Coney (York) Limited

Directors' report and financial statements

Registered number 05432190

Year ended 31 March 2017

Contents

Officers and professional advisors

The board of directors

JC Barnsley
RW Jefferson
ST Glanville

Company secretary

HL Austin

Registered office

First Floor, Finchale House
Belmont Business Park
Durham
DH1 1TW

Auditor

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company is to carry on a property investment business.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend the payment of a dividend *(2016: £nil)*.

Directors

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

JC Barnsley	
RW Jefferson	
RM Wright	(resigned 31 August 2016)
TMS Wooldridge	(resigned 4 July 2016)
ST Glanville	(appointed 4 July 2016)

Political contributions

The company made no political donations or incurred any political expenditure during the year *(2016: £nil)*.

Disclosure of information to auditor

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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' report has been prepared taking advantage of the small companies' exemption under Section 415A of the Companies Act 2006.

By order of the board

ST Glanville
Director

First Floor, Finchale House
Belmont Business Park
Durham
DH1 1TW

22 December 2017

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of Coney (York) Limited

We have audited the financial statements of Coney (York) Limited for the year ended 31 March 2017 as set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities 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. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Coney (York) Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Nick Plumb (Senior Statutory Auditor) 22 December 2017
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Income Statement
for the year ended 31 March 2017

	Note	2017	2016
		£	£
Revenue	2	**317,042**	320,667
Administrative expenses		**(43,940)**	(41,544)
Operating profit before net valuation movements	2-4	**273,102**	279,123
Net valuation movement on investment property	8	**225,000**	-
Operating profit after net valuation movements		**498,102**	279,123
Finance income	5	**45**	46
Finance expenses	6	**(188,850)**	(178,323)
Profit before taxation		**309,297**	100,846
Taxation	7	**(20,564)**	59,217
Profit for the year	14	**288,733**	160,063

Statement of Other Comprehensive Income
for the year ended 31 March 2017

	2017	2016
	£	£
Profit for the year	**288,733**	160,063
Other comprehensive income		
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**288,733**	160,063

Balance Sheet
as at 31 March 2017

	Notes	2017 £	2016 £
Non-current assets			
Investment property	*8*	5,900,000	5,675,000
Deferred tax assets	*9*	38,653	59,217
		5,938,653	5,734,217
Current assets			
Trade and other receivables	*10*	2,858	-
Cash and cash equivalents	*11*	76,060	-
		78,918	-
Total assets		6,017,571	5,734,217
Current liabilities			
Bank overdrafts	*11*	-	(1,345)
Trade and other payables	*12*	(3,621,526)	(3,625,560)
		(3,621,526)	(3,626,905)
Total liabilities		(3,621,526)	(3,626,905)
Net assets		2,396,045	2,107,312
Equity			
Share capital	*13*	4,000,000	4,000,000
Retained earnings	*14*	(1,603,955)	(1,892,688)
Total equity		2,396,045	2,107,312

These financial statements were approved by the board of directors on 22 December 2017 and were signed on its behalf by:

ST Glanville
Director

Company registration number: 05432190

Statement of Changes in Equity
for the year ended 31 March 2017

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2015	4,000,000	(2,052,751)	1,947,249
Total comprehensive income for the year			
Profit for the year	-	160,063	160,063
Balance at 31 March 2016	4,000,000	(1,892,688)	2,107,312
Balance at 1 April 2016	**4,000,000**	**(1,892,688)**	**2,107,312**
Total comprehensive income for the year			
Profit for the year	**-**	**288,733**	**288,733**
Balance at 31 March 2017	**4,000,000**	**(1,603,955)**	**2,396,045**

Cash Flow Statement
for the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the year		**288,733**	160,063
Adjustments for:			
Net valuation gains on investments property	*8*	**(225,000)**	-
Financial income	*5*	**(45)**	(46)
Financial expense	*6*	**188,850**	178,323
Taxation	*7*	**20,564**	(59,217)
		273,102	279,123
(Increase)/decrease in trade and other receivables		**(2,858)**	22,042
Decrease in trade and other payables		**(4,034)**	(125,099)
		266,210	176,066
Interest paid		**(188,850)**	(178,323)
Net cash from operating activities		**77,360**	(2,257)
Cash flows from investing activities			
Interest received		**45**	46
Net cash from investing activities		**45**	46
Cash flows from financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents		**77,405**	(2,211)
Cash and cash equivalents at 1 April		**(1,345)**	866
Cash and cash equivalents at 31 March	*11*	**76,060**	(1,345)

Notes
(forming part of the financial statements)

1 Accounting policies

Coney (York) Limited (the "Company") is a private company incorporated and domiciled in the UK.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis except that investment properties are stated at their fair value.

