

Company Registration No. 02579005 (England and Wales)

**M&M DEVELOPMENT PROPERTY LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2018**

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# **M&M DEVELOPMENT PROPERTY LTD**

## **COMPANY INFORMATION**

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<b>Director</b>	P A Thomas
<b>Secretary</b>	P A Thomas
<b>Company number</b>	02579005
<b>Registered office</b>	12A Princes Gate Mews London SW7 2PS
<b>Auditor</b>	CLB Coopers Audit Services Ship Canal House 98 King Street Manchester M2 4WU

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# **M&M DEVELOPMENT PROPERTY LTD**

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# **M&M DEVELOPMENT PROPERTY LTD**

## **DIRECTOR'S REPORT**

### ***FOR THE YEAR ENDED 31 JANUARY 2018***

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The director presents his annual report and financial statements for the year ended 31 January 2018.

#### **Principal activities**

The principal activity of the company continued to be that of a holding company. The subsidiary company's principal activity is property development.

#### **Director**

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

P A Thomas

#### **Results and dividends**

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

No ordinary dividends were paid. The director does not recommend payment of a further dividend.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that CLB Coopers 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 he 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 them to ensure that the financial statements comply with the Companies Act 2006. He 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)**

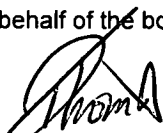
***FOR THE YEAR ENDED 31 JANUARY 2018***

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### **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 A Thomas

**Director**

9 July 2018

# **M&M DEVELOPMENT PROPERTY LTD**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE SHAREHOLDER OF M&M DEVELOPMENT PROPERTY LTD**

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#### **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 2018 which comprise the Group Statement of Income and Retained Earnings, the Group Statement of Comprehensive Income, 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 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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.

# **M&M DEVELOPMENT PROPERTY LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE SHAREHOLDER OF M&M DEVELOPMENT PROPERTY LTD**

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#### **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.

#### **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 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 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 intend to liquidate the group or the parent company or to cease operations, or have 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**

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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.



**Graham Rigby (Senior Statutory Auditor)**  
for and on behalf of CLB Coopers Audit Services

9 July 2018

**Statutory Auditor**

Ship Canal House  
98 King Street  
Manchester  
M2 4WU



# M&M DEVELOPMENT PROPERTY LTD

## GROUP STATEMENT OF INCOME AND RETAINED EARNINGS (INCLUDING A PROFIT AND LOSS ACCOUNT)

FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	Year ended 31 January 2018 £	6 month period ended 31 January 2017 £
Turnover	2	215,574	106,209
Cost of sales		-	(32,049)
<b>Gross profit</b>		<b>215,574</b>	<b>74,160</b>
Administrative expenses		(133,453)	(122,331)
Other operating income		-	681,576
<b>Operating profit</b>	3	<b>82,121</b>	<b>633,405</b>
Fair value gains and losses on investment properties	8	-	(427,752)
<b>Profit before taxation</b>		<b>82,121</b>	<b>205,653</b>
Tax on profit	6	(2,385)	-
<b>Profit for the financial year</b>		<b>79,736</b>	<b>205,653</b>
Retained earnings brought forward		(289,973)	(495,626)
Retained earnings carried forward		(210,237)	(289,973)

Profit 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 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	7	53,750		75,677	
Investment properties	8	7,570,024		3,734,246	
		<u>7,623,774</u>		<u>3,809,923</u>	
<b>Current assets</b>					
Debtors	11	110,340		63,508	
<b>Creditors: amounts falling due within one year</b>	12	<u>(7,613,659)</u>		<u>(3,832,712)</u>	
<b>Net current liabilities</b>			<u>(7,503,319)</u>		<u>(3,769,204)</u>
<b>Total assets less current liabilities</b>			<u>120,455</u>		<u>40,719</u>
<b>Capital and reserves</b>					
Called up share capital	13	3,639		3,639	
Share premium account	14	327,053		327,053	
Profit and loss reserves		<u>(210,237)</u>		<u>(289,973)</u>	
<b>Total equity</b>			<u>120,455</u>		<u>40,719</u>

The financial statements were approved and signed by the director and authorised for issue on 9 July 2018

