

**KINLEIGH LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**



# KINLEIGH LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	L T Watts K P Allerton L Foster R H Johnson P M Masters R McLaughlin J C Peak C E Rolfe P W G Warrener D E Fletcher (appointed 14 September 2018)
<b>Company secretary</b>	K P Allerton
<b>Registered number</b>	00913323
<b>Registered office</b>	KFH House 5 Compton Road Wimbledon London SW19 7QA
<b>Trading Address</b>	KFH House 5 Compton Road Wimbledon London SW19 7QA
<b>Independent auditors</b>	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

# KINLEIGH LIMITED

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# KINLEIGH LIMITED

## GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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### Introduction

The Group operates as an integrated property services business whose principal activities encompass Residential Sales, Residential Lettings and Management, Block Management, Surveying, Commercial and Financial Services.

### Business review

Residential sales transactions fell further during 2018 from their already historically low levels in the previous year. This resulted in one of the most difficult sales markets we have ever seen in London.

This decline in transaction volumes is reflected in the results of the residential sales division and in those of the correlating professional services division. In contrast the lettings division continued to grow, with revenues increasing by 12% during the year (2017: 15%).

Group revenues for the year were £69,848,000 (2017: £71,071,000) resulting in profit before tax of £1,735,000 (2017: £4,399,000); and adjusted EBITDA (after adjusting for the impact of new branches and an allocation of £685,000 to the senior management bonus pool) of £7,534,000 (2017: £8,636,000).

The Group continues to focus its operations within London, strengthening its market share, and on expanding its non-residential sales operations through continued investment in brand awareness, customer service, and its branch network. The Directors are confident that these continuing initiatives will be reflected in increasingly positive results for 2019 and beyond.

### Principal risks and uncertainties

The principal risk to the business is the health of the UK residential property market. Confidence in this market is affected by a number of factors such as the economic performance and stability of the country generally, the availability of mortgage finance and particularly matters such as the interest rate applied to mortgage lending and the security and mobility of employment.

### Financial key performance indicators

Management monitors the performance of the business by reference to internal budgets and industry averages. These indicators are considered sufficient to provide an overview of business performance relative to expectations and market trends.

This report was approved by the board and signed on its behalf.



**L T Watts**  
Director

Date: 20 September 2019

# KINLEIGH LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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The directors present their report and the financial statements for the year ended 31 December 2018.

### Directors

The directors who served during the year were:

L T Watts  
K P Allerton  
L Foster  
R H Johnson  
P M Masters  
R McLaughlin  
J C Peak  
C E Rolfe  
P W G Warrener  
D E Fletcher (appointed 14 September 2018)

### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Results and dividends

The profit for the year, after taxation, amounted to £1,331,000 (2017 - £3,597,000).

An interim dividend of £1,500,000 was paid during the year. The directors do not recommend the payment of a final dividend and the profit for the year will be transferred to reserves.

# KINLEIGH LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### Future developments

The directors maintain management policies that continue to support sustained organic growth across the Group.

### Employee involvement

Efforts are made to consult and inform employees on matters which concern them with emphasis on the continuous growth and development of the company. Regular meetings are held to keep staff abreast of company changes and progress.

### Disabled employees

It is the company's policy to support the employment of disabled persons wherever possible, both through recruitment and through retention of those who have become disabled whilst in the employment of the company.

### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

### Post balance sheet events

There have been no significant events affecting the Group since the year end.

### Auditors

The auditors, Warrener Stewart, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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**K P Allerton**  
Director

Date: 20 September 2019

# KINLEIGH LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH LIMITED

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### Opinion

We have audited the financial statements of Kinleigh Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2018, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 December 2018 and of the Group's 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 included in the Annual Report, other than 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.

# KINLEIGH LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH LIMITED (CONTINUED)

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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.

### **Opinion 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 Group 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 Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, 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 is 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



# KINLEIGH LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH LIMITED (CONTINUED)

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### 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](http://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.