Going concern

The accounts have been prepared on a going concern basis. The company has net current liabilities which include amounts due to related undertakings. These related party relationships will continue for the foreseeable future and provide the necessary working capital and financial support to allow the company to continue to trade. On the basis of the on-going financial support from related undertakings and a detailed review of the company's forecasts and projections, the directors are confident that the company has sufficient resources to meet its liabilities as they fall due for at least 12 months from the date of approval of these accounts.

Foreign currency

Transactions in foreign currencies are translated to the company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Classification of financial instruments issued by the company

Following the adoption of IAS 32, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

1 Accounting policies *(continued)*

***Non-derivative financial instruments** (continued)*

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the year end. Gains or losses arising from changes in the fair value of investment property are included in net profit or loss for the year in which they arise.

Gains or losses arising from the retirement or disposal of investment property, being the difference between the net disposal proceeds and carrying value, are included in profit or loss for the year of the retirement/disposal.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Rental income from investment property is recognised on a straight-line basis over the term of the relevant operating lease. The aggregate cost of lease incentives are recognised as a reduction of rental income on a straight-line basis over the term of the lease.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Financing income and expenses

Financing expenses comprise interest payable and is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Taxation

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

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.

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation (continued)

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Standards and Interpretations applied for the first time

None of the Adopted IFRSs, which became effective for the first time, had a significant impact on either the company's result for the year or equity.

Adopted IFRS not yet applied

Of the IFRSs that have been issued and endorsed by the EU but have not yet been applied by the company, because they are not yet effective, none are expected to have a material effect on the company's financial statements.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the valuation of the company's investment property – see note 8.

2 Revenue

	2017	2016
	£	£
Investment property rentals	**315,000**	315,000
Rendering of services	**2,042**	5,667
	317,042	320,667

All of the company's revenue is derived from investment property in the UK.

Notes *(continued)*

3 Expenses and auditor's remuneration

Included in profit/loss is the following:

Auditor's remuneration:

	2017 £	2016 £
Audit of these financial statements	**1,500**	2,000

4 Remuneration of directors, staff numbers, and costs

	2017 £	2016 £
Sums paid to third parties for directors' services	**12,000**	-

Fees in respect of directors services are paid to a related undertaking (see note 17). The company had no other employees during the current and preceding financial year.

5 Finance income

	2017 £	2016 £
Bank interest	**45**	46

6 Finance expenses

	2017 £	2016 £
Bank interest	**1**	50
Interest charged by related undertaking (note 17)	**188,849**	178,273
	188,850	178,323

7 Taxation

Recognised in the income statement

	2017 £	2016 £
Current tax expense		
Current year	-	-
Deferred taxation (see note 9)		
Origination and reversal of timing differences	**16,860**	20,169
Effect of tax rate change on opening balance	**3,704**	3,117
Adjustment in respect of prior year	-	(82,503)
Total deferred tax expense/(credit)	**20,564**	(59,217)
Total tax expense/(credit)	**20,564**	(59,217)

Notes *(continued)*

7 Taxation *(continued)*

Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the year	**288,733**	160,063
Total tax expense/(credit)	**20,564**	(59,217)
Profit excluding taxation	**309,297**	100,846
Tax using the UK corporation tax rate of 20% *(2016: 20%)*	**61,859**	20,169
Effect of changes in tax rates	**3,704**	3,117
Non-deductible expenses	**1**	-
Non-taxable gains	**(45,000)**	-
Adjustment in respect of prior years	**-**	(82,503)
Total tax expense/(credit)	**20,564**	(59,217)

Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2016) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted by the balance sheet date. The deferred tax asset at 31 March 2017 has been calculated based on these rates.

