable on 3 June 2021. The loan is secured on certain investment properties and carries interest at a fixed rate of 3.12%.

The directors consider that the Group is set on a secure and steady course for the future, and are considering new investment opportunities in the current accounting period.

Principal risks and uncertainties

The directors do not perceive any major risks and uncertainties other than the normal commercial risks and uncertainties within the investment property sector including financial stability of tenants and exposure to property value change during the present economic climate.

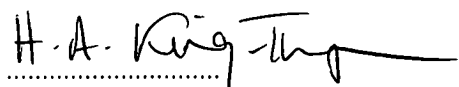
Position of the Group at the year end

The Group's business activities and the material factors which affect its future development are set out above. The financial position of the Group is set out in the financial statements and notes that follow. When assessing the Group's position no material uncertainties that cast significant doubt about the ability of the Group to continue as a going concern have been identified by the directors.

Key performance indicators

The Group's main key performance indicators are property utilisation ratios and rental yields. As detailed above, all properties were let at the year end. Rental income for the Group decreased from £677k in 2018 to £660k in 2019 as a result of property vacancies during the year.

On behalf of the board



Hilary King-Thompson MRAC MCMI FInstD (Chief Executive)

Director

20/9/19

Lingwood Estates Plc

Directors' report

For the year ended 31 March 2019

The directors present their report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the group continued to be that of property investment.

Directors

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

Gerald King FCMI (Chairman)

Ismay King

Hilary King-Thompson MRAC MCMI FInstD
(Chief Executive)

Helen Shorthouse MRAC

Toby King-Thompson (Appointed 2 July 2018)

Results and dividends

The results for the year are set out on page 7.

The directors do not recommend payment of an ordinary dividend.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Directors' report (continued)
For the year ended 31 March 2019

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 group and 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board



Hilary King-Thompson MRAC MCMI FinstD (Chief Executive)

Director

Date: 20/9/19

Opinion

We have audited the financial statements of Lingwood Estates Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the group statement of cash flows 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 group's and the parent company's affairs as at 31 March 2019 and of the group's loss 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.

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 group's or the parent 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.

Independent auditor's report (continued)

To the members of Lingwood Estates Plc

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 group and the parent 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 by the parent company, 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.

Independent auditor's report (continued)
To the members of Lingwood Estates Plc

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

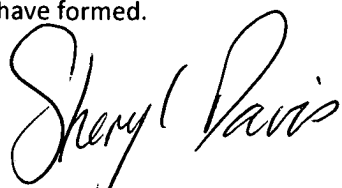
Auditor's responsibilities for the audit of the financial statements

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.



Sheryl Davis (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

25 September 2019

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Lingwood Estates Plc

Group statement of comprehensive income
For the year ended 31 March 2019

		2019	2018
	Notes	£	£
Turnover	3	660,420	677,142
Administrative expenses		(764,355)	(522,800)
		<hr/>	<hr/>
Operating (loss)/profit	4	(103,935)	154,342
Interest receivable and similar income	8	33,103	92,248
Interest payable and similar expenses	9	(226,143)	(227,136)
Other gains and losses	10	(200,738)	(60,780)
		<hr/>	<hr/>
Loss before taxation		(497,713)	(41,326)
Tax on loss	11	46,867	92,891
		<hr/>	<hr/>
(Loss)/profit for the financial year		(450,846)	51,565
		<hr/>	<hr/>

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

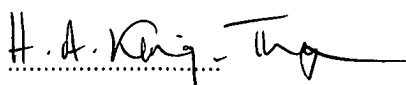
The Income Statement has been prepared on the basis that all operations are continuing operations.