Colin Edney (Senior Statutory Auditor)

for and on behalf of  
**Warrener Stewart**

Chartered Accountants  
Statutory Auditors

Harwood House  
43 Harwood Road  
London  
SW6 4QP

25 September 2019

# KINLEIGH LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Turnover	4	69,848	71,071
Other operating income	5	140	143
Other external charges		(22,876)	(22,282)
Exceptional items	6	-	1,096
Staff costs		(43,499)	(43,639)
Depreciation and amortisation		(2,026)	(2,006)
<b>Operating profit</b>	7	<b>1,587</b>	<b>4,383</b>
Interest receivable and similar income	11	244	127
Interest payable and expenses	12	(96)	(111)
<b>Profit before tax</b>		<b>1,735</b>	<b>4,399</b>
Tax on profit	13	(404)	(802)
<b>Profit for the financial year</b>		<b>1,331</b>	<b>3,597</b>
Unrealised surplus on revaluation of fixed asset investments	17	106	-
Unrealised surplus on revaluation of tangible fixed assets		-	10
<b>Other comprehensive income for the year</b>		<b>106</b>	<b>10</b>
<b>Total comprehensive income for the year</b>		<b>1,437</b>	<b>3,607</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent Company		1,331	3,597
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent Company		1,437	3,607

There were no recognised gains and losses for 2018 or 2017 other than those included in the consolidated statement of comprehensive income.

The notes on pages 14 to 33 form part of these financial statements.

**KINLEIGH LIMITED**  
**REGISTERED NUMBER:00913323**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Intangible assets	15	547	281
Tangible assets	16	5,741	6,691
Investments	17	731	-
		<u>7,019</u>	<u>6,972</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	18	8,277	8,721
Cash at bank and in hand	19	7,265	8,636
		<u>15,542</u>	<u>17,357</u>
Creditors: amounts falling due within one year	20	(8,025)	(8,733)
<b>Net current assets</b>		<u>7,517</u>	<u>8,624</u>
<b>Total assets less current liabilities</b>		<u>14,536</u>	<u>15,596</u>
Creditors: amounts falling due after more than one year	21	(1,750)	(2,750)
<b>Provisions for liabilities</b>			
<b>Net assets</b>		<u><u>12,786</u></u>	<u><u>12,846</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	226	225
Share premium account	26	65	63
Capital redemption reserve	26	287	287
Other reserves	26	1,142	1,142
Profit and loss account	26	11,066	11,129
		<u>12,786</u>	<u>12,846</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**L T Watts**  
 Director

Date: 20 September 2019

The notes on pages 14 to 33 form part of these financial statements.

**KINLEIGH LIMITED**  
**REGISTERED NUMBER:00913323**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Intangible assets	15	547	281
Tangible assets	16	5,308	6,218
Investments	17	732	1
		<u>6,587</u>	<u>6,500</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	18	7,362	7,760
Cash at bank and in hand	19	5,362	5,539
		<u>12,724</u>	<u>13,299</u>
Creditors: amounts falling due within one year	20	(9,412)	(7,928)
<b>Net current assets</b>		<u>3,312</u>	<u>5,371</u>
<b>Total assets less current liabilities</b>		<u>9,899</u>	<u>11,871</u>
Creditors: amounts falling due after more than one year	21	(1,750)	(2,750)
<b>Net assets</b>		<u><u>8,149</u></u>	<u><u>9,121</u></u>
<b>Capital and reserves</b>			
Called up share capital	25	226	225
Share premium account	26	65	63
Capital redemption reserve	26	287	287
Profit and loss account	26	7,571	8,546
		<u>8,149</u>	<u>9,121</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**L T Watts**  
 Director

Date: 20 September 2019

The notes on pages 14 to 33 form part of these financial statements.

