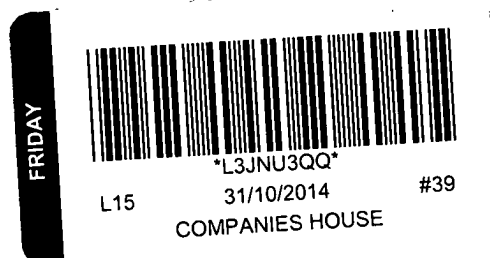


**Company Registration No. 2962339 (England and Wales)**

**MFF1 (HOLDINGS) LIMITED  
(FORMERLY MANSFORD HOLDINGS PLC)**

**ANNUAL REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**



## **MFF1 (HOLDINGS) LIMITED**

### **DIRECTORS AND ADVISERS**

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Directors	O Smith C H Knight D Reynolds
Company number	2962339
Registered office	57 - 59 Haymarket London SW1Y 4QX
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB

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## **MFF1 (HOLDINGS) LIMITED**

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## **MFF1 (HOLDINGS) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their strategic report for the year ended 31 March 2014.

#### **Review of the business**

MFF1 (Holdings) Limited's principal business activity is the management of Mansford France Fund I, a fund based in Luxembourg. Mansford France Fund I is focussed on light industrial and logistics real estate in France.

The group is currently invested in France. As at 31 March 2014, the group consisted of the entities disclosed in note 8. The directors are satisfied with the group's performance for the year.

#### **Financial risk management**

The group's operations expose it to a variety of financial risks that include the effects of changes in market prices, credit risk, liquidity risk and interest rate risk.

As a result of the recent worldwide economic downturn, and the associated increase in business risks, the directors have taken additional steps to assess, monitor and control risk in the current year and going forward. The policies of risk management set by the board of directors are implemented by the finance department. Specific risk areas are described in more detail below.

##### **Market risk**

The group provides services internationally and is exposed to foreign exchange risk primarily relating to such activities. Foreign exchange risk arises from future commercial transactions, assets and liabilities.

The exposure on provision of services is the risk that the value of open trade receivables will decrease as a result of currency fluctuations. The Directors review market conditions on an ongoing basis to determine whether hedging is appropriate. There is rarely pressure to exchange currencies within the company, so the Directors are able to choose optimal time to make exchanges.

##### **Credit risk**

The group has implemented policies that require appropriate credit checks on potential customers before tenancies are accepted and the amount of exposure to any individual entity is subject to a limit, which is reassessed on a regular basis by management. Trade receivables comprise balances due from a wide range of retail businesses, whose individual credit rating may be affected by changes in commercial or economic conditions. The directors consider the diversity of this customer base and the relatively stable credit rating of certain significant customers to be important limiting factors to the group's overall exposure to credit risk. However the directors will continue to review credit controls on a regular basis to ensure that the company's policies are appropriate to the prevailing economic climate.

# MFF1 (HOLDINGS) LIMITED

## STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2014

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### Financial risk management (continued)

#### Liquidity risk

The group is able to fund operations using a combination of cash generated from profits and funding from its parent company and liquidity risk is therefore low. However, the group maintains short-term debt finance arrangements to ensure the group has sufficient available funds for seasonal fluctuations in working capital requirements.

#### Interest rate cash flow risk

At all times the group has interest bearing assets in the form of cash balances which earn interest at variable market rates. These are placed with appropriate institutions in order to maximise return, whilst limiting risk. Similarly, where group companies are subject to paying interest, rates will be fixed or capped as appropriate.

Key performance indicators	2014 £	2013 £
Administration costs	2,515,249	2,432,000
Liquidity (company)	153,084	36,125

Due to the company's pursuit of new investment opportunities in differing types of vehicles with differing patterns of current revenue and medium term profit expectations, each of which is assessed on its own merits, overall revenue based performance indicators do not feature prominently.

