

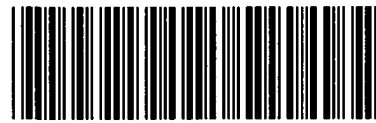
Northern Trust Company Limited

Annual report and financial statements

Registered number 735621

31 March 2018

TUESDAY



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31/07/2018
COMPANIES HOUSE

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Strategic report

Objectives

To operate a profitable and successful business providing returns to shareholders.

Strategy

To improve the estate of industrial workshops and offices and related rental returns.

Performance during the year

Turnover in the year increased to £41.4m (2017: £38.4m).

Operating profit before investment property revaluation was £24.6m (2017: £21.2m).

The profit before tax for the year was £47.1m (2017: £49.0m) after credit for investment property revaluation of £35.7m (2017: £33.4m).

The balance sheet has net assets of £205.3m (2017: £170.1m) at the year end.

Principal risks and uncertainties

The main uncertainties associated with this business are rental and occupancy levels. The directors believe that these present both risks and opportunities to the business.

Performance and development during the year including key performance indicators

The directors prepare a detailed annual budget and monitor performance against this budget.

Additionally the directors monitor key performance indicators to ensure they are within acceptable parameters, these include:

- Rental and occupancy levels
- Operating profit
- Cash generated from operating activities

Position at the end of the year

The Group to which the Company belongs refinanced in June 2017 securing new loan facilities of £230m for a 5 year term. The Group and Company have a sound financial base and sufficient financial resources to meet the business's requirements.

By order of the board



ML Widders
Director

Lynton House
Ackhurst Park
CHORLEY
Lancashire
PR7 1NY

11 July 2018

Directors' report

The directors present their report, together with the financial statements for the year ended 31 March 2018.

Principal activities

The principal activities of the Company during the year were property investment and development.

Results and dividends

The retained profit after taxation for the financial year is £41.3m (2017: £43.6m). A dividend was paid in the year of £6.0m (2017: £12.9m).

Directors

The directors who held office during the year were as follows:

PL Hemmings	M J Grindrod
PG Hemmings	K Revitt
TR Parkinson	ML Widders
J C Kay	

Going concern

The directors continue to adopt the going concern basis in preparing these financial statements, as set out in note 1.

Employees

The Company's activities are geographically spread and local managers are responsible for employee relations and development on a day to day basis. This is supported by regular visits by senior executives who are available to explain and provide employees with information on matters of concern to them as employees and to enable their views to be taken into account.

It is the policy and practice of the Company to give equal consideration to applications for employment from disabled persons having regard to the particular aptitudes and abilities of the applicants concerned. The services of any existing employee who becomes disabled are retained wherever practicable.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



ML Widders
Director

Lynton House
Ackhurst Park
CHORLEY
Lancashire
PR7 1NY

11 July 2018

Statement of directors' responsibilities in respect of the Annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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



KPMG LLP

1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Northern Trust Company Limited

Opinion

We have audited the financial statements of Northern Trust Company Limited ("the company") for the year ended 31 March 2018 which comprise the Statement of Profits and Loss and Other Comprehensive Income, Statement of Historical Cost Profit and Losses, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

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 UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

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

Independent auditor's report to the members of Northern Trust Company Limited

(continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary

to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

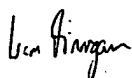
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Liam Finnigan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Manchester

19 July 2018

Profit and loss account and other comprehensive income
for the year ended 31 March 2018

		2018	Investment	Total	Excluding	2017	Investment	Total
	Note	Excluding	Property	£000	investment	Excluding	Property	£000
		investment	Revaluation		property	investment	Revaluation	
		property			revaluation	property		
		revaluation				revaluation		
Turnover	1	41,425	-	41,425	38,399	-	-	38,399
Cost of sales		(11,668)	-	(11,668)	(11,468)	-	-	(11,468)
Gross profit		29,757	-	29,757	26,931	-	-	26,931
Administrative expenses	3	(5,123)	-	(5,123)	(6,389)	-	-	(6,389)
Investment property revaluation		-	35,722	35,722	-	33,436	33,436	33,436
Other operating (costs) / income	2	(34)	-	(34)	655	-	-	655
Operating profit		24,600	35,722	60,322	21,197	33,436	54,633	54,633
Income from shares in group undertakings		3,000	-	3,000	9,000	-	9,000	9,000
Interest receivable and similar income	6	397	-	397	514	-	514	514
Recurring interest payable and similar charges	7	(10,268)	-	(10,268)	(15,130)	-	(15,130)	(15,130)
Non-recurring interest payable and similar charges	7	(6,369)	-	(6,369)	-	-	-	-
Profit before taxation		11,360	35,722	47,082	15,581	33,436	49,017	49,017
Taxation on profit	8	(2,331)	(3,479)	(5,810)	(1,927)	(3,456)	(5,383)	(5,383)
Profit for the year		9,029	32,243	41,272	13,654	29,980	43,634	43,634
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income for the year		9,029	32,243	41,272	13,654	29,980	43,634	43,634

