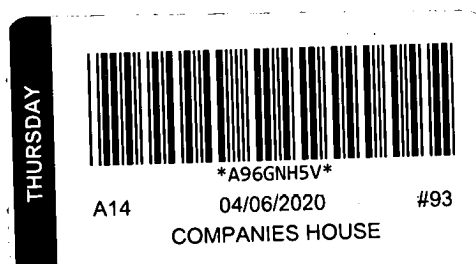


**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019
FOR
WESTMORELAND INVESTMENTS LIMITED**



Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 30 November 2019**

	Page
Company Information	1
Strategic Report	2
Directors' Report	3
Independent Auditors' Report	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

WESTMORELAND INVESTMENTS LIMITED

COMPANY INFORMATION
for the year ended 30 November 2019

DIRECTORS:

Mr H P Murphy
Mrs M A Murphy
Mr P H Murphy
Mr J J Murphy
Mrs M A Middleton
Mrs W M Linnett

SECRETARY:

Mr R H Smith FCA

REGISTERED OFFICE:

1 Westmoreland Avenue
Thurmaston
Leicester
LE4 8PH

REGISTERED NUMBER:

00934908 (England and Wales)

INDEPENDENT AUDITORS:

Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

SOLICITORS:

Crane & Walton
24 De Montfort Street
Leicester
LE1 7GB

STRATEGIC REPORT
for the year ended 30 November 2019

The directors present their strategic report for the year ended 30 November 2019.

INTRODUCTION

The company is principally engaged in the holding and development of freehold and long leasehold properties for investment purposes and its income is principally derived from rents.

BUSINESS REVIEW

The MSCI/IPD all property returns for the UK in 2019 were 0.7%, down from 5.2% in 2018. This is a benchmark for the overall property market but it does not accurately reflect movements in different property sectors. The company has seen an improvement in rent and strong occupancy which has gone some way to underpin a significant fall in the value of retail properties.

During the year the company acquired a 39,000 sq ft building in Westminster and has completed a number of new lettings within its Leicestershire industrial and warehousing portfolio.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the company relate to tenancy voids and fluctuations in property values.

These risks are closely monitored by the directors to ensure they are mitigated by timely and prudent management procedures.

The company actively manages its property portfolio to maintain high occupancy rates and to prevent voids where possible. The company also continues to review its property portfolio to identify poor performing properties with a view to disposal at an appropriate time.

FINANCIAL KEY PERFORMANCE INDICATORS

The company monitors its financial performance by reference to rental income and cash generation levels.

Rental income has increased by £43,437 being the net effect of property movements in the year, new lettings and rent reviews. The operating result before fair value movements is £18,867,806 (2018 - £18,727,431). The increase of £140,375 is the net effect of increased rentals and dilapidation receipts less higher property outgoings.

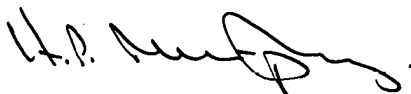
NON FINANCIAL KEY PERFORMANCE INDICATORS

The company monitors its overall performance by reference to property occupation levels.

OTHER MATTERS

At the present date the COVID-19 outbreak has escalated worldwide. Any long term impact it has on property markets is unclear but guidance from Government is that the issue will be time limited.

ON BEHALF OF THE BOARD:



Mr H P Murphy - Director

24 March 2020

DIRECTORS' REPORT
for the year ended 30 November 2019

The directors present their report with the financial statements of the company for the year ended 30 November 2019.

PRINCIPAL ACTIVITY

The principal activity of the company is property investment.

DIVIDENDS

The profit for the year, after taxation, amounted to £8,513,327 (2018 - £14,256,336).

Particulars of dividends paid are detailed in the notes to the financial statements.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2018 to the date of this report.

Mr H P Murphy
Mrs M A Murphy
Mr P H Murphy
Mr J J Murphy
Mrs M A Middleton
Mrs W M Linnett

FINANCIAL INSTRUMENTS

The company uses various financial instruments, comprising cash and other liquid resources and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial instruments are credit risk and liquidity risk. The directors review and agree the policies for managing these risks and this is summarised below. The policies have remained unchanged from previous years.

CREDIT RISK

The company reviews its credit risk relating to its tenants by carrying out credit checks for new tenants and by regular reviews of amounts due from trade debtors.

LIQUIDITY RISK

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably.

MATTERS COVERED IN THE STRATEGIC REPORT

Future developments are covered in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**DIRECTORS' REPORT
for the year ended 30 November 2019**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Magma Audit LLP was appointed as auditor during the year. Under section 487(2) of the Companies Act 2006 Magma Audit LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

ON BEHALF OF THE BOARD:



Mr R H Smith FCA - Secretary

24 March 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WESTMORELAND INVESTMENTS LIMITED**

Opinion

We have audited the financial statements of Westmoreland Investments Limited (the 'company') for the year ended 30 November 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WESTMORELAND INVESTMENTS LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' 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.