On behalf of the board



D Reynolds

Director

30 October 2014

## **MFF1 (HOLDINGS) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their report and financial statements for the year ended 31 March 2014. The company changed its name from Mansford Holdings Plc to MFF1 (Holdings) Limited on 10 October 2014 and reregistered from a public limited company to a private limited company on the same day.

#### **Principal activities**

The principal activity of the group has continued to be that of facilitating and making property investments.

#### **Results and dividends**

MFF1 (Holdings) Limited had a satisfactory year, and the results for the group are shown on pages 7 to 8. No dividends were paid during the year (2013: £nil).

#### **Directors**

The following directors have held office since 1 April 2013:

O Smith  
C H Knight  
D Reynolds

#### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

#### **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 the directors have 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 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 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 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 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 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.

**MFF1 (HOLDINGS) LIMITED**

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

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**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to read 'D Reynolds', with a stylized flourish at the end.

D Reynolds

**Director**

30 October 2014

## **MFF1 (HOLDINGS) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MFF1 (HOLDINGS) LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of MFF1 (Holdings) Limited for the year ended 31 March 2014 set out on pages 7 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2014 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



**MFF1 (HOLDINGS) LIMITED**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE MEMBERS OF MFF1 (HOLDINGS) LIMITED**

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**Matters on which we are required to report by exception**

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.



**Michael Di Leto (Senior Statutory Auditor)  
for and on behalf of Saffery Champness**

30 October 2014

**Chartered Accountants  
Statutory Auditors**

Lion House  
Red Lion Street  
London  
WC1R 4GB

**MFF1 (HOLDINGS) LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>Turnover</b>	<b>2</b>	4,936,240	4,876,339
Administrative expenses		<u>(2,515,249)</u>	<u>(2,432,000)</u>
<b>Operating profit</b>	<b>3</b>	2,420,991	2,444,339
Profit on disposal of investment property		<u>5,109</u>	<u>-</u>
<b>Profit on ordinary activities before interest</b>		2,426,100	2,444,339
Other interest receivable		24,556	59,784
Interest payable and similar charges	<b>4</b>	<u>(2,316,292)</u>	<u>(2,296,798)</u>
<b>Profit on ordinary activities before taxation</b>		134,364	207,325
Tax on profit on ordinary activities	<b>5</b>	<u>(45,333)</u>	<u>(18,444)</u>
<b>Profit on ordinary activities after taxation</b>		89,031	188,881
Amounts payable to outside investors		<u>(309,870)</u>	<u>(781,826)</u>
<b>Retained loss for the year</b>	<b>13</b>	<u><u>(220,839)</u></u>	<u><u>(592,945)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 11 to 22 form part of these financial statements.

**MFF1 (HOLDINGS) LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2014**

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	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Loss for the financial year</b>	(220,839)	(592,945)
Exchange differences on translation	187,892	(49,733)
Unrealised surplus/(deficit) on revaluation of properties	20,484	(68,122)
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>	<b>(12,463)</b>	<b>(710,800)</b>