Statement of historical cost profits and losses
for the year ended 31 March 2018

	2018	2017
	£000	£000
Reported profit on ordinary activities before taxation	47,082	49,017
Realisation of property revaluations of earlier years	(227)	1,522
Historical cost profit on ordinary activities before taxation	46,855	50,539
Historical cost profit for the year retained after taxation and dividends	35,045	32,256

The notes on pages 9 to 20 form an integral part of these financial statements.

Balance sheet

as at 31 March 2018

	Note	2018		2017	
		£000	£000	£000	£000
Fixed assets					
Tangible fixed assets	9		491,650		438,255
Investments	10		-		-
			<u>491,650</u>		<u>438,255</u>
Current assets					
Debtors	11	16,409		16,962	
Cash at bank and in hand		16,864		15,375	
		<u>33,273</u>		<u>32,337</u>	
Creditors: amounts falling due within one year	12	(11,795)		(11,590)	
		<u></u>		<u></u>	
Net current assets			21,478		20,747
			<u></u>		<u></u>
Total assets less current liabilities			513,128		459,002
Creditors: amounts falling due after more than one year	12	(287,633)		(272,426)	
Provisions for liabilities and charges	13	(20,158)		(16,511)	
		<u></u>		<u></u>	
Net assets			205,337		170,065
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	14		1,005		1,005
Share premium account			145		145
Investment property revaluation reserve			195,303		162,833
Profit and loss account			8,884		6,082
			<u></u>		<u></u>
Equity shareholders' funds			205,337		170,065
			<u></u>		<u></u>

Approved by the board of directors on 11 July 2018 and signed on its behalf by:



ML Widders
Director

Registered number 735621

The notes on pages 9 to 20 form an integral part of these financial statements.

Statement of changes in equity

	Called up share capital £000	Share premium £000	Revaluation reserve £000	Profit & loss account £000	Total equity £000
Balance at 1 April 2016	1,005	145	134,375	3,806	139,331
Total comprehensive income for the period					
Profit or loss	-	-	-	43,634	43,634
Investment property revaluation	-	-	33,436	(33,436)	-
Deferred tax on revaluation	-	-	(3,456)	3,456	-
Realised surplus on disposal of investment property	-	-	(1,522)	1,522	-
Total comprehensive income for the period	-	-	28,458	15,176	43,634
Transactions with owners recorded directly in equity					
Dividends paid	-	-	-	(12,900)	(12,900)
Balance at 31 March 2017	1,005	145	162,833	6,082	170,065
Balance at 1 April 2017	1,005	145	162,833	6,082	170,065
Total comprehensive income for the period					
Profit or loss	-	-	-	41,272	41,272
Investment property revaluation	-	-	35,722	(35,722)	-
Deferred tax on revaluation	-	-	(3,479)	3,479	-
Realised deficit on disposal of investment property	-	-	227	(227)	-
Total comprehensive income for the period	-	-	32,470	8,802	41,272
Transactions with owners recorded directly in equity					
Dividends paid	-	-	-	(6,000)	(6,000)
Balance at 31 March 2018	1,005	145	195,303	8,884	205,337

The notes on pages 9 to 20 form an integral part of these financial statements.

Notes to the financial statements

1 Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements except as noted below.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014.

The Company's parent undertaking, Northern Trust Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Northern Trust Group Limited are available to the public and may be obtained from the address included in note 18. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

The Company participates in the centralised treasury and banking arrangements of Northern Trust Group Limited and fellow subsidiaries. The following applies to the funding position of the Group:

The Group's activities are funded through a combination of bank facilities and cash generated from operations. In the current and prior years the Group has complied with the terms of its bank facilities. The Group refinanced in June 2017 securing new loan facilities of £230m for a 5-year term.

The directors have prepared detailed forecasts which show that the Group will continue to operate within the terms of its facilities for the foreseeable future. On this basis, they have continued to adopt the going concern basis in preparing the financial statements.