# KINLEIGH LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Revaluation reserve £000	Other reserves £000	Profit & loss account £000	Total equity £000
At 1 January 2017	237	63	275	10	1,142	9,822	11,549
<b>Comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	3,597	3,597
Deficit on revaluation of freehold property	-	-	-	(10)	-	-	(10)
Fair value adjustments	-	-	-	-	-	10	10
<b>Total comprehensive income for the year</b>	-	-	-	(10)	-	3,607	3,597
Purchase of own shares	-	-	12	-	-	(2,300)	(2,288)
Shares cancelled during the year	(12)	-	-	-	-	-	(12)
<b>Total transactions with owners</b>	(12)	-	12	-	-	(2,300)	(2,300)
At 1 January 2018	225	63	287	-	1,142	11,129	12,846
<b>Comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	1,331	1,331
Unrealised gain on revaluation of listed investments	-	-	-	-	-	106	106
<b>Total comprehensive income for the year</b>	-	-	-	-	-	1,437	1,437
Dividends: Equity capital	-	-	-	-	-	(1,500)	(1,500)
Shares issued during the year	1	2	-	-	-	-	3
<b>Total transactions with owners</b>	1	2	-	-	-	(1,500)	(1,497)
<b>At 31 December 2018</b>	<b>226</b>	<b>65</b>	<b>287</b>	<b>-</b>	<b>1,142</b>	<b>11,066</b>	<b>12,786</b>

# KINLEIGH LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2017	237	63	275	10	8,131	8,716
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	-	-	2,705	2,705
Deficit on revaluation of freehold property	-	-	-	(10)	-	(10)
Fair value adjustments	-	-	-	-	10	10
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10)</b>	<b>2,715</b>	<b>2,705</b>
<b>Contributions by and distributions to owners</b>						
Purchase of own shares	-	-	12	-	(2,300)	(2,288)
Shares cancelled during the year	(12)	-	-	-	-	(12)
<b>Total transactions with owners</b>	<b>(12)</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>(2,300)</b>	<b>(2,300)</b>
At 1 January 2018	225	63	287	-	8,546	9,121
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	-	-	419	419
Unrealised gain on revaluation of listed investments	-	-	-	-	106	106
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>525</b>	<b>525</b>
<b>Contributions by and distributions to owners</b>						
Dividends: Equity capital	-	-	-	-	(1,500)	(1,500)
Shares issued during the year	1	2	-	-	-	3
<b>Total transactions with owners</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>(1,500)</b>	<b>(1,497)</b>
<b>At 31 December 2018</b>	<b>226</b>	<b>65</b>	<b>287</b>	<b>-</b>	<b>7,571</b>	<b>8,149</b>

# KINLEIGH LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	2018 £000	2017 £000
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,331	3,597
<b>Adjustments for:</b>		
Amortisation of intangible assets	188	81
Depreciation of tangible assets	1,838	1,925
Profit on disposal of tangible assets	(20)	(1,096)
Interest paid	96	111
Interest received	(244)	(127)
Taxation charge	404	802
Decrease/(increase) in debtors	675	(592)
Increase/(decrease) in creditors	6	(1,752)
Corporation tax (paid)	(1,350)	(437)
<b>Net cash generated from operating activities</b>	<b>2,924</b>	<b>2,512</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(454)	(84)
Purchase of tangible fixed assets	(896)	(934)
Sale of tangible fixed assets	29	1,956
Purchase of listed investments	(625)	-
Interest received	244	127
<b>Net cash from investing activities</b>	<b>(1,702)</b>	<b>1,065</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(1,000)	(1,000)
Interest paid	(96)	(111)
Issue of ordinary shares	3	-
Dividends paid	(1,500)	-
Purchase of own shares	-	(2,300)
<b>Net cash used in financing activities</b>	<b>(2,593)</b>	<b>(3,411)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,371)</b>	<b>166</b>
Cash and cash equivalents at beginning of year	8,636	8,470
<b>Cash and cash equivalents at the end of year</b>	<b>7,265</b>	<b>8,636</b>
Cash at bank and in hand	7,265	8,636

# KINLEIGH LIMITED

## CONSOLIDATED ANALYSIS OF NET FUNDS FOR THE YEAR ENDED 31 DECEMBER 2018

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	At 1 January 2018 £000	Cash flows £000	At 31 December 2018 £000
Cash at bank and in hand	8,636	(1,371)	7,265
Debt due after 1 year	(2,750)	1,000	(1,750)
Debt due within 1 year	(1,000)	-	(1,000)
	<u>4,886</u>	<u>(371)</u>	<u>4,515</u>

The notes on pages 14 to 33 form part of these financial statements.



# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1. General information

Kinleigh Limited is a limited liability company incorporated in England. The Registered Office is KFH House, 5 Compton Road, London, SW19 7QA.

