

COMPANY REGISTRATION NUMBER: 03970757

LILESTONE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st DECEMBER 2016



BREBNNERS
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

LILESTONE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2016

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LILESTONE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

N Bartlett
T S Low

Registered office

100 New Bridge Street
London
EC4V 6JA

Auditor

Brebners
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

LILESTONE LIMITED
DIRECTORS' REPORT
YEAR ENDED 31st DECEMBER 2016

The directors present their report and the financial statements of the company for the year ended 31st December 2016.

DIRECTORS

The directors who served the company during the year were as follows:

T S Low	
N Bartlett	(Appointed 9th May 2016)
M Chakardjian	(Resigned 9th May 2016)
T J Low	(Resigned 25th November 2016)

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

LILESTONE LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 31st DECEMBER 2016

This report was approved by the board of directors on 19th September 2017 and signed on behalf of the board by:

N.J.A. Bartlett.

N Bartlett
Director

LILESTONE LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LILESTONE LIMITED
YEAR ENDED 31st DECEMBER 2016**

We have audited the financial statements of Lilestone Limited for the year ended 31st December 2016, on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member, 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 member 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 member 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, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS

We were not appointed as auditors of the company until after 31st December 2016 and thus did not observe the counting of physical inventories at the beginning and end of the year. We are unable to satisfy ourselves by alternative means concerning inventory quantities held at 31st December 2016 and 2015 which are stated in the statement of financial position at an amount of £207,947 and £246,000 respectively. As a result, we are unable to determine whether any adjustments to these amounts were necessary.

QUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2016 and of its 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.

LILESTONE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LILESTONE LIMITED (continued)

YEAR ENDED 31st DECEMBER 2016

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

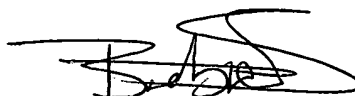
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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



Martin Widdowson (Senior Statutory Auditor)

For and on behalf of
Brebners
Chartered Accountants & Statutory Auditor

130 Shaftesbury Avenue
London
W1D 5AR

22/9/2017

LILESTONE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31st DECEMBER 2016

	Note	2016 £	2015 £
TURNOVER		1,068,881	2,349,167
Cost of sales		<u>284,802</u>	<u>1,357,237</u>
GROSS PROFIT		784,079	991,930
Distribution costs		<u>176,401</u>	752,983
Administrative expenses		<u>4,823,548</u>	<u>7,774,922</u>
OPERATING LOSS		(4,215,870)	(7,535,975)
Other interest receivable and similar income		417	–
Interest payable and similar expenses		<u>–</u>	<u>156</u>
LOSS BEFORE TAXATION	5	(4,215,453)	(7,536,131)
Tax on loss		<u>–</u>	<u>–</u>
LOSS FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		(4,215,453)	(7,536,131)

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

There is no material difference between the loss on ordinary activities before taxation and the loss for the current or prior financial years stated above and their historical cost equivalents.

LILESTONE LIMITED
STATEMENT OF FINANCIAL POSITION
31st DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Intangible assets	6	39,799	49,960
Tangible assets	7	27,674	43,120
Investments	8	557	557
		<u>68,030</u>	<u>93,637</u>
CURRENT ASSETS			
Stocks	9	207,947	246,000
Debtors	10	2,598,253	3,194,659
Cash at bank and in hand		32,861	1,280,404
		<u>2,839,061</u>	<u>4,721,063</u>
CREDITORS: amounts falling due within one year	11	<u>21,315,515</u>	<u>25,736,174</u>
NET CURRENT LIABILITIES		<u>18,476,454</u>	<u>21,015,111</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(18,408,424)</u>	<u>(20,921,474)</u>
NET LIABILITIES		<u>(18,408,424)</u>	<u>(20,921,474)</u>
CAPITAL AND RESERVES			
Called up share capital		26,916,711	20,188,208
Share premium account		1,594,282	1,594,282
Profit and loss account		(46,919,417)	(42,703,964)
MEMBER DEFICIT		<u>(18,408,424)</u>	<u>(20,921,474)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 19th September 2017, and are signed on behalf of the board by:



N Bartlett
Director

Company registration number: 03970757

LILESTONE LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31st DECEMBER 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
AT 1st JANUARY 2015	20,188,208	1,594,282	(35,167,833)	(13,385,343)
Loss for the year			(7,536,131)	(7,536,131)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	–	(7,536,131)	(7,536,131)
AT 31st DECEMBER 2015	20,188,208	1,594,282	(42,703,964)	(20,921,474)
Loss for the year			(4,215,453)	(4,215,453)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	–	(4,215,453)	(4,215,453)
Issue of shares	6,728,503	–	–	6,728,503
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	6,728,503	–	–	6,728,503
AT 31st DECEMBER 2016	<u>26,916,711</u>	<u>1,594,282</u>	<u>(46,919,417)</u>	<u>(18,408,424)</u>

The notes on pages 9 to 16 form part of these financial statements.

LILESTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2016

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The registered office is situated at 100 New Bridge Street, London EC4V 6JA.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard Applicable in the UK and the Republic of Ireland' Section 1A and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis and are prepared in sterling, which is the functional currency of the entity.

Going concern

The statement of comprehensive income for the year ended 31st December 2016 shows a loss of £4,215,453 and the statement of financial position shows net liabilities amounting to £18,408,424 at that date. At 31st December 2016 an amount of £17,323,882 was due to the parent undertaking, Lilestone Holdings Limited, who has confirmed that it is the intention to convert the debt into share capital during 2017 and consequently will not call for repayment of the amount due.