Notes (continued)

1 Statement of accounting policies (continued)

Related party transactions

In accordance with FRS 102, as the Company is a wholly-owned subsidiary of Northern Trust Group Limited, it has therefore not disclosed transactions or balances with wholly-owned subsidiaries which form part of the group.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers during the year. All turnover arises in the United Kingdom.

Investment properties

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

Investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised as profit or loss in the period that they arise.

Subsequent to initial recognition no depreciation is provided in respect of investment properties applying the fair value model.

Revaluation reserve

Where tangible fixed assets are revalued or reclassified as investment properties, the cumulative increase in the fair value of the property at the date of reclassification in excess of cost is included in the revaluation reserve.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The depreciation rates are as follows:

Short leasehold	- Over the period of the lease
CCTV	- 10%
Plant and machinery	- 15%
Computer equipment	- 20%
Motor vehicles	- 25%

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Notes (continued)

1 Statement of accounting policies (continued)

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred. Where grants relate to assets which are not depreciated, the grants are held as deferred income and released to the profit and loss account on sale of the assets to which they relate.

Investments

Investments in subsidiaries are stated at cost less impairment.

Employee benefits

Defined contribution plans and other long term employee benefits

The company operates defined contribution pension schemes for the benefit of certain of its employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Expenses

Interest receivable and Interest payable

Interest payable and similar charges include interest payable.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established.

Basic Financial Instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes (continued)

1 Statement of accounting policies (continued)

Taxation

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

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

2 Other operating (costs) / income

Other operating (costs) / income form part of the Company's normal trading activities and comprise the following:

	2018 £000	2017 £000
(Loss) / profit on disposal of investment properties	(35)	649
Profit on disposal of other fixed assets	1	6
	<hr/>	<hr/>
	(34)	655
	<hr/>	<hr/>

3 Expenses and auditor's remuneration

Administrative expenses include:

	2018 £000	2017 £000
Auditor's remuneration:		
- in respect of the statutory audit of these financial statements	27	23
- in respect of taxation services provided	49	40
	<hr/>	<hr/>

Notes (continued)

4 Staff numbers and costs

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

	2018 Number	2017 Number
Operational	30	30
Management and administration	9	10
	<u>39</u>	<u>40</u>

	2018 £000	2017 £000
<i>Employee costs (including directors):</i>		
Wages and salaries	1,757	1,663
Social security costs	199	192
Other pension costs	92	89
	<u>2,048</u>	<u>1,944</u>

5 Directors' remuneration

The remuneration of the Company's directors was:-

	2018 £000	2017 £000
Directors' emoluments for services as directors	541	502
Company contributions to defined contribution pension scheme	33	30
	<u>574</u>	<u>532</u>

The number of directors to whom benefits are accruing under the defined contribution schemes is three (2017: three).

The aggregate of emoluments and benefits received by the highest paid director was £194,000 (2017: £177,000) and company pension contributions of £10,000 (2017: £9,000) were made on their behalf.

6 Interest receivable and similar income

	2018 £000	2017 £000
On loans to group undertakings	385	511
Bank interest receivable	-	2
Other interest receivable	12	1
	<u>397</u>	<u>514</u>

Notes (continued)

7 Interest payable and similar charges

	2018 £000	2017 £000
On bank loans and overdrafts	8,617	13,021
On loans from group undertakings	1,651	2,109
	<hr/>	<hr/>
Recurring interest payable and similar charges	10,268	15,130
	<hr/>	<hr/>
Loan arrangement fees written off in respect of previous facility	2,391	-
Bank facility break costs	3,978	-
	<hr/>	<hr/>
Non-recurring interest payable and similar charges	6,369	-
	<hr/>	<hr/>
Total interest payable and similar charges	16,637	15,130
	<hr/>	<hr/>

8 Taxation on profit on ordinary activities

	2018 £000	2017 £000
UK Corporation tax at 19% (2017: 20%)		
Current year	2,195	1,407
Adjustment relating to prior year	(32)	191
	<hr/>	<hr/>
Current tax charge for the year	2,163	1,598
Movement in deferred tax (note 13)	3,647	3,785
	<hr/>	<hr/>
Total tax charge for the year	5,810	5,383
	<hr/>	<hr/>

The current tax charge for the year is lower (2017: lower) than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £000	2017 £000
Profit for the year	41,272	43,634
Tax expense	5,810	5,383
	<hr/>	<hr/>
Profit on ordinary activities before taxation	47,082	49,017
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20%)	8,946	9,803
Effects of:		
Adjustment relating to prior period	(32)	191
Adjust closing and opening deferred tax to average rate	(429)	(790)
Expenses not deductible for tax purposes	5	116
Group relief surrendered	402	(40)
Payment for group relief	310	780
Capital gains	3,965	(2,852)
Land remediation expenditure	-	(9)
Income not taxable for tax purposes	(7,357)	(1,816)
	<hr/>	<hr/>
Total tax charge included in profit or loss	5,810	5,383
	<hr/>	<hr/>

Notes (continued)

8 Taxation on profit on ordinary activities (continued)

From 1 April 2015 the main rate of corporation tax was reduced to 20%. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. Any deferred tax at 31 March 2018 has been calculated based on the rate of 17% being the rate substantively enacted at the balance sheet date.