The Group's financial statements have been prepared in compliance with FRS102 as it applies to the financial statements of the Group for the year ended 31 December 2018.

### 2. Accounting policies

#### 2.1 Basis of preparation of 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 financial statements are prepared in Sterling, which is the functional currency of the Company and of the Group.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 2. Accounting policies (continued)

#### 2.3 Revenue recognition

Revenue is recognised to the extent that the Group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

##### *Estate agency*

Revenue from estate agency and professional services represents fees receivable and commission earned in respect of all transactions exchanged in the accounting period.

##### *Block management*

Revenue from block management represents fees earned from services invoiced in the accounting period.

##### *Lettings*

Revenue from lettings arrangement fees is recognised in full at the invoice date.

##### *Financial services*

Revenue is recognised on commission earned net of cancellations or policies lapsed during the period on a cash basis.

##### *Survey, valuation and professional fees*

Revenue from survey, valuation and professional fees is recognised in full at the invoice date net of refunds.

#### 2.4 Intangible assets

##### **Goodwill and intangible assets**

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

##### **Goodwill**

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the synergies of the combination.

If a subsidiary, associate or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or discontinuance.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 2. Accounting policies (continued)

#### 2.4 Intangible assets (continued)

##### Computer software

Computer software is amortised on a straight line basis, over its estimated useful life of three years.

#### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line or reducing balance basis as appropriate..

Depreciation is provided on the following basis:

Freehold property	- 2% per annum
Long-term leasehold property	- 20% per annum
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% - 33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

#### 2.6 Valuation of investments

Equity investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit and loss). Subsequently, they are measured at fair value through profit or loss except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

#### 2.7 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.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 2. Accounting policies (continued)

#### 2.8 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

#### 2.9 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.10 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.

#### 2.11 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 2. Accounting policies (continued)

#### 2.12 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.

#### 2.13 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.14 Pensions

##### Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

#### 2.15 Interest income

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

#### 2.16 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

#### 2.17 Taxation

Tax is recognised in the Consolidated 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 in the countries where the Company and the Group operate and generate income.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 2. Accounting policies (continued)

#### 2.18 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of revision and future years if the revision affects both current and future years.

### 4. Turnover

The total turnover of the group for the year has been derived from its principal activities undertaken wholly within the United Kingdom.

### 5. Other operating income

	2018 £000	2017 £000
Net rents receivable	140	143

### 6. Exceptional items

	2018 £000	2017 £000
Exceptional profit on sale of freehold properties	-	1,096

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 7. Operating profit

The operating profit is stated after charging/(crediting):

	<b>2018</b>	2017
	<b>£000</b>	£000
Depreciation of tangible fixed assets	1,838	1,925
Amortisation of intangible assets, including goodwill	188	81
Profit on disposal of tangible fixed assets	(19)	(1,096)
Operating lease rentals	7,280	6,947
	<u>7,280</u>	<u>6,947</u>

### 8. Auditors' remuneration

	<b>2018</b>	2017
	<b>£000</b>	£000
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
The auditing of accounts of associates of the Group pursuant to legislation	48	46
Other services relating to taxation and business advice	19	18
	<u>67</u>	<u>64</u>

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 9. Employees

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2018 £000</b>	Group 2017 £000	<b>Company 2018 £000</b>	Company 2017 £000
Wages and salaries	<b>38,098</b>	38,358	<b>33,498</b>	33,220
Social security costs	<b>5,025</b>	5,072	<b>4,405</b>	4,413
Cost of defined contribution scheme	<b>375</b>	209	<b>324</b>	180
	<b>43,498</b>	43,639	<b>38,227</b>	37,813

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2018 No.</b>	2017 No.
Sales staff	<b>493</b>	482
Administrative staff	<b>303</b>	298
	<b>796</b>	780

### 10. Directors' remuneration

	<b>2018 £000</b>	2017 £000
Directors' emoluments	<b>2,730</b>	2,636
Company contributions to defined contribution pension schemes	<b>6</b>	3
	<b>2,736</b>	2,639

During the year retirement benefits were accruing to 8 directors (2017 - 7) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £413,000 (2017 - £402,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2017 - £NIL).



# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 11. Interest receivable

	<b>2018</b>	2017
	<b>£000</b>	£000
Other interest receivable	<b>244</b>	127

### 12. Interest payable and similar expenses

	<b>2018</b>	2017
	<b>£000</b>	£000
Bank interest payable	<b>96</b>	111

### 13. Taxation

	<b>2018</b>	2017
	<b>£000</b>	£000
<b>Corporation tax</b>		
Current tax on profits for the year	<b>498</b>	857
Adjustments in respect of previous periods	<b>(94)</b>	(18)
<b>Total current tax</b>	<b>404</b>	839
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>-</b>	(37)
<b>Taxation on profit on ordinary activities</b>	<b>404</b>	802

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 13. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	1,735	4,399
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	330	847
<b>Effects of:</b>		
Expenses not deductible for tax purposes	22	70
Capital allowances for year lower than depreciation	171	100
Adjustments to tax charge in respect of prior periods	(94)	(18)
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	(2)	-
Deferred tax	-	(37)
Other timing differences leading to a (decrease)/increase in taxation	(26)	16
Capital gains	-	(176)
Other differences leading to an increase in the tax charge	3	-
<b>Total tax charge for the year</b>	<b>404</b>	<b>802</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

### 14. Dividends

	2018 £000	2017 £000
Equity dividends paid	1,500	-

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 15. Intangible assets

#### Group

	Computer software £000	Goodwill £000	Total £000
<b>Cost</b>			
At 1 January 2018	84	2,525	2,609
Additions	454	-	454
Fully amortised goodwill	-	(1,468)	(1,468)
At 31 December 2018	<u>538</u>	<u>1,057</u>	<u>1,595</u>
<b>Amortisation</b>			
At 1 January 2018	28	2,300	2,328
Charge for the year	135	53	188
Fully amortised goodwill	-	(1,468)	(1,468)
At 31 December 2018	<u>163</u>	<u>885</u>	<u>1,048</u>
<b>Net book value</b>			
At 31 December 2018	<u>375</u>	<u>172</u>	<u>547</u>
At 31 December 2017	<u>56</u>	<u>225</u>	<u>281</u>

Goodwill represents goodwill arising on the acquisition of Kinleigh (South East) Limited and its subsidiary undertakings, together with goodwill arising on the acquisition of the Kingston branch.

Amortisation is being provided over the estimated useful economic life of each part of the goodwill as follows:

Kinleigh (South East) Limited and its subsidiaries 15 years  
Kingston branch 15 years

Goodwill is reviewed annually for impairment. The review at 31 December 2018 indicated that no impairment provision was required.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 15. Intangible assets (continued)

#### Company

	Computer software £000	Goodwill £000	Total £000
<b>Cost</b>			
At 1 January 2018	84	1,057	1,141
Additions	454	-	454
At 31 December 2018	<u>538</u>	<u>1,057</u>	<u>1,595</u>
<b>Amortisation</b>			
At 1 January 2018	28	832	860
Charge for the year	135	53	188
At 31 December 2018	<u>163</u>	<u>885</u>	<u>1,048</u>
<b>Net book value</b>			
At 31 December 2018	<u>375</u>	<u>172</u>	<u>547</u>
At 31 December 2017	<u>56</u>	<u>225</u>	<u>281</u>

Goodwill consists of the following:

On 31 December 2006, the trade and assets of Kinleigh (South East) Limited, a subsidiary undertaking of the company, were transferred to Kinleigh Limited. Included within the books of Kinleigh (South East) Limited was goodwill that arose on the divisionalisation of a subsidiary undertaking, Levens Limited. This goodwill is being amortised over its remaining estimated useful economic life from 1 January 2007, being 15 years.

Goodwill on the acquisition of the trade and assets of the Kingston branch, which is being amortised over its estimated useful economic life of 15 years.