Magma Audit LLP

Luke Turner ACA FCCA (Senior Statutory Auditor)
for and on behalf of Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

Date: 24/3/20

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 November 2019

	Notes	2019 £	2018 £
RENTAL INCOME	4	21,784,761	21,741,324
Other operating income	5	402,500	14,848
		22,187,261	21,756,172
Property outgoings		(1,601,099)	(1,082,902)
		20,586,162	20,673,270
Staff costs	6	(1,569,259)	(1,569,289)
Fair value movements		(7,256,645)	(1,775,587)
Other operating charges		(149,097)	(376,550)
		11,611,161	16,951,844
Interest receivable and similar income	8	87,429	159,649
PROFIT BEFORE TAXATION	9	11,698,590	17,111,493
Tax on profit	10	(3,185,263)	(2,855,157)
PROFIT FOR THE FINANCIAL YEAR		8,513,327	14,256,336

The notes form part of these financial statements

BALANCE SHEET
30 November 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Investment property	12	268,227,965	240,051,915
CURRENT ASSETS			
Debtors	13	656,048	3,048,405
Investments	14	6,186,727	35,648,262
Cash at bank		3,116,979	3,402,827
		<u>9,959,754</u>	<u>42,099,494</u>
CREDITORS			
Amounts falling due within one year	15	(7,287,842)	(5,203,656)
NET CURRENT ASSETS		<u>2,671,912</u>	<u>36,895,838</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>270,899,877</u>	<u>276,947,753</u>
CREDITORS			
Amounts falling due after more than one year	16	(106,050,681)	(106,050,681)
PROVISIONS FOR LIABILITIES	17	<u>(1,667,225)</u>	<u>(2,128,428)</u>
NET ASSETS		<u><u>163,181,971</u></u>	<u><u>168,768,644</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	120,000,000	120,000,000
Fair value reserve	19	(29,043,944)	(27,835,360)
Retained earnings	19	72,225,915	76,604,004
SHAREHOLDERS' FUNDS		<u><u>163,181,971</u></u>	<u><u>168,768,644</u></u>

The financial statements were approved by the Board of Directors on 24 March 2020 and were signed on its behalf by:



Mr H P Murphy - Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 November 2019

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 December 2017	120,000,000	79,056,869	(26,544,561)	172,512,308
Profit for the year	-	14,256,336	-	14,256,336
Total comprehensive income	-	14,256,336	-	14,256,336
Dividends	-	(18,000,000)	-	(18,000,000)
Transfer to/from profit and loss account	-	1,290,799	(1,290,799)	-
Balance at 30 November 2018	120,000,000	76,604,004	(27,835,360)	168,768,644
Profit for the year	-	8,513,327	-	8,513,327
Total comprehensive income	-	8,513,327	-	8,513,327
Dividends	-	(14,100,000)	-	(14,100,000)
Transfer to/from profit and loss account	-	1,208,584	(1,208,584)	-
Balance at 30 November 2019	120,000,000	72,225,915	(29,043,944)	163,181,971

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 November 2019

1. STATUTORY INFORMATION

Westmoreland Investments Limited is a private limited company, limited by shares, registered in England and Wales. Its registered office address is 1 Westmoreland Avenue, Thurmaston, Leicester, LE4 8PH and the registered number is 00934908.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Charles Street Buildings (Leicester) Limited as at 30 November 2019 and these financial statements may be obtained from Companies House.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue relates to rental income from investment properties and is recognised on a straight line basis over the period of the lease. Where lease incentives are given they are recognised over the lease term on a straight line basis.

Dilapidation receipts are included in other operating income and recognised on receipt.

Investment property

Investment property is carried at fair value determined annually by the directors based on guidance from professional valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Taxation

The tax expense for the year comprises current and deferred tax.

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Certain of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances and have regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies:

The directors must judge whether all of the conditions required for rental income to be recognised in the profit and loss of the financial year have been met.

Sources of estimation uncertainty:

The company carries its investment property at fair value. The directors obtain independent advice from a firm of Chartered Surveyors and estimate fair value using this information together with market data, the nature and location of specific properties and terms of tenancies.

The carrying value of investment properties at the year end is £268,227,965. A positive or negative variation of 1% in this value would result in an increase or decrease of £2,682,280 in the current year pre tax profits and net assets of the company, excluding any deferred tax impact.

4. RENTAL INCOME

All turnover arose within the United Kingdom.

5. OTHER OPERATING INCOME

	2019 £	2018 £
Other operating income	<u>402,500</u>	<u>14,848</u>

6. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	1,380,000	1,380,000
Social security costs	189,259	189,289
	<u>1,569,259</u>	<u>1,569,289</u>

The average number of employees during the year was as follows:

	2019	2018
Directors	<u>6</u>	<u>6</u>

7. DIRECTORS' REMUNERATION

	2019 £	2018 £
Directors' emoluments	<u>1,380,000</u>	<u>1,380,000</u>

The highest paid director received remuneration of £1,380,000 (2018 - £1,380,000).