Lingwood Estates Plc

Group statement of financial position
As at 31 March 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	12		146,352		162,656
Investment properties	13		15,217,595		15,215,000
Investments	14		756,811		56,873
			<u>16,120,758</u>		<u>15,434,529</u>
Current assets					
Debtors	17	1,332,020		4,254,893	
Cash at bank and in hand		2,016,621		169,241	
		<u>3,348,641</u>		<u>4,424,134</u>	
Creditors: amounts falling due within one year	18	(460,495)		(364,913)	
Net current assets			<u>2,888,146</u>		<u>4,059,221</u>
Total assets less current liabilities			<u>19,008,904</u>		<u>19,493,750</u>
Creditors: amounts falling due after more than one year	19	(7,065,000)		(7,065,000)	
Provisions for liabilities	21	(811,198)		(845,198)	
Net assets			<u><u>11,132,706</u></u>		<u><u>11,583,552</u></u>
Capital and reserves					
Called up share capital	23		50,000		50,000
Revaluation reserve			10,020,022		10,188,782
Profit and loss reserves			1,062,684		1,344,770
Total equity			<u><u>11,132,706</u></u>		<u><u>11,583,552</u></u>

The financial statements were approved by the board of directors and authorised for issue on 20/9/19..... and are signed on its behalf by:



Hilary King-Thompson MRAC MCMI FinstD (Chief Executive)
Director

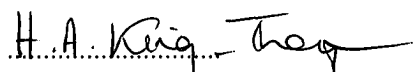
Lingwood Estates Plc

Company statement of financial position
As at 31 March 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	12		144,150		160,065
Investments	14		757,021		56,983
			<u>901,171</u>		<u>217,048</u>
Current assets					
Debtors	17	3,487,042		5,959,301	
Cash at bank and in hand		1,613,005		12,575	
		<u>5,100,047</u>		<u>5,971,876</u>	
Creditors: amounts falling due within one year	18	(2,830,691)		(2,745,719)	
Net current assets			<u>2,269,356</u>		<u>3,226,157</u>
Total assets less current liabilities			<u><u>3,170,527</u></u>		<u><u>3,443,205</u></u>
Capital and reserves					
Called up share capital	23		50,000		50,000
Revaluation reserve			21,881		24,641
Profit and loss reserves			3,098,646		3,368,564
Total equity			<u><u>3,170,527</u></u>		<u><u>3,443,205</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £272,678 (2018 - £269,391 loss).

The financial statements were approved by the board of directors and authorised for issue on 20/9/19 and are signed on its behalf by:



Hilary King-Thompson MRAC MCMI FInstD (Chief Executive)
Director

Company Registration No. 00304503

Lingwood Estates Plc

Group statement of changes in equity
For the year ended 31 March 2019

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2017	50,000	10,521,445	960,542	11,531,987
Year ended 31 March 2018:				
Profit and total comprehensive income for the year	-	-	51,565	51,565
Transfers	-	(332,663)	332,663	-
Balance at 31 March 2018	50,000	10,188,782	1,344,770	11,583,552
Year ended 31 March 2019:				
Loss and total comprehensive income for the year	-	-	(450,846)	(450,846)
Transfers	-	(168,760)	168,760	-
Balance at 31 March 2019	50,000	10,020,022	1,062,684	11,132,706

Lingwood Estates Plc

**Company statement of changes in equity
For the year ended 31 March 2019**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2017	50,000	200,588	3,462,008	3,712,596
Year ended 31 March 2018:				
Loss and total comprehensive income for the year	-	-	(269,391)	(269,391)
Transfers	-	(175,947)	175,947	-
Balance at 31 March 2018	50,000	24,641	3,368,564	3,443,205
Year ended 31 March 2019:				
Loss and total comprehensive income for the year	-	-	(272,678)	(272,678)
Transfers	-	(2,760)	2,760	-
Balance at 31 March 2019	50,000	21,881	3,098,646	3,170,527