Goodwill is reviewed annually for impairment and the review at 31 December 2018 indicated that no impairment provision was required.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 16. Tangible fixed assets

#### Group

	Long-term leasehold property £000	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 January 2018	5,950	202	8,076	8,030	22,258
Additions	287	65	333	211	896
Disposals	-	(33)	-	-	(33)
Fully depreciated assets/reclassifications	(1,085)	3	(491)	(456)	(2,029)
At 31 December 2018	<u>5,152</u>	<u>237</u>	<u>7,918</u>	<u>7,785</u>	<u>21,092</u>
<b>Depreciation</b>					
At 1 January 2018	2,892	140	6,027	6,507	15,566
Charge for the year on owned assets	826	23	534	455	1,838
Disposals	-	(24)	-	-	(24)
Fully depreciated assets/reclassifications	(1,114)	14	(489)	(440)	(2,029)
At 31 December 2018	<u>2,604</u>	<u>153</u>	<u>6,072</u>	<u>6,522</u>	<u>15,351</u>
<b>Net book value</b>					
At 31 December 2018	<u>2,548</u>	<u>84</u>	<u>1,846</u>	<u>1,263</u>	<u>5,741</u>
At 31 December 2017	<u>3,057</u>	<u>62</u>	<u>2,049</u>	<u>1,523</u>	<u>6,691</u>

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 16. Tangible fixed assets (continued)

#### Company

	Long-term leasehold property £000	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 January 2018	4,888	205	7,585	7,207	19,885
Additions	287	65	333	208	893
Disposals	-	(33)	-	-	(33)
Fully depreciated assets	(776)	-	-	-	(776)
At 31 December 2018	<u>4,399</u>	<u>237</u>	<u>7,918</u>	<u>7,415</u>	<u>19,969</u>
<b>Depreciation</b>					
At 1 January 2018	2,258	154	5,538	5,717	13,667
Charge for the year on owned assets	787	23	534	450	1,794
Disposals	-	(24)	-	-	(24)
Fully depreciated assets	(776)	-	-	-	(776)
At 31 December 2018	<u>2,269</u>	<u>153</u>	<u>6,072</u>	<u>6,167</u>	<u>14,661</u>
<b>Net book value</b>					
At 31 December 2018	<u>2,130</u>	<u>84</u>	<u>1,846</u>	<u>1,248</u>	<u>5,308</u>
At 31 December 2017	<u>2,630</u>	<u>51</u>	<u>2,047</u>	<u>1,490</u>	<u>6,218</u>

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 17. Fixed asset investments

#### Group

	Listed investments £000
<b>Cost or valuation</b>	
Additions	625
Revaluations	106
At 31 December 2018	<u>731</u>

#### Company

	Investments in subsidiary companies £000	Listed investments £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2018	1	-	1
Additions	-	625	625
Revaluations	-	106	106
At 31 December 2018	<u>1</u>	<u>731</u>	<u>732</u>

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Kinleigh Financial Services Limited	England	Ordinary	100%
Kinleigh Folkard & Hayward Limited	England	Ordinary	100%
Kinleigh (South East) Limited	England	Ordinary	100%

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 17. Fixed asset investments (continued)

#### Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 December 2018 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit £000
Kinleigh Financial Services Limited	(330)	61
Kinleigh Folkard & Hayward Limited	4,556	890
Kinleigh (South East) Limited	-	-
	<u>          </u>	<u>          </u>

### 18. Debtors

	Group 2018 £000	Group 2017 £000	Company 2018 £000	Company 2017 £000
Trade debtors	4,836	5,239	3,689	4,096
Amounts owed by group	-	-	309	241
Other debtors	322	692	321	699
Prepayments and accrued income	3,119	2,790	3,043	2,725
	<u>8,277</u>	<u>8,721</u>	<u>7,362</u>	<u>7,761</u>

### 19. Cash and cash equivalents

	Group 2018 £000	Group 2017 £000	Company 2018 £000	Company 2017 £000
Cash at bank and in hand	7,265	8,636	5,362	5,539
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 20. Creditors: Amounts falling due within one year

	<b>Group 2018 £000</b>	<i>Group</i> 2017 £000	<b>Company 2018 £000</b>	<i>Company</i> 2017 £000
Bank loans	1,000	1,000	1,000	1,000
Trade creditors	843	812	810	746
Amounts owed to group undertakings	-	-	1,964	134
Corporation tax	15	729	-	498
Other taxation and social security	3,242	3,393	2,837	2,897
Other creditors	7	5	-	-
Accruals and deferred income	2,918	2,794	2,801	2,653
	<u>8,025</u>	<u>8,733</u>	<u>9,412</u>	<u>7,928</u>