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**MFF1 (HOLDINGS) LIMITED**

**BALANCE SHEETS  
AS AT 31 MARCH 2014**

	Notes	Group 2014 £	2013 £	Company 2014 £	2013 £
<b>Fixed assets</b>					
Tangible assets	7	43,280,060	50,293,997	-	-
Investments	8	-	-	710,320	343,518
		<u>43,280,060</u>	<u>50,293,997</u>	<u>710,320</u>	<u>343,518</u>
<b>Current assets</b>					
Debtors	9	1,784,127	1,360,991	329,551	324,294
Cash at bank and in hand		<u>1,957,033</u>	<u>2,311,353</u>	<u>153,084</u>	<u>36,125</u>
		3,741,160	3,672,344	482,635	360,419
<b>Creditors: amounts falling due within one year</b>	10	<u>(5,177,204)</u>	<u>(4,692,734)</u>	<u>(99,267)</u>	<u>(119,428)</u>
<b>Net current (liabilities)/assets</b>		<u>(1,436,044)</u>	<u>(1,020,390)</u>	<u>383,368</u>	<u>240,991</u>
<b>Total assets less current liabilities</b>		41,844,016	49,273,607	1,093,688	584,509
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(42,594,717)</u>	<u>(50,011,845)</u>	<u>(1,638,085)</u>	<u>(1,097,645)</u>
		<u>(750,701)</u>	<u>(738,238)</u>	<u>(544,397)</u>	<u>(513,136)</u>
<b>Capital and reserves</b>					
Called up share capital	12	90	90	90	90
Capital redemption reserve	13	10	10	10	10
Revaluation reserve	13	(270,136)	(290,620)	-	-
Other reserves	13	100,000	100,000	100,000	100,000
Profit and loss account	13	<u>(580,665)</u>	<u>(547,718)</u>	<u>(644,497)</u>	<u>(613,236)</u>
<b>Shareholders' funds</b>	14	<u>(750,701)</u>	<u>(738,238)</u>	<u>(544,397)</u>	<u>(513,136)</u>

The notes on pages 11 to 22 form part of these financial statements.

Approved by the Board and authorised for issue on 30 October 2014



D Reynolds  
Director

Company Registration No. 02962339

**MFF1 (HOLDINGS) LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	£	2014 £	£	2013 £
<b>Net cash inflow from operating activities</b>	<b>17</b>		2,400,552		2,991,103
<b>Returns on investments and servicing of finance</b>					
Interest received		24,556		59,784	
Interest paid		(2,316,292)		(2,296,798)	
<b>Net cash outflow for returns on investments and servicing of finance</b>			(2,291,736)		(2,237,014)
<b>Taxation</b>			(45,333)		(6,626)
<b>Capital expenditure</b>					
Payments to acquire tangible assets		(5,061)		(12,657)	
Receipts from sales of tangible assets		4,516,905		-	
<b>Net cash inflow/(outflow) for capital expenditure</b>			4,511,846		(12,657)
<b>Net cash inflow before management of liquid resources and financing</b>			4,575,329		734,806
<b>Financing</b>					
Repayment of bank loan		(3,495,466)		(603,556)	
Repayment of other loans		(1,480,639)		-	
New long term loans		-		272,508	
<b>Net cash outflow from financing</b>			(4,976,105)		(331,048)
<b>(Decrease)/increase in cash in the year</b>	<b>18, 19</b>		<u>(400,776)</u>		<u>403,758</u>

## **MFF1 (HOLDINGS) LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The directors confirm that as at the date of approval the going concern position has been assessed on consideration of the groups forecast trading and cash flow projections and based on the continued financial support from its parent company. The directors have a reasonable expectation that the group has adequate resources to continue in operation for the foreseeable future.

##### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### **1.3 Basis of consolidation**

The consolidated profit and loss account and balance sheet include the accounts of the company and its subsidiary undertakings made up to 31 March. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

Certain subsidiary and joint venture investments have entered into separate profit sharing arrangements with external third parties. Any profit/loss allocated to third parties is shown as an adjustment through the profit and loss account with an associated asset/liability reflected in the balance sheet.

##### **1.4 Turnover**

Turnover represents fees in respect of management services and property rental income receivable net of VAT. These are recognised in the period to which they relate and the right to consideration arises.

## **MFF1 (HOLDINGS) LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2014**

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#### **1 Accounting policies**

**(continued)**

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	5-25% reducing balance
Fixtures, fittings & equipment	5-25% reducing balance

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

##### **1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

##### **1.7 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### **1.8 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### **2 Turnover**

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in Europe.