  
P A Thomas  
Director

# M&M DEVELOPMENT PROPERTY LTD

## COMPANY BALANCE SHEET

AS AT 31 JANUARY 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investment properties	8	4,061,356		225,579	
Investments	9	103		100	
		<u>4,061,459</u>		<u>225,679</u>	
<b>Current assets</b>					
Debtors	11	3,088,431		3,073,445	
<b>Creditors: amounts falling due within one year</b>	12	<u>(6,292,208)</u>		<u>(2,414,606)</u>	
<b>Net current (liabilities)/assets</b>		<u>(3,203,777)</u>		<u>658,839</u>	
<b>Total assets less current liabilities</b>		<u>857,682</u>		<u>884,518</u>	
<b>Capital and reserves</b>					
Called up share capital	13	3,639		3,639	
Share premium account	14	327,053		327,053	
Profit and loss reserves		<u>526,990</u>		<u>553,826</u>	
<b>Total equity</b>		<u>857,682</u>		<u>884,518</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 £26,835 (2017: £247,673 ).

The financial statements were approved and signed by the director and authorised for issue on 9 July 2018

  
P A Thomas  
Director

Company Registration No. 02579005

# M&M DEVELOPMENT PROPERTY LTD

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	18		(106,922)		758,298
Income taxes paid			(2,385)		-
<b>Net cash (outflow)/inflow from operating activities</b>			(109,307)		758,298
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(7,222)	
Purchase of investment property		(3,835,778)		(1,099,879)	
<b>Net cash used in investing activities</b>			(3,835,778)		(1,107,101)
<b>Financing activities</b>					
New loans from group companies		3,612,279		345,755	
New loans from related undertakings		332,806		-	
<b>Net cash generated from financing activities</b>			3,945,085		345,755
<b>Net increase/(decrease) in cash and cash equivalents</b>			-		(3,048)
Cash and cash equivalents at beginning of year			-		3,048
<b>Cash and cash equivalents at end of year</b>			-		-

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

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### 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, 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 2018. 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

The director has a reasonable expectation that financial support will continue to be provided by related undertakings and the ultimate controlling party; accordingly the accounts have been prepared on a going concern basis.

#### 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.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

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### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.6 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 profit and loss account.

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.

Investment properties under construction are held at development cost less provision for permanent diminution in value.

#### 1.7 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 1.8 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.

#### 1.9 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.

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

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### 1 Accounting policies

(Continued)

#### **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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **Derecognition of financial liabilities**

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

#### **1.10 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.

#### **1.11 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.

#### **1.12 Borrowing costs**

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

### 2 Turnover

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

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2018

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### 3 Operating profit

	2018 £	2017 £
Operating profit for the period is stated after charging:		
Depreciation of owned tangible fixed assets	21,926	21,982
	<u>          </u>	<u>          </u>

### 4 Auditor's remuneration

	2018 £	2017 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	10,000	8,000
Audit of the financial statements of the company's subsidiaries	4,750	8,400
	<u>          </u>	<u>          </u>
	14,750	16,400
	<u>          </u>	<u>          </u>
<b>For other services</b>		
Taxation compliance services	3,250	3,000
	<u>          </u>	<u>          </u>

### 5 Employees

The company has no employees other than the director who did not receive any remuneration during the year (2017: £nil).

### 6 Taxation

	2018 £	2017 £
<b>Current tax</b>		
Adjustments in respect of prior periods	2,385	-
	<u>          </u>	<u>          </u>



# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JANUARY 2018

#### 6 Taxation

(Continued)

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

	2018 £	2017 £
Profit before taxation	82,120	205,653
Expected tax charge based on the standard rate of corporation tax in the UK of 19.16% (2017: 20.00%)	15,734	41,131
Expenses that are not deductible in determining taxable profit	591	89,395
Income not taxable in determining taxable profit	-	(136,315)
Utilisation of tax losses	(17,013)	(2,000)
Adjustments in respect of prior years	2,385	-
Group relief	(3,513)	-
Deferred tax not recognised	4,201	7,789
Taxation charge for the period	2,385	-

At the balance sheet date the group has trade losses carried forward of £203,369 (2017: £688,398) and capital losses carried forward of £94,951 (2017: £94,951). Deferred tax assets have not been recognised in respect of these losses.

#### 7 Tangible fixed assets

Group	Fixtures and fittings £
<b>Cost</b>	
At 1 February 2017 and 31 January 2018	109,633
<b>Depreciation and impairment</b>	
At 1 February 2017	33,956
Depreciation charged in the year	21,926
At 31 January 2018	55,882
<b>Carrying amount</b>	
At 31 January 2018	53,750
At 31 January 2017	75,677

The company had no tangible fixed assets at 31 January 2018 or 31 January 2017.