### 21. Creditors: Amounts falling due after more than one year

	<b>Group 2018 £000</b>	<i>Group</i> 2017 £000	<b>Company 2018 £000</b>	<i>Company</i> 2017 £000
Bank loans	1,750	2,750	1,750	2,750

### 22. Loans

	<b>Group 2018 £000</b>	<i>Group</i> 2017 £000	<b>Company 2018 £000</b>	<i>Company</i> 2017 £000
<b>Amounts falling due within one year</b>				
Bank loans	1,000	1,000	1,000	1,000
<b>Amounts falling due 1-2 years</b>				
Bank loans	1,750	2,750	1,750	2,750
	<u>2,750</u>	<u>3,750</u>	<u>2,750</u>	<u>3,750</u>

Bank loans are secured by way of a debenture over the business undertaking.

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 23. Financial instruments

	<b>Group 2018 £000</b>	<i>Group</i> 2017 £000	<b>Company 2018 £000</b>	<i>Company</i> 2017 £000
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	7,265	8,636	5,362	5,539
Financial assets that are debt instruments measured at amortised cost	5,158	5,931	4,319	5,036
	<u>12,423</u>	<u>14,567</u>	<u>9,681</u>	<u>10,575</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	6,518	7,361	8,325	7,283

Financial assets measured at amortised cost comprise of trade debtors, deposits and other amounts receivable in the ordinary course of business.

Financial liabilities measured at amortised cost comprise of trade creditors, loans, other creditors and accruals.

### 24. Deferred taxation

	<b>2018 £000</b>	2017 £000
<b>Group and company</b>		
Deferred tax asset at 1 January	-	37
Released to profit & loss account	-	(37)
<b>At 31 December</b>	<u>-</u>	<u>-</u>

### 25. Share capital

	<b>2018 £000</b>	2017 £000
<b>Allotted, called up and fully paid</b>		
215,134 (2017 - 215,134) Ordinary shares of £1.00 each	215	215
14,742 (2017 - 14,742) Ordinary B shares of £0.10 each	1	1
9,900 (2017 - 9,200) Ordinary C shares of £1.00 each	10	9
	<u>226</u>	<u>225</u>

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 25. Share capital (continued)

During the year the following share transactions took place:

- a) 200 Ordinary C shares were repurchased by the company at par; and
- c) 900 Ordinary C shares were issued by the company for an aggregate price £2,500.

The rights attaching to each class of shares are provided in the Company's articles of association

### 26. Reserves

#### Share premium account

The share premium account represents the difference between the price for and nominal value of new shares, net of the costs of each share issue.

#### Capital redemption reserve

The nominal value of any shares bought back by the company is transferred from general reserves to capital redemption reserve at the time of each repurchase of shares.

#### Other reserves

Other reserves represents a capital reserve arising on consolidation.

#### Profit and loss account

The profit and loss account represents accumulated retained earnings and losses net of any dividend distributions.

### 27. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £375,000 (2017 - £209,000).

# KINLEIGH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 28. Financial commitments

At 31 December 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2018 £000</b>	<i>Group 2017 £000</i>	<b>Company 2018 £000</b>	<i>Company 2017 £000</i>
Not later than 1 year	<b>3,964</b>	4,730	<b>3,964</b>	3,882
Later than 1 year and not later than 5 years	<b>12,616</b>	17,543	<b>12,616</b>	14,438
Later than 5 years	<b>14,195</b>	22,250	<b>14,195</b>	20,029
	<b>30,775</b>	44,523	<b>30,775</b>	38,349

  

	<b>Group 2018 £000</b>	<i>Group 2017 £000</i>	<b>Company 2018 £000</b>	<i>Company 2017 £000</i>
Not later than 1 year	<b>996</b>	1,283	<b>996</b>	1,283
Later than 1 year and not later than 5 years	<b>612</b>	794	<b>612</b>	1,373
	<b>1,608</b>	2,077	<b>1,608</b>	2,656

### 29. Controlling party

L T Watts is the controlling shareholder of Kinleigh limited.