8 Investment property

	2017 £	2016 £
Balance at 1 April	**5,675,000**	5,675,000
Net movement on revaluation	**225,000**	-
Balance at 31 March	**5,900,000**	5,675,000

The company has valued all of its investment property as at 31 March 2017 at fair value.

The fair value of the company's investment property has been arrived by certain directors of the company who are members of the Royal Institution of Chartered Surveyors with reference to a third party valuation conducted by Colliers CRE in 2017 on an open market basis.

All of the investment properties have been categorised within Level 3 of the fair value hierarchy outlined in note 15. Their valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The company has pledged all of its investment property to secure loan facilities granted to a related undertaking (see note 12).

Notes *(continued)*

9 Deferred tax assets and liabilities

Recognised and unrecognised deferred tax assets and liabilities are attributable to the following:

	2017		2016	
	Recognised	**Unrecognised**	Recognised	Unrecognised
Non-current	**£**	**£**	£	£
Investment property	**(49,757)**	-	(55,611)	-
Tax value of loss carry-forwards	**88,410**	-	114,828	-
Net assets/(liabilities)	**38,653**	-	59,217	-

Movement in recognised deferred tax during the year

	1 April 2016	**Recognised in income**	**Recognised in equity**	**31 March 2017**
	£	**£**	**£**	**£**
Investment property	**(55,611)**	**5,854**	-	**(49,757)**
Tax value of loss carry-forwards	**114,828**	**(26,418)**	-	**88,410**
	59,217	**(20,564)**	-	**38,653**

Movement in recognised deferred tax during the prior year

	1 April 2015	Recognised in income	Recognised in equity	31 March 2016
	£	£	£	£
Investment property	-	(55,611)	-	(55,611)
Tax value of loss carry-forwards	-	114,828	-	114,828
	-	59,217	-	59,217

10 Trade and other receivables

	2017	2016
	£	£
Current		
Prepayments	**2,858**	-

A provision against trade and other receivables is made when these are considered to be impaired after taking into account the specific nature of the receivable.

None of the balances noted above in the current and prior period were past their due date.

Notes *(continued)*

11 Cash and cash equivalents/ bank overdrafts

	2017	2016
	£	£
Cash and cash equivalents per balance sheet	**76,060**	-
Bank overdrafts	-	(1,345)
Cash and cash equivalents per cash flow statements	**76,060**	(1,345)

12 Trade and other payables

	2017	2016
	£	£
Current		
Trade payables	**1,068**	-
Amounts owed to related undertakings (note 17)	**3,572,769**	3,616,860
Other tax and social security	**9,100**	8,700
Deferred income	**35,639**	-
Accruals	**2,950**	-
	3,621,526	3,625,560

The directors consider that the carrying value of trade and other payables approximates to their fair value. Classification of trade and other payables within current liabilities represent the fact their contractual cash flows are due in less than one year.

Amounts owed to related undertakings includes loans payable of £3,568,909 *(2016: £3,606,060)*. The loans are repayable on demand, secured by a fixed charge over the company's investment property and bears interest at LIBOR plus a fixed margin.

13 Called up share capital

	Ordinary shares	
	2017	2016
	Number	Number
In issue at 1 April and 31 March - fully paid	**4,000,000**	4,000,000

	2017	2016
	£	£
Allotted, called up and fully paid		
4,000,000 ordinary shares of £1	**4,000,000**	4,000,000
Shares classified in shareholders' funds	**4,000,000**	4,000,000

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.

Dividends

No dividend was recognised during the year.

Notes *(continued)*

14 Reserves

	Retained earnings £
Balance at 1 April 2015	(2,052,751)
Profit for the year	160,063
Balance at 31 March 2016	(1,892,688)
Balance at 1 April 2016	(1,892,688)
Profit for the year	288,733
Balance at 31 March 2017	**(1,603,955)**

15 Financial instruments

The company's financial assets and liabilities consist primarily of cash and cash equivalents, trade and other receivables and trade and other payables. The company has no external borrowings. The company does not trade in financial instruments and no financial instruments are measured at fair value.

Fair value of financial instruments

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated at its carrying value where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Trade and other receivables

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if this is material.