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 £	2018 £
Bank and other interest receivable	<u>87,429</u>	<u>159,649</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

9. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	9,000	10,000
- Taxation compliance services	3,500	7,750
	<u>12,500</u>	<u>17,750</u>

10. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	3,632,133	3,328,405
Adjustment to prior years	14,333	(90,185)
Total current tax	<u>3,646,466</u>	<u>3,238,220</u>
Deferred tax:		
Origination and reversal of timing differences	(448,380)	(451,060)
Adjustment to prior years	(12,823)	67,997
Total deferred tax	<u>(461,203)</u>	<u>(383,063)</u>
Tax on profit	<u>3,185,263</u>	<u>2,855,157</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>11,698,590</u>	<u>17,111,493</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	2,222,732	3,251,184
Effects of:		
Expenses not deductible for tax purposes	30,244	-
Capital gains on revaluations	1,378,763	(426,905)
Difference between corporation and deferred tax rates	52,750	53,066
Adjustments in respect of previous periods	1,510	(22,188)
Deferred tax - plant in buildings on additions and disposals	(500,736)	-
Total tax charge	<u>3,185,263</u>	<u>2,855,157</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

11. DIVIDENDS

	2019 £	2018 £
Dividends paid on equity capital	<u>14,100,000</u>	<u>18,000,000</u>

12. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 December 2018	240,051,915
Additions	54,132,695
Disposals	(3,200,000)
Revaluation in year	(7,256,645)
Group transfers	(15,500,000)
	<u>268,227,965</u>
At 30 November 2019	<u>268,227,965</u>
NET BOOK VALUE	
At 30 November 2019	<u>268,227,965</u>
At 30 November 2018	<u>240,051,915</u>

Investment property is stated at directors' valuation, on the basis of open market value at 30 November 2019. The valuation is guided by independent advice from a firm of Chartered Surveyors.

If the investment properties had not been revalued, they would have been included on the historical cost basis at cost and net book value at 30 November 2019 of £297,271,909 (2018 - £267,998,275).

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	581,450	196,561
Amounts owed by group undertakings	11,795	2,659,357
Other debtors	14,547	155,204
Prepayments and accrued income	48,256	37,283
	<u>656,048</u>	<u>3,048,405</u>

14. CURRENT ASSET INVESTMENTS

	2019 £	2018 £
Short term bank deposits	<u>6,186,727</u>	<u>35,648,262</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	684,394	397,743
Amounts owed to group undertakings	1,294,567	1,228,610
Corporation tax	2,682,133	1,508,663
Other taxation and social security	1,111,099	948,688
Other creditors	264,633	32,383
Accruals and deferred income	1,251,016	1,087,569
	<u>7,287,842</u>	<u>5,203,656</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Amounts owed to group undertakings	<u>106,050,681</u>	<u>106,050,681</u>

Secured loans

The parent undertaking holds a debenture dated 10 March 1980 over the company's assets in respect of amounts due to it.

17. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred taxation	<u>1,667,225</u>	<u>2,128,428</u>
		Deferred tax
		£
Balance at 1 December 2018		2,128,428
Movement in the year		<u>(461,203)</u>
Balance at 30 November 2019		<u>1,667,225</u>

The provision for deferred taxation is made up as follows:

	2019	2018
	£	£
Accelerated capital allowances	2,156,651	2,543,260
Short term timing differences	<u>(489,426)</u>	<u>(414,832)</u>
	<u>1,667,225</u>	<u>2,128,428</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
120,000,000	Ordinary shares	£1.00	<u>120,000,000</u>	<u>120,000,000</u>

19. RESERVES**Fair value reserve**

The fair value reserve represents surpluses and deficits on the revaluation of investment properties.

Retained earnings

Retained earnings includes all current and prior year retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 November 2019

20. POST BALANCE SHEET EVENTS

Since the balance sheet date the world has suffered a COVID-19 outbreak, and volatility in the markets as a result.

The directors have considered the effect this may have had on the Group, and although unclear what impact this has had on the property markets, they are informed by the Government's guidance that the issue will be time limited. To the extent that there may be a material change in property valuations they are considered to be temporary in nature. An estimate of the financial effect cannot therefore be made.

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking of this company is Charles Street Buildings (Leicester) Limited, which heads the largest group of undertakings for which group accounts have been drawn up.

Charles Street Buildings (Leicester) Limited is the company's controlling related party by virtue of its shareholding in the company.

22. COMMITMENTS UNDER OPERATING LEASES

The company holds investment properties. Lease terms vary according to the nature of the property. Some contain provision for rent reviews according to prevailing market conditions.

At 30 November 2019 the company had future minimum rentals recoverable under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	21,504,003	18,405,263
Later than 1 year and not later than 5 years	63,264,062	58,122,191
Later than 5 years	56,024,059	56,847,420
	<u>140,792,124</u>	<u>133,374,874</u>