**MFF1 (HOLDINGS) LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

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<b>3</b>	<b>Operating profit</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	55,523	46,746
	Loss on foreign exchange transactions	42,528	7,054
	Auditors' remuneration:		
	Audit fees (Company £6,400; 2013: £7,500)	6,400	7,500
	Taxation services	1,500	1,500
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable and similar charges</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	864,465	884,188
	On other loans	1,451,827	1,412,610
		<u>          </u>	<u>          </u>
		<u>2,316,292</u>	<u>2,296,798</u>

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**MFF1 (HOLDINGS) LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

<b>5</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Current year tax</b>		
	Overseas taxation	45,333	15,397
	Adjustment for prior years	-	(8,771)
	Payment in respect of group relief	-	11,818
		<u>45,333</u>	<u>18,444</u>
	<b>Current tax charge</b>	<u>45,333</u>	<u>18,444</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>134,364</u>	<u>207,325</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	<u>30,904</u>	<u>49,758</u>
	Effects of:		
	Adjustments to previous periods	-	(8,771)
	Group relief	-	11,818
	Other tax adjustments	<u>14,429</u>	<u>(34,361)</u>
		<u>14,429</u>	<u>(31,314)</u>
	<b>Current tax charge</b>	<u>45,333</u>	<u>18,444</u>

**6 Loss for the financial year**

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Holding company's loss for the financial year	<u>(31,261)</u>	<u>(443,595)</u>

**MFF1 (HOLDINGS) LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014****7 Tangible fixed assets****Group**

	<b>Investment properties £</b>	<b>Plant and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2013	50,176,338	622,896	50,799,234
Exchange differences	(937,224)	(11,944)	(949,168)
Additions	-	5,061	5,061
Revaluation	(1,513,646)	-	(1,513,646)
Disposals	(4,482,447)	(43,763)	(4,526,210)
At 31 March 2014	<u>43,243,021</u>	<u>572,250</u>	<u>43,815,271</u>
<b>Depreciation</b>			
At 1 April 2013	361,891	143,346	505,237
Exchange differences	(7,736)	(3,401)	(11,137)
On disposals	-	(14,412)	(14,412)
Charge for the year	<u>17,356</u>	<u>38,167</u>	<u>55,523</u>
At 31 March 2014	<u>371,511</u>	<u>163,700</u>	<u>535,211</u>
<b>Net book value</b>			
At 31 March 2014	<u>42,871,510</u>	<u>408,550</u>	<u>43,280,060</u>
At 31 March 2013	<u>49,814,447</u>	<u>479,550</u>	<u>50,293,997</u>

The valuations of investment properties were made as at 31 March 2014 by C Knight, a Chartered Surveyor, and O Smith who are both directors of the company. These include valuations of £42,676,697 (2013: £49,595,781) which were made on an open market basis, based on market valuations obtained during the year from Savills. No depreciation is provided in respect of these properties.

Only investment properties have been revalued. All other tangible fixed assets are stated at historical cost. On a historical cost basis, investment properties would have been included at an original cost of £53,845,733 (2013: £61,355,485).

No provision has been made on investment properties which the group does not intend to sell in respect of deferred taxation on the revaluation or of the capital allowances claimed. If these properties were sold at their stated valuation no corporate tax liability (2012: £nil) would arise.

**MFF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

**8 Fixed asset investments**

**Company**

	<b>Loans in group undertakings £</b>
<b>Cost</b>	
At 1 April 2013	343,518
Additions	374,102
Disposals	(7,300)
	<u>710,320</u>
At 31 March 2014	<u>710,320</u>
<b>Net book value</b>	
At 31 March 2014	<u>710,320</u>
At 31 March 2013	<u>343,518</u>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

**Holdings of more than 20%**

The company holds 100% of the Ordinary share capital of Mansford France Fund 1 Sarl, a company registered in Luxembourg whose principal activity is that of property investment. Mansford France Fund 1 Sarl has a number of subsidiaries, each representing a separate property investment. A list of the individual subsidiaries can be obtained from the registered office.

