

Demure Limited



Directors Report & Accounts 2021

*For the Financial Period to 26 December 2021
Unaudited*

DIRECTORS

Peter L. Perrins, C.A. - Managing Director
George P. Carter, C.A. - Financial Director
Brian R. King
Christopher J. Barr
Dr Derek J. Douglas, C.A. – Non-Executive Director

SECRETARY

George P. Carter, C.A.

BANKERS

Lloyds Banking Group PLC
3-5 Albyn Place
Aberdeen
AB10 1PY

REGISTERED OFFICE

P.O. Box 21
23/25 Huntly Street
INVERNESS
IV1 1LA

Directors Report

The Directors have pleasure in submitting their Report to the shareholders, together with the Accounts for the Financial Year to 26 December 2021.

Principal Activity

The principal activity of the Company is as a property holding and development company.

Important Events Affecting the Company

For the year ended 26 December 2021, the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRS") as applied in accordance with the provisions of the Companies Act 2006.

Results and Dividends

The Company made a pre-tax profit of £626,765 (2020: £643,719).

A dividend of £520,000 (2020: £470,000) was paid during the period. The Directors do not recommend payment of any final dividend.

Directors

The Directors of the Company during the financial year to 26 December 2021 were:

Peter L. Perrins, C.A.
George P. Carter, C.A.
Brian R. King
Christopher J. Barr
Derek J. Douglas, C.A.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

23/25 Huntly Street,
Inverness
IV3 5PR

18 August 2022

ON BEHALF OF THE BOARD



G. P. CARTER C.A.
Director & Company Secretary

Statement of Directors' Responsibilities in Respect of the Accounts

For the financial year to 26 December 2021

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 International Financial Reporting Standards ("IFRS") as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. 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:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent; and
- (c) prepare the accounts 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 to 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.

DeMure Limited

Statement of Comprehensive Income

As at 26 December 2021

	Note	2021 £	2020 £
REVENUE	3	631,317	660,215
Cost of Sales		-	-
GROSS PROFIT		631,317	660,215
Administration Expenses	4	(4,654)	(13,693)
OPERATING PROFIT	5	626,663	646,522
Finance Income	6	102	-
Finance Costs		-	(2,803)
PROFIT BEFORE TAXATION		626,765	643,719
Income tax expense	7	(129,256)	(125,607)
PROFIT FOR THE YEAR		497,509	518,112
 Total comprehensive income		 497,509	 518,112
 RETAINED EARNINGS AT START OF THE YEAR		 827,847	 779,735
Dividends declared and paid during the year		(520,000)	(470,000)
RETAINED EARNINGS AT END OF THE YEAR		£307,847	£827,847

All the above results are derived from continuing operations.

There is no other comprehensive income other than the profit for the year.

The notes on pages 9 – 18 form part of these accounts

DeMure Limited

Statement of Financial Position

As at 26 December 2021

	Note	2021 £	2020 £
NON CURRENT ASSETS			
Investment Properties	8	7,760,000	7,760,000
CURRENT ASSETS			
Debtors and other receivables	9	12,553	31,434
Cash and cash equivalents		398,920	416,841
		<u>411,473</u>	<u>448,275</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors and accruals	10	(131,828)	(142,126)
Deferred income	10	(113,934)	(103,501)
		<u>165,711</u>	<u>202,648</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,925,711</u>	<u>7,962,648</u>
CREDITORS: AMOUNTS FALLING DUE OUTWITH ONE YEAR			
	11	-	(25,000)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	12	(42,378)	(31,824)
NET ASSETS		<u>£7,883,333</u>	<u>£7,905,824</u>
CAPITAL AND RESERVES			
Called Up Share capital	13	1,772	1,772
Share Premium Account		6,373,898	6,373,898
Capital Redemption Reserve	14	16	16
Revaluation Reserve	14	702,291	702,291
Profit and Loss Account	14	805,356	827,847
EQUITY SHAREHOLDERS' FUNDS		<u>£7,883,333</u>	<u>£7,905,824</u>

Company Registration: SC267600

For the year ending 26 December 2021, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts were approved by the Directors on 18 August 2022 and signed on their behalf by



George P. Carter
Director

DeMure Limited

Statement of Changes in Equity

As at 26 December 2021

	Called Up Share Capital £	Share Premium Account £	Capital Redemption Reserve £	Revaluation Reserve £	Profit & Loss Account £	Total Equity £
At 24 December 2019	1,772	6,373,898	16	702,291	779,735	7,736,615
Profit for the financial period					518,112	518,112
Dividends paid on ordinary share capital (Note 15)					(470,000)	(470,000)
At 27 December 2020	£1,772	£6,373,898	£16	£702,291	£827,847	£7,905,824
Profit for the financial period					497,509	497,509
Dividends paid on ordinary share capital (Note 15)					(520,000)	(520,000)
At 26 December 2021	<u>£1,772</u>	<u>£6,373,898</u>	<u>£16</u>	<u>£702,291</u>	<u>£805,356</u>	<u>£7,883,333</u>