Lingwood Estates Plc

Group statement of cash flows
For the year ended 31 March 2019

		2019	2018
	Notes	£	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	26	2,950,568	(679,488)
Interest paid		(226,143)	(227,136)
Income taxes paid		-	(677,541)
Net cash inflow/(outflow) from operating activities		2,724,425	(1,584,165)
Investing activities			
Purchase of tangible fixed assets		(7,553)	(36,172)
Proceeds on disposal of tangible fixed assets		-	760
Purchase of investment property		(202,595)	-
Purchase of fixed asset investments		(700,000)	-
Proceeds on disposal of fixed asset investments		-	903,417
Interest received		29,807	78,324
Dividends received		3,296	13,924
Net cash (used in)/generated from investing activities		(877,045)	960,253
Financing activities			
Repayment of bank loans		-	(235,000)
Net cash used in financing activities		-	(235,000)
Net increase/(decrease) in cash and cash equivalents		1,847,380	(858,912)
Cash and cash equivalents at beginning of year		169,241	1,028,153
Cash and cash equivalents at end of year		2,016,621	169,241

1 Accounting policies

Company information

Lingwood Estates Plc ("the company") is a public company limited by shares incorporated in England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

The group consists of Lingwood Estates Plc and all of its subsidiaries.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £272,678 (2018 - £269,391 loss).

1 Accounting policies (continued)

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The group financial statements incorporate those of Lingwood Estates Plc and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover represents gross amounts receivable from commercial property lets, net of Value Added Tax, and is derived from properties based in the United Kingdom.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Notes to the financial statements (continued)
For the year ended 31 March 2019

1 Accounting policies (continued)

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

Land and buildings Leasehold	-over the unexpired lease term
Fixtures and fittings	-15% on reducing balance
Motor vehicles	-25% on reducing balance

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 recognised in the income statement.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the financial statements (continued)

For the year ended 31 March 2019

1 Accounting policies (continued)

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The group 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 group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

1 Accounting policies (continued)

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 group 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 group after deducting all of its 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.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derecognition of financial liabilities

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

1.10 Equity instruments

Equity instruments issued by the group 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 group.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Notes to the financial statements (continued)
For the year ended 31 March 2019

1 Accounting policies (continued)

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

1.13 Retirement benefits

Contributions payable to directors' personal pension schemes are charged to the profit and loss account in the year they are payable.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group'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.

Notes to the financial statements (continued)

For the year ended 31 March 2019

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019 £	2018 £
Turnover analysed by class of business		
Rent receivable	660,420	677,142
	<u>660,420</u>	<u>677,142</u>
	2019 £	2018 £
Other significant revenue		
Interest income	29,807	78,324
Dividends received	3,296	13,924
	<u>33,103</u>	<u>92,248</u>
	2019 £	2018 £
Turnover analysed by geographical market		
United Kingdom	660,420	677,142
	<u>660,420</u>	<u>677,142</u>

4 Operating (loss)/profit

	2019 £	2018 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	23,857	19,783
Profit on disposal of tangible fixed assets	-	(76)
	<u>23,857</u>	<u>19,707</u>

5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	5,200	4,875
Audit of the financial statements of the company's subsidiaries	20,400	18,275
	<u>25,600</u>	<u>23,150</u>
For other services		
All other non-audit services	14,788	19,348
	<u>14,788</u>	<u>19,348</u>

Notes to the financial statements (continued)

For the year ended 31 March 2019

6 Employees

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

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Directors	5	4	5	4
Administration	2	3	2	3
	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	295,661	273,502	295,661	273,502
Social security costs	30,386	28,131	30,386	28,131
Pension costs	12,000	12,000	12,000	12,000
	<u>338,047</u>	<u>313,633</u>	<u>338,047</u>	<u>313,633</u>

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	283,661	259,052
Company pension contributions to defined contribution schemes	12,000	12,000
	<u>295,661</u>	<u>271,052</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	100,008	86,668
Company pension contributions to defined contribution schemes	12,000	12,000
	<u>112,008</u>	<u>98,668</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

8 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Other interest income	29,807	78,324
Other income from investments		
Dividends received	3,296	13,924
Total income	<u>33,103</u>	<u>92,248</u>

Investment income includes the following:

Dividends from financial assets measured at fair value through profit or loss	<u>3,296</u>	<u>13,924</u>
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9 Interest payable and similar expenses