Trade and other payables

The fair value of trade and other payables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Fair value hierarchy

The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market prices (unadjusted) in an active market for an identical item.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques using significant unobservable inputs. This category includes those items where the valuation technique includes inputs not based on observable data and the unobservable data have a significant effect on the valuation.

Notes *(continued)*

15 Financial instruments *(continued)*

The fair values of all other financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	2017		2016	
	Carrying amount	**Fair value**	Carrying amount	Fair value
	£	**£**	£	£
Loans and receivables				
Cash and cash equivalents	**76,060**	**76,060**	-	-
Total financial assets	**76,060**	**76,060**	-	-
Financial liabilities measured at amortised cost				
Bank overdrafts	-	-	1,345	1,345
Trade and other payables (excluding deferred income)	**3,585,887**	**3,585,887**	3,625,560	3,625,560
Total financial liabilities	**3,585,887**	**3,585,887**	3,626,905	3,626,905

Cash and cash equivalents and bank overdrafts falls within Level 1. All other financial assets and financial liabilities noted above fall within Level 2.

Management of financial risk

The company's risk management policies are established to identify and analyse the risk faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The main risks associated with the company's financial instruments have been identified as credit risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet its contractual obligations and arises from the company's amounts due from related parties and other receivables. This risk is mitigated through established credit management techniques, including monitoring counterparty creditworthiness, setting exposure limits and monitoring exposure against their credit limits. The carrying amount of balances due from related parties and other receivables in the balance sheet represents the maximum exposure to credit risk. There were no balances past their due date at the balance sheet date.

The directors consider the company's exposure to credit risk to be acceptable and normal for entities of its size.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the company's reputation.

Capital management

The company defines capital as share capital and retained earnings. The company's objective in capital management is to safeguard its ability to continue as a going concern providing returns to shareholders, through optimisation of the debt and equity balance, and to maintain a strong credit rating and headroom. The company manages its capital structure and makes appropriate decisions in light of the current economic conditions and strategic objectives of the company.

Notes *(continued)*

16 Commitments

Capital commitments

Capital commitments at the end of the period for which no provision has been made amounted to £nil *(2016: £nil).*

Leases as lessor

The investment properties are let under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

	2017	2016
	£	£
Less than one year	**242,507**	315,000
Between one and five years	-	242,507
More than five years	-	-
	242,507	557,507

Where the operating leases on investment properties provide for contingent rental increases, these contingent rents have not been disclosed in the above note.

17 Related party transactions

During the year ended the company undertook the following transactions with companies whose directors included JC Barnsley, TMS Wooldridge, RW Jefferson, RM Wright and ST Glanville.

	Transactions in		**Amounts due from**		**Amounts due to**	
	2017	2016	**2017**	2016	**2017**	2016
	£	£	**£**	£	**£**	£
API Limited						
Management fees payable	**22,704**	22,704	-	-	**3,860**	10,800
Wellbark Property Limited						
Loans received	-	-	-	-	**3,100,829**	-
Michael Noble Investments						
Fees in respect of director services	**12,000**	-	-	-	-	-

During the year the company undertook the following transactions with limited partnerships whose General partner's directors included its , TMS Wooldridge, RW Jefferson, RM Wright and ST Glanville.

	Transactions in		**Amounts due from**		**Amounts due to**	
	2017	2016	**2017**	2016	**2017**	2016
	£	£	**£**	£	**£**	£
Candama Investors Limited Partnership						
Interest payable on intra-group loans	**188,849**	178,273	-	-	-	-
Loans received	-	-	-	-	**468,080**	3,606,060

All related party balances are unsecured and will be settled by cash generated from operations.

Transactions with key management personnel

Directors of the company and their immediate relatives control none of the voting shares of the company.

Key management personnel (including the directors) are not compensated by the company. Compensation in respect of key management personnel is instead recharged to the company through management fees payable to API Limited and directors' fees payable to Michael Noble Investments, related undertakings, as noted above.

Notes *(continued)*

18 Ultimate parent company and parent company of larger group

As at the year end, the company's immediate parent undertaking was Golftee LP4 Limited, a company incorporated in the United Kingdom. The directors consider the ultimate controlling party to be the trustees of the Michael Noble Will Trusts.

The results of the company are not included in any group financial statements.