The notes on pages 9 –18 form part of these accounts

DeMure Limited

Statement of Cash Flows

For the financial year to 26 December 2021

	Note	2021 £	2020 £
Profit before tax for the year		626,663	646,522
Adjustments for non-cash income and expenses:			
Change in fair value of investment properties	8	-	(3,000)
Working capital adjustments:			
(Increase) / decrease in receivables		18,881	(20,416)
Increase / (decrease) in creditors		(21,728)	1,273
		623,816	624,379
Interest (paid)/received		102	(2,803)
Income tax paid		(121,839)	(126,339)
Net cash flows from / (used in) operating activities		502,079	498,237
Net cash flows from investing activities			
Payments for property, plant & equipment		-	-
Net cash used in investing activities		-	-
Financing activities:			
Dividends paid to shareholders		(520,000)	(470,000)
Net cash flows from / (used in) financing activities		(520,000)	(470,000)
Net increase / (decrease) in cash and cash equivalents		(17,921)	31,237
Cash and cash equivalents as at 27 December 2020		416,841	385,604
Cash and cash equivalents as at 26 December 2021		£398,920	£416,841
<i>Company Registration: SC267600</i>			

The notes on pages 9-18 form part of these accounts

Notes to the Accounts

For the financial year to 26 December 2021

1. General Information

The financial statements of Demure Limited for the year ended 26 December 2021 were authorised for issue in accordance with a resolution of the Directors on 26 August 2022.

Demure Limited (the Company) is a private limited company incorporated in Scotland, United Kingdom. The Company is limited by shares, and the address of its registered office and principal place of business is P.O. Box 21, 23/25 Huntly Street, Inverness, Inverness-Shire, IV1 1LA. The Company is principally engaged in management of investment properties (see Note 8). Information related party relationships of the Company is provided in Note 16.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union as they apply to the financial statements of the Company for the year ended 26 December 2021 and applied in accordance with the Companies Act 2006.

The financial statements have been prepared on a historical cost basis except for the fair value remeasurement of investment properties as set out in the accounting policy note 2.2.1 below. The financial statements are presented in Sterling and all values are rounded to the nearest pound (£), except when otherwise indicated.

Going concern

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. The Company's business activities, and factors likely to affect future developments have been assessed by the directors, and based on assumptions of future activity, the Company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

2.2 Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements:

2.2.1 Fair value measurement

The Company measures financial instruments, such as accounts receivables, and non-financial assets such as investment properties, at fair value at each balance sheet date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

Disclosures for valuation methods, significant estimates and assumptions	Notes 2.4, and 8
Investment properties	Note 8

Notes to the Accounts

For the financial year to 26 December 2021

2. Significant Accounting Policies

2.2 Summary of Significant Accounting Policies (continued)

2.2.2 Revenue Recognition

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, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Where such income has been invoiced in line with the contract terms but has not been earned as at the statement of financial position date, it is recognised as deferred income (Note 10). Such deferred income is then released to profit and loss systematically over the period the income is earned.

2.2.3 Investment properties

The Company's properties are held for long-term investment. Investment properties are accounted for in accordance with the IFRS as follows:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values were determined based on a valuation carried out on 25th December 2011 by an accredited external independent valuer and are re-assessed annually by a Directors valuation using a Yield on Contracted Income Method. The company elected to use the value on 25th December 2011 as deemed cost on transition to IFRS on 1st January 2016, having confirmed that the variation was comparable to fair value at the date of that transition.

2.2.4 Leases

All investment properties held by the Company were the subject of commercial leases during the year.

All of the Companies leases retain substantially all the risks and benefits of ownership of the asset and are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.2.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand.

2.2.6 Financial Instruments – Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The Company's financial assets include accounts receivables, and are classified as such at initial recognition.

Notes to the Accounts

For the financial year to 26 December 2021

2. Significant Accounting Policies (continued)

2.2 Summary of Significant Accounting Policies (continued)

2.2.6 Financial Instruments – Initial Recognition and Subsequent Measurement (continued)

Subsequent measurement

Loans and accounts receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii) Impairment of financial assets

The Company assesses, at each reporting date, whether there is any objective evidence that a financial asset is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset has an impact on the estimated future cash flows that can be reliably estimated.

iii) Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables net of directly attributable transaction costs.