	2019	2018
	£	£
Other interest	<u>226,143</u>	<u>227,136</u>

10 Other gains and losses

	2019	2018
	£	£
Fair value gains/(losses) on financial instruments		
Change in value of financial assets held at fair value through profit or loss	(1,148)	(2,764)
Other gains/(losses)		
Gain on disposal of financial assets held at fair value through profit or loss	410	1,984
Changes in the fair value of investment properties	(200,000)	(60,000)
	<u>(200,738)</u>	<u>(60,780)</u>

11 Taxation

	2019	2018
	£	£
Deferred tax		
Origination and reversal of timing differences	<u>(46,867)</u>	<u>(92,891)</u>

Notes to the financial statements (continued)

For the year ended 31 March 2019

11 Taxation (continued)

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

	2019 £	2018 £
Loss before taxation	(497,713)	(41,326)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(94,565)	(7,852)
Tax effect of expenses that are not deductible in determining taxable profit	1,732	-
Gains not taxable	38,140	(60,714)
Unutilised tax losses carried forward	37,154	13,868
Permanent capital allowances in excess of depreciation	-	(6,079)
Depreciation on assets not qualifying for tax allowances	-	3,551
Effect of revaluations of investments	(34,000)	(92,891)
Dividend income	626	2,646
Depreciation	4,533	54,615
Capital allowances	(487)	(35)
Taxation credit	(46,867)	(92,891)

The group has estimated tax losses of £3,664,946 (2018: £3,622,212) to carry forward against future taxable profits.

Notes to the financial statements (continued)
For the year ended 31 March 2019

12 Tangible fixed assets

Group	Land and buildings Leasehold	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2018	186,881	142,779	32,174	361,834
Additions	5,604	1,949	-	7,553
At 31 March 2019	192,485	144,728	32,174	369,387
Depreciation and impairment				
At 1 April 2018	84,629	100,472	14,077	199,178
Depreciation charged in the year	12,599	6,734	4,524	23,857
At 31 March 2019	97,228	107,206	18,601	223,035
Carrying amount				
At 31 March 2019	95,257	37,522	13,573	146,352
At 31 March 2018	102,252	42,307	18,097	162,656
Company				
	Land and buildings Leasehold	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2018	186,881	117,536	32,174	336,591
Additions	5,604	1,949	-	7,553
At 31 March 2019	192,485	119,485	32,174	344,144
Depreciation and impairment				
At 1 April 2018	84,629	77,820	14,077	176,526
Depreciation charged in the year	12,599	6,345	4,524	23,468
At 31 March 2019	97,228	84,165	18,601	199,994
Carrying amount				
At 31 March 2019	95,257	35,320	13,573	144,150
At 31 March 2018	102,252	39,716	18,097	160,065

Notes to the financial statements (continued)
For the year ended 31 March 2019

13 Investment property

	Group 2019 £	Company 2019 £
Fair value		
At 1 April 2018 and 31 March 2019	15,215,000	-
Additions	202,595	-
Net gains or losses through fair value adjustments	(200,000)	-
	<u>15,217,595</u>	<u>-</u>
At 31 March 2019	<u>15,217,595</u>	<u>-</u>

Investment properties have been revalued to their fair value at the year end by the directors based on publicly available rental yields for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2019 £	2018 £
Cost	4,408,255	4,205,660
Accumulated depreciation	-	-
	<u>4,408,255</u>	<u>4,205,660</u>
Carrying amount	<u>4,408,255</u>	<u>4,205,660</u>

14 Fixed asset investments

		Group 2019 £	2018 £	Company 2019 £	2018 £
	Notes				
Investments in subsidiaries	15	-	-	210	110
Listed investments		756,811	56,873	756,811	56,873
		<u>756,811</u>	<u>56,873</u>	<u>757,021</u>	<u>56,983</u>
Listed investments included above:					
Listed investments carrying amount		<u>756,811</u>	<u>56,873</u>	<u>756,811</u>	<u>56,873</u>

Listed Investments are non-convertible ordinary shares listed on the London Stock Exchange measured at fair value through profit or loss, the quoted market price amounted to £756,811 (2018: £56,873).

