

**Registered no: 2956027**

Market Harborough Mortgages Limited

Annual report and financial statements for the year ended 31 December 2018



# Market Harborough Mortgages Limited

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# Market Harborough Mortgages Limited

## Directors' report for the year ended 31 December 2018

The directors present their report and financial statements for the year ended 31 December 2018. The Company became dormant on 31 December 2015.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

As a small company, the Company is exempt from the requirement to prepare a Strategic Report.

### **Principal activity**

The principal activity of the Company was mortgage related finance. It is a wholly owned subsidiary of Market Harborough Building Society. All the company assets are invested by way of loan in its parent undertaking.

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### **Review of business and future developments**

The Company was formed in 1994 to acquire portfolios of commercial assets that legislation did not permit Market Harborough Building Society to acquire onto its own balance sheet. However, the enactment of the Building Societies Act 1997 enabled the Society to acquire such portfolios onto its own balance sheet. It is not, therefore, intended to seek further growth in the Company's asset base from this source.

All loan and related business activities were transferred to Market Harborough Building Society, the company's parent, during 2015. The company ceased business transactions in December 2015. The company changed its financial reporting framework from UKGAAP to International Financial Reporting Standards as adopted in the EU (IFRS) in 2015. This change had no impact on the reported results or financial position of the Company.

### **Results and dividends**

The Company's profit for the financial year is £Nil (2017: profit £Nil). The profit of £Nil (2017: profit £Nil) has been transferred to reserves. The directors do not propose a payment of a dividend (2017: £Nil).

### **Principal risks**

The Board has identified credit risk, interest rate risk and operational risk as the principal risks to which the Company is exposed. All assets of the company are invested in the parent undertaking. An analysis of risks to the parent undertaking is contained in the accounts of the parent undertaking, by whom they are managed.

### **Directors and their interests**

The following were directors of the Company in 2018:

Nicholas Johnston (Chairman)  
Nicholas Fielden  
Mark Robinson

No director had any interest in the shares of the Company at 31 December 2018.

### **Insurance of directors**

Liability insurance cover is maintained for the directors and officers by the parent undertaking.

# Market Harborough Mortgages Limited

## Directors' report (continued)

### Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

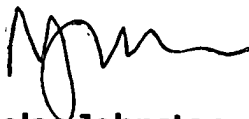
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

### On behalf of the Board



**Nicholas Johnston**  
**Chairman**

14 March 2019

# Market Harborough Mortgages Limited

## Statement of Comprehensive Income for the year ended 31 December 2018

	Notes	2018 £	2017 £
<b>Turnover - continuing operations</b>	1	-	-
<b>Gross profit</b>		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<hr/>	<hr/>
Tax on profit on ordinary activities		-	-
<b>Retained profit for the financial year</b>	5	<hr/>	<hr/>

The notes on pages 6 to 7 form part of these accounts.

The Company has no recognised gains and losses.

# Market Harborough Mortgages Limited

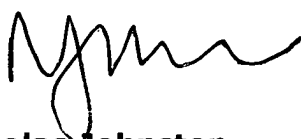
## Statement of Financial Position as at 31 December 2018

	Notes	2018 £	2017 £
<b>Current assets</b>			
Other assets: amounts falling due within one year	3	<b>1,184,836</b>	1,184,836
<b>Total Assets</b>		<b><u>1,184,836</u></b>	<b><u>1,184,836</u></b>
Other liabilities: amounts falling due within one year		-	-
<b>Total Liabilities</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>Capital and reserves</b>			
Called up share capital	4	<b>1</b>	1
Profit and loss account	5	<b>1,184,835</b>	1,184,835
<b>Total Equity</b>	6	<b><u>1,184,836</u></b>	<b><u>1,184,836</u></b>
<b>Total Equity &amp; Liabilities</b>	6	<b><u>1,184,836</u></b>	<b><u>1,184,836</u></b>

For the year ended 31 December 2018 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies. The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 5 to 7 were approved by the Board of Directors on 25 April 2019 and were signed on its behalf by:



**Nicholas Johnston**  
**Chairman**

# Market Harborough Mortgages Limited

## Notes to the financial statements for the year ended 31 December 2018

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS) and the Companies Act 2006. A summary of accounting policies, which have been applied consistently, is set out below.

#### **Basis of preparation**

The financial statements are prepared in accordance with the historical cost convention.

Market Harborough Building Society has given an undertaking to discharge the liabilities of the Company in so far as the Company is unable to discharge them out of its own assets.

#### **Future accounting developments**

A number of International Accounting Standards Board (IASB) pronouncements have been issued but are not effective for this financial year. The standards considered most relevant to the Company are detailed below.

#### **IFRS 16 - 'Leases'**

This is effective from 1 January 2019.

Accounting by lessees will be changed significantly, with a right of use asset recognised on the balance sheet for all leases, based on discounted future commitments. This includes leases presently treated as operating leases and not recognised on the balance sheet. A review of the standard indicates the changes will not have a material impact on the Company's results or financial position.

#### **Accounting estimates and judgements**

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Market Harborough Mortgages Limited

## Notes to the financial statements (continued)

	2018 £	2017 £
<b>2 Directors' emoluments</b>		
None of the directors received any remuneration in the year for duties carried out in respect of the Company (2017: nil).		
The Company had no employees during 2018 (2017: None)		
<b>3 Other assets</b>	2018 £	2017 £
Amounts due from parent undertaking	1,184,836	1,184,836
	<u>1,184,836</u>	<u>1,184,836</u>
<b>4 Called up share capital</b>	2018 £	2017 £
<b>Authorised</b>		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
<b>5 Profit and loss account</b>	2018 £	2017 £
At 1 January	1,184,835	1,184,835
Retained profit for the year	-	-
	<u>1,184,835</u>	<u>1,184,835</u>
At 31 December		
<b>6 Reconciliation of movement in shareholders' funds</b>	2018 £	2017 £
As at 1 January	1,184,836	1,184,836
Profit for the year	-	-
	<u>1,184,836</u>	<u>1,184,836</u>
As at 31 December		



# Market Harborough Mortgages Limited

## **7 Capital commitments**

There is no capital expenditure that has been contracted for that has not been provided for in the financial statements (2017 : Nil).

## **8 Ultimate parent undertaking**

The ultimate parent undertaking and controlling party is Market Harborough Building Society which is registered in England and Wales under the Building Societies Act 1986. The accounts of the parent undertaking may be obtained from:

The Secretary  
Market Harborough Building Society  
The Square  
Market Harborough  
Leicestershire  
LE16 7PD

## **9 Related party transactions**

Details of transactions and balances with related parties are disclosed in other notes to these accounts as appropriate.