The Company's financial liabilities include accounts payables and rental deposit, and are classified as such at initial recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.2.7 Taxes

Current income tax

Current income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in the United Kingdom.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and it establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Notes to the Accounts

For the financial year to 26 December 2021

2. Significant Accounting Policies (continued)

2.2 Summary of Significant Accounting Policies (continued)

2.2.7 Taxes (continued)

Provision for deferred tax liability is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the statement of financial position date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the statement of financial position date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised for:

- All deductible temporary differences
- The carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences. The carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.3 New Standards and Interpretation

(a) New standards, amendments and interpretations issued and effective during the financial year beginning 1 January 2019

The Company has considered all new and amended IFRSs issued by the International Accounting Standards Board (IASB 2018) that are mandatorily effective for the year beginning on or after 1 January 2019. Where the changes affect the Company, the relevant application and disclosure has been made during the year to 29 December 2019. The new and amended IFRSs during the year are as detailed below:

- IFRS 16 Leases
- IFRIC Interpretation 23 – Uncertainty over Income Tax Treatments Amendments to IFRS 9 – Prepayment Features with Negative Compensation
- Amendments to IAS 28 – Long-term interests in Associates and Joint Ventures Annual improvements cycle 2015-2017
- Amendments to IAS 19: Plan amendment, Curtailment or Settlement

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

(b) Standards issued but not yet effective

The following standards and amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting period beginning on or after 1 January 2020 or later periods, but the Company had not early adopted them:

Notes to the Accounts

For the financial year to 26 December 2021

2. Significant Accounting Policies (continued)

2.3 New Standards and Interpretation (continued)

- Conceptual Framework and Amendments to References to the Conceptual Framework in IFRS Standards (1 January 2020)
- Amendments to IFRS 3 Business Combinations (1 January 2020)
- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)
- Interest Rate Benchmark Reform: amendments to IFRS 9, IAS 39 and IFRS 7 (1 January 2020)
- IFRS 17 – Insurance Contracts (1 January 2021)

It is not anticipated that the application of the above standards and amendments will have any material impact on the Company's financial statements.

2.4 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Operating lease commitments — Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of Investment Properties

The company carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. A valuation methodology based on annual rental income and average market yield is used. Accordingly changes in these factors can cause increases or decreases in the fair value of investments properties.

3. Revenue

Turnover represents rental income in respect of the Company's investment properties. All turnover arises from continuing operations in the UK.

	2021	2020
	£	£
Rental income	£631,317	£660,215

Notes to the Accounts

For the financial year to 26 December 2021

4. Administrative Expenses

	2021	2020
	£	£
Other administrative expenses	£4,654	£13,693

Average number of persons employed by the Company during the year were nil (2020: nil)

5. Operating Profit

The operating profit is stated after charging: -

	2021	2020
	£	£
Directors' remuneration	£-	£-

6. Finance Income

	2021	2020
	£	£
Interest Receivable & other similar income	£102	-
Interest Payable	-	£(2,803)

7. Tax on Profit on Ordinary Activities

Analysis of charge in period

	2021	2020
	£	£
Current Tax		
UK Corporation tax on profits of the period	118,702	121,839
Adjustment in respect of previous periods	-	-
Deferred Tax		
Current year	383	467
Effect of changes in tax rates	10,171	3,301
Tax on profit on ordinary activities	£129,256	£125,607

Factors affecting the tax charge for the period

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below: -

	2021	2020
	£	£
Profit on ordinary activities before tax	626,765	643,719
Profit on ordinary activities multiplied by the averaged standard rate of corporation tax of 19 % (2020: 19%)	119,085	122,307
Effects of:		
Expenses not deductible	-	(1)
Tax rate changes	10,171	3,301
Current tax charge for period	£129,256	£125,607

Notes to the Accounts

For the financial year to 26 December 2021

8. Investment Properties

	Heritable Property
Valuation	
As at 27 December 2020	7,760,000
Net loss on fair value adjustment	-
At 26 December 2021	£7,760,000

The Company's heritable properties are held for long term investment. The fair value on transition to IFRS on 1 January 2016 was based on an external valuation dated 25 December 2011. The Directors made an assessment on 26 December 2021 and concluded that the fair value was broadly comparable to the fair value at 27 December 2020 and accordingly no change in fair value arose in the year.