9 Tangible fixed assets

	Land and buildings			
	Investment Properties £000	Fixed Assets £000	Plant and Equipment £000	Total £000
Cost or valuation				
At 1 April 2017	435,531	2,134	3,231	440,896
Additions	26,690	4	211	26,905
Disposals	(9,026)	-	(201)	(9,227)
Intra group transfer	-	-	123	123
Revaluation	35,572	150	-	35,722
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	488,767	2,288	3,364	494,419
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2017	-	-	2,641	2,641
Charge for year	-	-	195	195
Intra group transfer	-	-	(186)	(186)
Disposals	-	-	119	119
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	-	-	2,769	2,769
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2018	488,767	2,288	595	491,650
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 1 April 2017	435,531	2,134	590	438,255
	<hr/>	<hr/>	<hr/>	<hr/>

At 31 March 2018 the investment properties were revalued to open market value by the directors.

If stated under historical cost principles the comparable amounts for investment properties would be:

	2018 £000	2017 £000
Cost	277,365	259,749
	<hr/>	<hr/>

Notes (continued)

10 Fixed asset investments

	Shares in subsidiary undertakings £000
Cost	
1 April 2017 and 31 March 2018	503
Provision	
1 April 2017 and 31 March 2018	503
Net book value	
31 March 2018	-
1 April 2017	-

The Company's operating subsidiary undertakings at 31 March 2018 are set out below. All operate in the United Kingdom and are registered in England.

Company	Class of capital and percentage held	Activity
<i>Subsidiary undertakings</i>		
Metacre Limited	Ordinary 100%	Land and property investment
Whittle Jones Group Limited	Ordinary 100%	Chartered surveyor

11 Debtors

	2018 £000	2017 £000
Trade debtors	2,079	2,014
Other debtors	3,645	3,213
Prepayments and accrued income	554	3,229
Amounts owed by group undertakings	9,000	7,492
Amounts owed by related parties	1,131	1,014
	16,409	16,962

Notes (continued)

12 Creditors

	2018 £000	2017 £000
<i>Amounts falling due within one year:</i>		
Trade creditors	1,881	1,421
Amounts owed to related parties	209	45
Other taxes and social security	836	945
Corporation tax	606	241
Accruals and deferred income	6,762	6,222
Other creditors	138	189
Interest payable	1,363	2,527
	<hr/>	<hr/>
	11,795	11,590
	<hr/>	<hr/>
<i>Amounts falling due after one year:</i>		
Amounts owed to group undertakings	44,886	41,547
Bank loan	229,268	218,030
Accruals and deferred income	13,479	12,849
	<hr/>	<hr/>
	287,633	272,426
	<hr/>	<hr/>

The accruals and deferred income due after one year relates entirely to grants over investment properties.

On 5th June 2017 the group to which the Company belongs completed the refinancing of its bank facilities securing new loan facilities of £230m for a 5-year term. The loan is repayable on 20th June 2022 and is secured by fixed and floating charge on the group's assets. Interest is payable on the bank loan at a fixed rate of 0.681% plus margin.

	2018 £000	2017 £000
Bank loan payable:		
Within one year	-	-
Between one and two years	-	-
Between two and five years	229,268	218,030
	<hr/>	<hr/>
	229,268	218,030
	<hr/>	<hr/>

Notes (continued)

13 Provision for liabilities and charges

	2018 £000	2017 £000
Deferred taxation		
At beginning of year	16,511	12,726
Charge to the profit and loss account	3,647	3,785
	<hr/>	<hr/>
At end of year	20,158	16,511
	<hr/>	<hr/>

The elements of deferred taxation are as follows:

	2018 £000	2017 £000
Balancing charges on the disposal of properties and accelerated capital allowances	3,237	3,130
Short term timing differences	(2)	(1)
Tax losses carried forward	(2,887)	(2,617)
Capital gains	19,810	15,999
	<hr/>	<hr/>
Deferred tax liability	20,158	16,511
	<hr/>	<hr/>

14 Called up share capital

	2018 £000	2017 £000
Authorised		
10,000,000 ordinary shares of £0.25 each	2,500	2,500
	<hr/>	<hr/>
Allotted and fully paid		
4,021,431 ordinary shares of £0.25 each	1,005	1,005
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

15 Pensions

Certain of the Company's employees are members of defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension costs charge represents pension contributions payable by the Company to the funds and amounted to £92,000 (2017: £89,000). There were contributions outstanding at the end of the financial year of £13,000 (2017: £4,000).

