

Company Registration No. 02579005 (England and Wales)

M&M DEVELOPMENT PROPERTY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020



M&M DEVELOPMENT PROPERTY LTD

COMPANY INFORMATION

Director	P Sheppard	(Appointed 12 November 2019)
Secretary	P Sheppard	
Company number	02579005	
Registered office	12a Princes Gate Mews London SW7 2PS	
Auditor	Baldwins Audit Services 5th Floor Ship Canal House 98 King Street Manchester M2 4WU	

M&M DEVELOPMENT PROPERTY LTD

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M&M DEVELOPMENT PROPERTY LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2020

The director presents her annual report and financial statements for the year ended 31 January 2020.

Principal activities

The principal activity of the company continued to be that of a holding company. The subsidiary company's principal activity was property development until 9 November 2018 when its investment property was disposed of. During the year the subsidiary company had no trading activity and on 23 March 2020, the director the director filed an application to voluntarily strike off the subsidiary.

Director

The directors who held office during the year and up to the date of signature of the financial statements was as follows:

P A Thomas
P Sheppard

(Resigned 12 November 2019)
(Appointed 12 November 2019)

Results and dividends

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

No ordinary dividends were paid.

Auditor

In accordance with the company's articles, a resolution proposing that Baldwins Audit Services be reappointed as auditor of the group will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 and company will continue in business.

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

M&M DEVELOPMENT PROPERTY LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



P Sheppard

Director

3 July 2020

M&M DEVELOPMENT PROPERTY LTD

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF M&M DEVELOPMENT PROPERTY LTD

Opinion

We have audited the financial statements of M&M Development Property Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2020 which comprise the Group Statement of Income and Retained Earnings, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Cash Flows 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 FRS 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 the parent company's affairs as at 31 January 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 *Auditor's 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

M&M DEVELOPMENT PROPERTY LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDER OF M&M DEVELOPMENT PROPERTY LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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 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; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

M&M DEVELOPMENT PROPERTY LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDER OF M&M DEVELOPMENT PROPERTY LTD

Use of our report

This report is made solely to the company's shareholder 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 shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder for our audit work, for this report, or for the opinions we have formed.

Baldwins Audit Services

**Lee Van Houplines (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services**

3 July 2020

Statutory Auditor

5th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU

M&M DEVELOPMENT PROPERTY LTD

GROUP STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 JANUARY 2020

		2020	2019
	Notes	£	£
Turnover	2	-	164,148
Administrative expenses		(57,426)	(156,940)
Net loss on disposal of investment properties		-	(370,885)
Operating loss	3	(57,426)	(363,677)
Fair value losses on investment properties	7	(371,832)	(88,593)
Loss before taxation		(429,258)	(452,270)
Tax on loss	6	18,239	(21,753)
Loss for the financial year		(411,019)	(474,023)
Retained earnings brought forward		(684,262)	(210,237)
Retained earnings carried forward		<u>(1,095,281)</u>	<u>(684,261)</u>

Loss for the financial year is all attributable to the owners of the parent company.

M&M DEVELOPMENT PROPERTY LTD

GROUP BALANCE SHEET

AS AT 31 JANUARY 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Investment properties	8	980,000		1,320,000	
Debtors	10	4,267		212,228	
		<u>984,267</u>		<u>1,532,228</u>	
Creditors: amounts falling due within one year	11	<u>(1,748,856)</u>		<u>(1,885,798)</u>	
Net current liabilities			<u>(764,589)</u>		<u>(353,570)</u>
Capital and reserves					
Called up share capital	12		3,639		3,639
Share premium account	13		327,053		327,053
Profit and loss reserves			<u>(1,095,281)</u>		<u>(684,262)</u>
Total equity			<u>(764,589)</u>		<u>(353,570)</u>

The financial statements were approved by the board of directors and authorised for issue on 3 July 2020 and are signed on its behalf by:



P Sheppard
Director

M&M DEVELOPMENT PROPERTY LTD

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	8		102		103
Current assets					
Investment properties	8	980,000		1,320,000	
Debtors	10	4,267		201,999	
		<u>984,267</u>		<u>1,521,999</u>	
Creditors: amounts falling due within one year	11	<u>(518,707)</u>		<u>(627,184)</u>	
Net current assets			465,560		894,815
Total assets less current liabilities			<u>465,662</u>		<u>894,918</u>
Capital and reserves					
Called up share capital	12		3,639		3,639
Share premium account	13		327,053		327,053
Profit and loss reserves			134,970		564,226
Total equity			<u>465,662</u>		<u>894,918</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £429,258 (2019: £37,236 profit).