Notes to the financial statements (continued)
For the year ended 31 March 2019

14 Fixed asset investments (continued)

Movements in fixed asset investments
Group

Investments
other than
loans
£

Cost or valuation

At 1 April 2018	56,873
Additions	700,000
Valuation changes	(62)
At 31 March 2019	756,811
Carrying amount	
At 31 March 2019	756,811
At 31 March 2018	56,873

Movements in fixed asset investments
Company

Shares in group undertakings	Other investments other than loans	Total
£	£	£
110	56,873	56,983
100	700,000	700,100
-	(62)	(62)
<hr/>	<hr/>	<hr/>
210	756,811	757,021
<hr/>	<hr/>	<hr/>
 210	 756,811	 757,021
<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
110	56,873	56,983

Notes to the financial statements (continued)
For the year ended 31 March 2019

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Lingwood Estates (Chelsea) Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Cheltenham) Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Chilton) Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Kingston) Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Oxford) Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Summertown) Limited	See note	Property investment	Ordinary	100	
Oxford Canal Investment Properties Limited	See note	Property investment	Ordinary	100	
Lingwood Estates (Services) Limited	See note	Property investment	Ordinary	100	

The registered office of all group companies is 71 Queen Victoria Street, London, EC4V 4BE

16 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	28,250	2,891,702	n/a	n/a
Equity instruments measured at cost less impairment	756,811	56,873	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	7,401,589	7,278,556	n/a	n/a

As permitted by the reduced disclosure framework within FRS 102, the company has taken advantage of the exemption from disclosing the carrying amount of certain classes of financial instruments, denoted by 'n/a' above.

Notes to the financial statements (continued)
For the year ended 31 March 2019

17 Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Corporation tax recoverable	677,541	677,541	677,541	677,541
Amounts owed by group undertakings	-	-	2,195,449	1,811,259
Other debtors	6,100	2,876,983	6,100	2,876,983
Prepayments and accrued income	46,121	110,978	5,694	4,127
	<u>729,762</u>	<u>3,665,502</u>	<u>2,884,784</u>	<u>5,369,910</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 21)	<u>602,258</u>	<u>589,391</u>	<u>602,258</u>	<u>589,391</u>
Total debtors	<u>1,332,020</u>	<u>4,254,893</u>	<u>3,487,042</u>	<u>5,959,301</u>

18 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Notes				
Amounts due to group undertakings	-	-	2,740,565	2,741,888
Deferred income	123,906	151,357	-	-
Other creditors	288,852	120,192	83,451	-
Accruals and deferred income	47,737	93,364	6,675	3,831
	<u>460,495</u>	<u>364,913</u>	<u>2,830,691</u>	<u>2,745,719</u>

19 Creditors: amounts falling due after more than one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Notes				
Bank loans and overdrafts	<u>20</u> 7,065,000	<u>7,065,000</u>	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

20 Loans and overdrafts

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans	7,065,000	7,065,000	-	-
	<u>7,065,000</u>	<u>7,065,000</u>	<u>-</u>	<u>-</u>
Payable after one year	7,065,000	7,065,000	-	-
	<u>7,065,000</u>	<u>7,065,000</u>	<u>-</u>	<u>-</u>

The loan is repayable on 3 June 2021, is secured by a legal charge on certain investment properties held within the group and carries interest at a fixed rate of 3.12% for a term of 5 years.