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

### 8 Investment property

	Group 2018 £	Company 2018 £
<b>Cost or valuation</b>		
At 1 February 2017	3,734,246	225,578
Additions	3,835,778	3,835,778
At 31 January 2018	<u>7,570,024</u>	<u>4,061,356</u>

Investment property held by the company includes assets under construction at the year end held at cost of £4,061,356.

Investment properties held by the group at valuation are based on the director's assessment of marketability of the property as at 31 January 2018. The valuations were made by the director, having reference to typical yields for similar properties and taking into account the potential for permitted future change of use.

### 9 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	10	-	-	103	100

#### Movements in fixed asset investments

Company	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 February 2017	100
Additions	3
At 31 January 2018	<u>103</u>
<b>Carrying amount</b>	
At 31 January 2018	<u>103</u>
At 31 January 2017	<u>100</u>

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

### 10 Subsidiaries

Details of the company's subsidiaries at 31 January 2018 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held Direct
Unicorn Stow Units Ltd	Property development	Ordinary	100.00
M&M Development Property 1 Ltd	Dormant	Ordinary	100.00
M&M Development Property 2 Ltd	Dormant	Ordinary	100.00
M&M Development Property 3 Ltd	Dormant	Ordinary	100.00

### 11 Debtors

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Amounts falling due within one year:</b>				
Trade debtors	12,219	-	1	-
Amounts owed by group undertakings	-	-	3,027,301	3,071,060
Other debtors	61,129	63,508	61,129	2,385
Prepayments and accrued income	36,992	-	-	-
	<u>110,340</u>	<u>63,508</u>	<u>3,088,431</u>	<u>3,073,445</u>

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

### 12 Creditors: amounts falling due within one year

	Group 2018 £	2017 £	Company 2018 £	2017 £
Trade creditors	22,351	31,419	17,730	12,660
Amounts due to group undertakings	7,142,557	3,776,381	5,834,982	2,392,340
Other creditors	427,993	138	427,996	138
Accruals and deferred income	20,758	24,774	11,500	9,468
	<u>7,613,659</u>	<u>3,832,712</u>	<u>6,292,208</u>	<u>2,414,606</u>

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

### 13 Share capital

	Group and company	
	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
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 2018

### 14 Share premium account

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

### 15 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Development of investment property	62,899	-	62,899	-

### 16 Related party transactions

The company has taken advantage of the exemptions under section 33 of FRS 102 from disclosure of transactions with its subsidiary entity, Unicorn Stow Units Limited. At the balance sheet date the company was owed £3,027,302 (2017: £3,071,060) by Unicorn Stow Units Limited. The balance is interest free and repayable on demand.

M&M Investment Company plc, the ultimate parent of the company, paid expenses and made capital purchases on behalf of the group totalling £3,650,000 (including £2,150,000 in respect of the purchase of development property at cost from the B S Sheppard 2003 Settlement) and collected customer receipts of £171,000 on behalf of the group. The group made loan repayments of £113,000 during the year. At the balance sheet date, the group owed £7,142,558 (2017: £3,776,281) to M&M Investment Company plc. The balance is interest free and repayable on demand.

The amount due by the company to The Mark Sheppard Bare Trust 2017, as at year end, included in other creditors is £332,806 (2017: £nil) and relates to amounts received by the company to fund the property development.

### 17 Controlling party

Throughout the current year and preceding year the ultimate parent of the company was M&M Investment Company Plc.

The ultimate controlling party throughout the current and preceding period is M B B Sheppard by virtue of his majority shareholding in the ultimate parent company and his influence on the operations of the company.

# M&M DEVELOPMENT PROPERTY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2018

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### 18 Cash generated from group operations

	2018 £	2017 £
Profit for the year after tax	79,736	205,653
Adjustments for:		
Taxation charged	2,385	-
Fair value gains and losses on foreign exchange contracts and investment properties	-	427,752
Depreciation and impairment of tangible fixed assets	21,926	21,982
Movements in working capital:		
(Increase)/decrease in debtors	(46,833)	2,953
(Decrease)/increase in creditors	(164,136)	99,958
<b>Cash (absorbed by)/generated from operations</b>	<b>(106,922)</b>	<b>758,298</b>