The financial statements were approved by the board of directors and authorised for issue on 3 July 2020 and are signed on its behalf by:



P Sheppard
Director

Company Registration No. 02579005

M&M DEVELOPMENT PROPERTY LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	16	(132,586)		(142,643)	
Income taxes paid		-		(3,514)	
Net cash outflow from operating activities		<u>(132,586)</u>		<u>(146,157)</u>	
Investing activities					
Purchase of investment properties		(31,832)		-	
Proceeds from disposal of investment properties		-	3,050,000		
Net cash (used in)/generated from investing activities		<u>(31,832)</u>		<u>3,050,000</u>	
Financing activities					
Net movement on loans from group companies		(35,582)	(3,016,289)		
Net movement on loans from related undertakings		200,000	112,446		
Net cash generated from/(used in) financing activities		<u>164,418</u>		<u>(2,903,843)</u>	
Net increase in cash and cash equivalents		<u>-</u>		<u>-</u>	
Cash and cash equivalents at beginning of year		-		-	
Cash and cash equivalents at end of year		<u><u>-</u></u>		<u><u>-</u></u>	

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

Company information

M&M Development Property Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 12a Princes Gate Mews, London, England, SW7 2PS.

The group consists of M&M Development Property Ltd and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention other than the investment property which is carried at open market value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of M&M Development Property Ltd and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 January 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

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

Rendering of services

Turnover from a rental agreement is recognised on an accruals basis over the period to which the agreement relates when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably; and
- it is probable that the Company will receive the consideration due under the agreement.

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

1.5 Investment properties

Completed investment property is carried at valuation determined annually 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 consolidated statement of income and retained earnings.

The director makes an assessment of market value based on third party valuations where available, anticipated rental yields and local market knowledge compared to total purchase price and construction costs. Where necessary, provisions are made for impairment. These impairments are charged to the consolidated statement of income and retained earnings.

1.6 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.7 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.

1.8 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Turnover

The whole of the turnover is attributable to the principal activity of the Group.

3 Operating loss

	2020	2019
	£	£
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	-	14,618

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

4 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3,600	9,200
Audit of the financial statements of the company's subsidiaries	-	3,760
	<u>3,600</u>	<u>12,960</u>
For other services		
Taxation compliance services	<u>1,800</u>	<u>3,000</u>

5 Employees

The company has no employees other than the director who did not receive any remuneration during the year (2019: £nil).

6 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	-	18,239
Adjustments in respect of prior periods	(18,239)	3,514
Total current tax	<u>(18,239)</u>	<u>21,753</u>

The actual (credit)/charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	<u>(429,258)</u>	<u>(452,271)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(81,559)	(85,931)
Expenses that are not deductible in determining taxable profit	1,107	119,940
Adjustments in respect of prior years	(18,239)	3,514
Effect of change in corporation tax rate	4,030	-
Group relief	42,166	-
Deferred tax movement not recognised	34,256	3,086
Income not taxable in determining taxable profit	-	(18,856)
Taxation (credit)/charge	<u>(18,239)</u>	<u>21,753</u>

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

6 Taxation

(Continued)

At the balance sheet date the group has trade losses carried forward of £404,875 (2019: £366,133) and capital losses carried forward of £62,452 (2019: £94,951). Deferred tax assets have not been recognised in respect of these losses.

7 Investment property

	Group 2020 £	Company 2020 £
Cost or valuation		
At 1 February 2019	1,320,000	1,320,000
Additions	31,832	31,832
Loss on fair value of investment property	(371,832)	(371,832)
At 31 January 2020	980,000	980,000

Investment properties held by the group at valuation are based on the director's expected realisable value as at 31 January 2020.