The company is expected to incur a further loss for the year ending 31st December 2017 as a result of further reorganisation and restructuring of the business.

Subsequent to 31st December 2016 the parent company secured further investment of £4.5m in share capital and share premium, and funds have subsequently been injected into Lilestone Limited.

The company has also reached an agreement to surrender a leasehold interest that had significant annual outgoings.

The funds injected have enabled the group to meet its external third party obligations to date and provide further working capital.

The company has no bank facilities and meets its obligations from funds advanced by the parent company by way of share capital and loans, and the working capital currently in place is considered to be adequate to provide sufficient working capital until at least September 2018.

Accordingly the directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the financial statements.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

LILESTONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31st DECEMBER 2016

3. ACCOUNTING POLICIES *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Key assumptions and other estimation uncertainty may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Judgements and estimates that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Tangible fixed assets are depreciated to their estimated residual values over their estimated useful lives. The company exercises judgement to determine these useful lives and residual values.

Intangible fixed assets are amortised to their estimated residual values over their estimated useful lives. The company exercises judgement to determine these useful lives and residual values.

Provision is made for slow-moving and obsolete stock. The company exercises judgement to determine the quantum of the provision.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable for goods sold during the period, exclusive of Value Added Tax. Retail turnover is recognised at the point of the sale. Wholesale turnover is recognised on the date of despatch.

Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax in the future.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

LILESTONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31st DECEMBER 2016

3. ACCOUNTING POLICIES *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents, trademarks and licences - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	over two to five years
Equipment	-	over two to five years

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

LILESTONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31st DECEMBER 2016

3. ACCOUNTING POLICIES *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is determined on a first in, first out basis.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

LILESTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2016

Trade and other debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the statement of comprehensive income over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company; or
- (vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. STAFF COSTS

The average number of persons employed by the company during the year, including the directors, amounted to 30 (2015: 55).

LILESTONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31st DECEMBER 2016

5. PROFIT BEFORE TAXATION

Loss before taxation is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	10,161	847
Depreciation of tangible assets	23,286	125,341
Impairment of tangible assets	–	73,152
Fees payable for the audit of the financial statements	<u>25,000</u>	<u>25,000</u>

6. INTANGIBLE ASSETS

	Patents, trademarks and licences £
Cost	
At 1 Jan 2016 and 31 Dec 2016	<u>50,807</u>
Amortisation	
At 1st January 2016	847
Charge for the year	<u>10,161</u>
At 31st December 2016	<u>11,008</u>
Carrying amount	
At 31st December 2016	<u>39,799</u>
At 31st December 2015	<u>49,960</u>

7. TANGIBLE ASSETS

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1st January 2016	79,999	112,397	192,396
Additions	61,651	–	61,651
Disposals	(61,651)	(51,753)	(113,404)
At 31st December 2016	<u>79,999</u>	<u>60,644</u>	<u>140,643</u>
Depreciation			
At 1st January 2016	79,999	69,277	149,276
Charge for the year	7,840	15,446	23,286
Disposals	(7,840)	(51,753)	(59,593)
At 31st December 2016	<u>79,999</u>	<u>32,970</u>	<u>112,969</u>
Carrying amount			
At 31st December 2016	<u>–</u>	<u>27,674</u>	<u>27,674</u>
At 31st December 2015	<u>–</u>	<u>43,120</u>	<u>43,120</u>

LILESTONE LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31st DECEMBER 2016

8. INVESTMENTS

	Investment in subsidiary undertakings £
Cost	
At 1 Jan 2016 and 31 Dec 2016	<u>557</u>
Impairment	
At 1 Jan 2016 and 31 Dec 2016	<u>-</u>
Carrying amount	
At 31st December 2016	<u>557</u>

9. STOCKS

	2016 £	2015 £
Raw materials and consumables	<u>207,947</u>	<u>246,000</u>

Stock charged to the profit and loss account during the year amounted to £443,427 (2015: £1,357,237).

10. DEBTORS

	2016 £	2015 £
Trade debtors	65,843	154,812
Amounts owed by group undertakings	177,726	144,214
Other debtors	<u>2,354,684</u>	<u>2,895,633</u>
	<u>2,598,253</u>	<u>3,194,659</u>

At 31st December 2016 an amount of £2,000,000 (2015: £2,000,000) was held in escrow on behalf of the company, secured by a fixed charge in favour of a supplier in respect of future liabilities. At 31st December 2016 an amount of £196,182 (2015: £40,478) was due to this supplier.

11. CREDITORS: amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,164,781	356,545
Amounts owed to group undertakings	17,323,882	23,853,799
Social security and other taxes	32,966	47,692
Other creditors	<u>1,793,886</u>	<u>1,478,138</u>
	<u>21,315,515</u>	<u>25,736,174</u>

LILESTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2016

12. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	1,650,000	1,650,000
Later than 1 year and not later than 5 years	7,425,000	7,425,000
Later than 5 years	2,887,500	4,537,500
	<u>11,962,500</u>	<u>13,612,500</u>

13. RELATED PARTY TRANSACTIONS

In accordance with FRS 102 paragraph 1AC.35, exemption is taken not to disclose transactions in the year between wholly owned group undertakings.

14. CONTROLLING PARTY

Lilestone Holdings Limited is the immediate parent undertaking and the directors consider Virtue Trustees (Switzerland) Limited to be the ultimate controlling party.

Group financial statements are prepared by Lilestone Holdings Limited incorporating the results of Lilestone Limited, which is both the largest and smallest group preparing group accounts. The consolidated financial statements can be obtained from Companies House.