Notes (continued)

16 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2018 £000	2017 £000
Less than one year	48	1
Between one and five years	76	59
More than five years	-	-
	<hr/>	<hr/>
	124	60
	<hr/>	<hr/>

During the year £47,000 was recognised as an expense in the profit and loss account in respect of operating leases (2017: £44,000).

17 Related party transactions

Hemway Limited

During the year the Company paid management fees of £800,000 (2017: £800,000) to Hemway Limited. An amount of nil (2017: £nil) was outstanding at the year end.

Trust Inns Limited

During the year the Company received rental income of £78,800 (2017: £78,800) from Trust Inns Limited. The Company charged fees during the year of £15,000 (2017: £15,000) to Trust Inns Limited for services provided.

Classic Lodges Limited

During the year the Company received rental income from Classic Lodges Limited of £22,000 (2017: £22,000). The Company charged fees during the year of £24,000 (2017: £42,000) to Classic Lodges Limited for services provided by the group. £11,000 is due from Classic Lodges Limited at the year end (2017: £nil).

Cleator Manor Limited

During the year the Company has incurred expenses in relation to a promotional agreement with Cleator Manor Limited. At the year end an amount of £880,000 (2017: £404,000) was included in related party debtors for costs incurred to date, which are expected to be reimbursed under the promotional agreement.

Trustair Limited

During the year the Company claimed tax losses of £60,000 (2017: £73,000) from Trustair Limited. At the year end an amount of £60,000 (2017: £73,000) was outstanding in respect of tax losses claimed. During the year the Company incurred expense in relation to hiring aircraft from Trustair Limited of £8,000 (2017: £237,000). £6,000 (2017: £nil) was outstanding in respect of this at the year end.

Ambrose Hire Limited

The Company charged fees during the year of £5,000 (2017: £5,000) to Ambrose Hire Limited for services provided.

Preston North End Football Club Limited

During the year the Company claimed tax losses of £242,000 (2017: £705,000) from Preston North End Football Club Limited. At the year end an amount of £135,000 (2017: £20,000) was outstanding in respect of tax losses claimed.

Notes (continued)

17 Related party transactions (continued)

Gleadhill House Stud Limited

During the year the Company paid sponsorship to Gleadhill House Stud Limited of £nil (2017: £400,000). Nothing was outstanding in respect of these at the current or prior year end. At the year end an amount of £240,000 (2017: nil) was due from Gleadhill House Stud Limited in respect of residential housing development cost recharges.

Cuerden Leisure Limited

During the year the Company claimed tax losses of £8,000 (2017: £nil) from Cuerden Leisure Limited. At the year end an amount of £8,000 (2017: £45,000) was outstanding in respect of tax losses surrendered.

Guild Ventures Limited

During the year the Company claimed tax losses of £nil (2017: £2,000) from Guild Ventures Limited. At the year end an amount of £nil (2017: £2,000) was outstanding in respect of tax losses claimed.

Andreas Management Limited

During the year management fees of £nil (2017: £450,000) were paid to Andreas Management Limited. Nothing was owed to Andreas Management Limited at the current or prior year end.

Wordon Limited

During the year management fees of £600,000 (2017: £150,000) were paid to Wordon Limited. Nothing was owed to Wordon Limited at the current or prior year end.

The family interests of Mr TJ Hemmings are shareholders in the ultimate parent Company of Northern Trust Company Limited and the above companies or their ultimate parent company.

18 Parent company and controlling party

The ultimate controlling party is Wordon Limited, a company incorporated in the Isle of Man and wholly owned by the family interests of Mr TJ Hemmings. Wordon Limited does not prepare consolidated accounts.

The ultimate parent company in the UK is Northern Trust Group 1 Limited, a company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Northern Trust Group 1 Limited. The smallest group in which the results of the company are consolidated is that headed by Northern Trust Group Limited. The consolidated financial statements of Northern Trust Group 1 Limited and Northern Trust Group Limited are available to the public and may be obtained from:

The Registrar of Companies
Companies House
Crown Way
CARDIFF
CF14 3UZ