8 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	9	-	-	102	103

Movements in fixed asset investments Company

	Shares in group undertakings £
Cost or valuation	
At 1 February 2019	103
Disposals	(1)
At 31 January 2020	102
Carrying amount	
At 31 January 2020	102
At 31 January 2019	103

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

9 Subsidiaries

Details of the company's subsidiaries at 31 January 2020 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held Direct	
M&M Development Property 2 Ltd	Dormant	Ordinary	100.00	-
M&M Development Property 3 Ltd	Dormant	Ordinary	100.00	-
Unicorn Stow Units Ltd	Non-trading	Ordinary	100.00	-

10 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Other debtors	-	212,228	-	201,999
Prepayments and accrued income	4,267	-	4,267	-
	<u>4,267</u>	<u>212,228</u>	<u>4,267</u>	<u>201,999</u>

Financial assets that are debt instruments measured at amortised cost comprise other debtors.

11 Creditors: amounts falling due within one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Trade creditors	3,116	59,739	3,116	59,739
Amounts due to group undertakings	1,734,373	1,791,846	504,222	556,945
Corporation tax payable	-	18,239	-	-
Other taxation and social security	5,969	-	5,969	-
Accruals and deferred income	5,398	15,974	5,400	10,500
	<u>1,748,856</u>	<u>1,885,798</u>	<u>518,707</u>	<u>627,184</u>

Financial liabilities measured at amortised cost comprise trade creditors and amounts due to group undertakings.

12 Share capital

	Group and company	
	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
3,639 Ordinary shares of £1 each	<u>3,639</u>	<u>3,639</u>

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

13 Share premium account

The share premium account represents accumulated amounts received for share capital in excess of the shares nominal value.

14 Related party transactions

M&M Investment Company plc ("MMIC") is the sole shareholder of the company. MMIC provides funding for the company and its subsidiary undertaking, Unicorn Stow Units Limited (together referred to as 'the group'). MMIC paid expenses and settled liabilities on behalf of the group totalling £151,000 (2019: £769,000) and collected receipts of £10,000 (2019: £384,000) on behalf of the group. The group made loan repayments of £200,000 (2019: £5,735,000). At the balance sheet date, the group owed £1,734,000 (2019: £1,792,000) to MMIC.

The group received rent and service charges of £nil (2019: £102,000) from The Unicorn Serviced Apartments Limited, a fellow wholly owned subsidiary of MMIC. No balance was outstanding at the year end (2019: £nil).

During the prior year, the company transferred properties with an aggregate value equal to the cost of acquisition and development of £1,217,000, in settlement of a related party liability to The Mark Sheppard Bare Trust 2017, a trust of which the company's controller, Mark Sheppard is a Trustee. Cash advances to the company from the Mark Sheppard Bare Trust totalled £nil (2019: £884,000). No balance was owed to the Mark Sheppard Bare Trust 2017 (2019: £nil).

During the prior year, the company transferred properties with an aggregate value of £2,619,000, equal to the cost of acquisition and development, and debt amounting to the same sum owed to the ultimate parent company, to The Barns At Piggotts Hall Ltd, a fellow wholly owned subsidiary of MMIC. There are no funds due to or from The Barns At Piggotts Hall Ltd, at the year end (2019: £nil).

During the prior year, the company sold properties for an aggregate value of £200,000 to B S Sheppard & Granddaughters Nutrition Ltd, a company also under the control of Mark Sheppard, resulting in a profit of £200,000. The amount of £nil (2019: £200,000) was due from B S Sheppard & Granddaughters Nutrition Ltd as at the period end. The amount was settled in full by the transfer of shares in an investment Trust.

15 Controlling party

The company is a wholly owned subsidiary of M&M Investment Company Plc ("MMIC").

All MMIC shares are owned directly or indirectly by the Sheppard family. Hence, MMIC is under the control of Mark Sheppard by virtue of his direct and beneficial shareholdings in the company.

M&M DEVELOPMENT PROPERTY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2020

16 Cash absorbed by group operations

	2020 £	2019 £
Loss for the year after tax	(411,019)	(474,023)
Adjustments for:		
Taxation (credited)/charged	(18,239)	21,753
Depreciation and impairment of tangible fixed assets	-	14,618
Loss on disposal of investment property	-	370,885
Fair value losses on investment property	371,832	88,593
Movements in working capital:		
Increase in debtors	(7,961)	(101,888)
(Decrease)/increase in creditors	(67,199)	62,581
Cash absorbed by operations	<u>(132,586)</u>	<u>(142,643)</u>