21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities	Assets	Assets
	2019	2018	2019	2018
	£	£	£	£
Group				
ACAs	-	-	(20,783)	(26,385)
Tax losses	-	-	623,041	615,776
Revaluations	811,198	845,198	-	-
	<u>811,198</u>	<u>845,198</u>	<u>602,258</u>	<u>589,391</u>
	<u>811,198</u>	<u>845,198</u>	<u>602,258</u>	<u>589,391</u>
Company				
ACAs	-	-	(20,783)	(26,385)
Tax losses	-	-	623,041	615,776
	<u>-</u>	<u>-</u>	<u>602,258</u>	<u>589,391</u>
	<u>-</u>	<u>-</u>	<u>602,258</u>	<u>589,391</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

21 Deferred taxation (continued)

	Group 2019 £	Company 2019 £
Movements in the year:		
Liability/(asset) at 1 April 2018	255,807	(589,391)
Credit to profit or loss	(46,867)	(12,867)
Liability/(asset) at 31 March 2019	<u>208,940</u>	<u>(602,258)</u>

The deferred tax liability expected to reverse in the next accounting period is £nil. No reversal is anticipated as the investment properties are not expected to be sold within the next 12 months.

22 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>12,000</u>	<u>12,000</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share capital

	Group and company 2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

All ordinary equity shares participate equally in the voting and distribution rights of the company.

Notes to the financial statements (continued)

For the year ended 31 March 2019

24 Operating lease commitments

Lessor

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	621,128	572,200	-	-
Between two and five years	1,234,700	1,086,721	-	-
In over five years	623,850	167,818	-	-
	<u>2,479,678</u>	<u>1,826,739</u>	<u>-</u>	<u>-</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	<u>338,047</u>	<u>313,633</u>

25 Related party transactions (continued)

Transactions with related parties

The company has taken advantage of the provisions within FRS 102 section 33.1A not to disclose transactions entered into between two or more members of a group, where all members are wholly owned subsidiaries of the parent company.

At the beginning of the year, a loan was in place to Hilary King-Thompson, a director of the company, to the value of £2,870,763. This loan is repayable on demand and bears interest at a rate of 3% per annum. During the year, this loan was fully repaid. At the year end, Lingwood Estates Plc owes Hilary King-Thompson £76,310. This loan is interest free and repayable upon demand.

As at 31 March 2019 Lingwood Estates Plc owed £136,585 (2018: £180,935) to Lingwood Estates (Chelsea) Limited.

As at 31 March 2019 Lingwood Estates Plc was owed £551,126 (2018: £572,661) by Lingwood Estates (Cheltenham) Limited.

As at 31 March 2019 Lingwood Estates Plc was owed £287,307 (2018: £281,738) by Lingwood Estates (Summertown) Limited.

As at 31 March 2019 Lingwood Estates Plc was owed £1,154,521 (2018: £956,860) by Lingwood Estates (Oxford) Limited.

As at 31 March 2019 Lingwood Estates Plc owed £268,228 (2018: £274,447) to Oxford Canal Investment Properties Limited.

As at 31 March 2019 Lingwood Estates Plc owed £820,744 (2018: £764,840) to Lingwood Estates (Kingston) Limited.

As at 31 March 2019 Lingwood Estates Plc owed £1,515,008 (2018: £1,521,666) to Lingwood Estates (Chilton) Limited.

As at 31 March 2019 Lingwood Estates Plc was owed £202,495 by Lingwood Estates (Services) Limited, a new subsidiary incorporated in the year.

During the year Hilary King-Thompson and Helen Shorthouse, directors of Lingwood Estates Plc, sold a plot of land to Lingwood Estates (Services) Limited for market value of £200,000.

Notes to the financial statements (continued)
For the year ended 31 March 2019

26 Cash generated from group operations

	2019	2018
	£	£
(Loss)/profit for the year after tax	(450,846)	51,565
Adjustments for:		
Taxation credited	(46,867)	(92,891)
Finance costs	226,143	227,136
Investment income	(33,103)	(92,248)
Gain on disposal of tangible fixed assets	-	(76)
Depreciation and impairment of tangible fixed assets	23,857	19,783
Other gains and losses	200,738	60,780
Movements in working capital:		
Decrease/(increase) in debtors	2,935,065	(889,742)
Increase/(decrease) in creditors	123,032	(115,152)
(Decrease)/increase in deferred income	(27,451)	151,357
Cash generated from/(absorbed by) operations	2,950,568	(679,488)