	2021	2020
Rental Income derived from investment properties	£631,317	£660,215
Profit arising from investment properties carried at fair value	£631,317	£660,215

Description of valuation techniques used and key inputs to valuation of investment properties:

	Valuation technique	Significant observable inputs	2021	2020
Investment properties:	Yield on Contracted Income Method	Contracted annual rental value	£645,000	£645,000
2021		Average Market Yield	8.3%	8.3%
		Directors Valuation	£	£7,760,000

9. Debtors and Other Receivables

	2021 £	2020 £
Trade Debtors – See note 17	<u>12,553</u>	<u>31,434</u>

Notes to the Accounts

For the financial year to 26 December 2021

10. Creditors: Accounts Payable and Accruals

	2021 £	2020 £
Trade Creditors	81	11,746
Other creditors	6,432	5,578
Corporation tax	118,702	121,839
Accruals	6,613	2,963
Deferred Income	113,934	103,501
	<u>£245,762</u>	<u>£245,627</u>

11. Creditors: Amounts Falling Due Out with One Year

	2021 £	2020 £
Rent Deposit	-	25,000

12. Deferred Taxation

	2021 £	2020 £
Balance at 27 December 2020	31,824	28,056
Provided in financial period	10,554	3,768
Balance at 26 December 2021	<u>£42,378</u>	<u>£31,824</u>

Deferred tax is provided in the accounts as follows:-

	2021 £	2020 £
Capital allowances in advance of depreciation	<u>£42,378</u>	<u>£31,824</u>

No provision for deferred taxation has been made in relation to the valuation of land and buildings. If land and buildings were disposed of at the balance sheet amounts, it is estimated that the tax liability would be **£nil** (2020: **£nil**).

Notes to the Accounts

For the financial year to 26 December 2021

13. Share Capital

	2021 £	2020 £
Authorised:		
178,788 Ordinary Shares of 1p	<u>£1,788</u>	<u>£1,788</u>
Allotted, Called Up & Fully Paid:		
177,197 Ordinary Shares of 1p	<u>£1,772</u>	<u>£1,772</u>

14. Reserves

Nature and purpose of reserves

Profit and loss account

This reserve records the accumulated profits and losses net of any distributions. A dividend per share of £2.93 was paid in the year (2020: £2.37).

Capital Redemption Reserve:

This related to past purchases of Shares by the Company

Revaluation reserve

On transition to IFRS, the carrying value of Investment properties were transferred at deemed cost and the revaluation reserve of £702,291 relates to revaluations prior to that transition. This reserve will also include any increases in the fair value of Investment properties and decreases to the extent that such decrease relates to an increase on the same asset

15. Related Party Transactions

The Company currently leases properties to companies within the Carlton Bingo Limited Group. The rentals for these properties have been determined by an independent valuer. The Company received rental income from Companies within the Carlton Bingo Limited Group of £596,358 (2020: £594,713) in the year in respect of these properties. The income is not secured, and is settled in cash by the related parties. There are no guarantees provided or received from the related parties with respect to the rental agreements. No amount was owing from the related parties at year end and no amount was written off as unrecoverable during the year. Three of the Directors of DeMure Limited are also Directors of Carlton Bingo Limited and Carlton Clubs Limited, and shareholders of Carlton Bingo Limited. Carlton Bingo Limited owns 100% of the issued share capital of Carlton Clubs Limited.

The total remuneration of directors and other members of key management in 2021 (including salaries and benefits) was £nil (2020: £nil). There were no other benefits applicable to the key management personnel during the year.

16. Commitments and Contingencies

Operating Lease Commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. These non-cancellable leases have remaining terms of between 10 months and 18 years. All leases generally include a clause to enable upward revision of the rental charge on a 5 year review basis according to prevailing market conditions. The total contingent rents recognised as income during the year is £nil (2020: £nil). Future minimum rentals receivable under non-cancellable operating leases are, as follows:

	2021 £	2020 £
Within one year	640,935	639,346
After one year but not more than five years	2,392,000	2,434,740
More than five years	<u>6,938,244</u>	<u>7,534,605</u>

Notes to the Accounts

For the financial year to 26 December 2021

17. Financial assets and liabilities

Financial Assets

	2021 £	2020 £
Financial assets at amortised cost:		
Receivables (Note 9)	12,553	31,434

Loans and receivables are non-derivatives financial assets carried at amortised cost which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Financial Liabilities

	2021 £	2020 £
Financial liabilities at amortised cost:		
Trade and other payables	245,762	245,627
Rental deposits	-	25,000

The management assessed that cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

17.1 Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise deferred income, other payables, and deposits.

The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Company is exposed to credit risk and liquidity risks but do not consider these to be material risks. The Company's Directors oversee the management of these risks. The Directors perform regular risk assessments to ensure the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk appetite.

Capital management

Capital includes equity attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.