**9 Debtors**

	<b>Group</b>	<b>2013</b>	<b>Company</b>	<b>2013</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	113,062	200,302	-	-
Amounts owed by group undertakings	11,348	11,348	11,348	11,348
Other debtors	1,659,717	1,149,341	318,203	312,946
	<u>1,784,127</u>	<u>1,360,991</u>	<u>329,551</u>	<u>324,294</u>

**MFF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

**10 Creditors : amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	619,154	576,581	-	-
Trade creditors	459,241	357,658	-	1,800
Taxes and social security costs	96,912	58,684	-	-
Other creditors	-	1,800	-	1,800
Accruals and deferred income	4,001,897	3,698,011	99,267	115,828
	<u>5,177,204</u>	<u>4,692,734</u>	<u>99,267</u>	<u>119,428</u>

**MFF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

**11 Creditors : amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	24,125,771	28,252,449	-	-
Other loans	18,468,946	21,759,396	1,638,085	1,097,645
	<u>42,594,717</u>	<u>50,011,845</u>	<u>1,638,085</u>	<u>1,097,645</u>
<b>Analysis of loans</b>				
Not wholly repayable within five years	17,388,439	46,027,748	-	371,228
Wholly repayable within five years	25,825,432	4,560,678	1,638,085	726,417
	<u>43,213,871</u>	<u>50,588,426</u>	<u>1,638,085</u>	<u>1,097,645</u>
Included in current liabilities	(619,154)	(576,581)	-	-
	<u>42,594,717</u>	<u>50,011,845</u>	<u>1,638,085</u>	<u>1,097,645</u>
<b>Loan maturity analysis</b>				
Between one and two years	750,000	677,482	-	-
Between two and five years	24,456,278	3,306,615	1,638,085	726,417
In more than five years	17,388,439	46,027,748	-	371,228
	<u>42,594,717</u>	<u>50,011,845</u>	<u>1,638,085</u>	<u>1,097,645</u>

Included within other loans are amounts of £26,332,695 (2013: £28,520,590) representing Preference Equity Certificates. The certificates are non-voting, redeemable debt instruments with a flexible repayment structure and carry pre-determined rights over income and the net assets of the associated investments on ultimate disposal. An impairment provision of £8,944,256 (2013: £7,917,945) has been set against the value of the Preference Equity Certificates, resulting in a year end balance of £17,388,439 (2013: £20,800,594) representing the share of net assets that would be available to redeem as at the balance sheet date.

During the year ended 31 March 2012 the group entered into a loan agreement with Landesbanken Saar ("SaarLB"). Under the agreement SaarLB lent the group €35,000,000. The loan is secured against the assets of the group. In reference to this loan agreement, an Interest Rate Hedging Agreement has been made with the purpose to hedge the variable interest rate (EURIBOR 3 months) applied following the SaarLB loan agreement against a fixed/guaranteed interest rate. Interest on the loan is being charged between 3.5% and 3.58%.

The loans have been provided to the largest group on a non-recourse basis. The non-recourse liabilities arise in the Mansford France Fund I Sarl sub-group and are secured on that sub-group's assets with no recourse to Mansford Holdings Plc.

**MTF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

<b>12 Share capital</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
90 Ordinary shares of £1 each	90	90

**13 Statement of movements on reserves  
Group**

	<b>Capital redemption reserve</b>	<b>Revaluation reserve</b>	<b>Other reserves</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2013	10	(290,620)	100,000	(547,718)
Profit for the year	-	-	-	89,031
Exchange difference on translation	-	-	-	187,892
Amounts payable to outside investors	-	-	-	(309,870)
Revaluation during the year	-	20,484	-	-
Balance at 31 March 2014	10	(270,136)	100,000	(580,665)

**Company**

	<b>Capital redemption reserve</b>	<b>Other reserves</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2013	10	100,000	(613,236)
Loss for the year	-	-	(31,261)
Balance at 31 March 2014	10	100,000	(644,497)

**MFF1 (HOLDINGS) LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

<b>14 Reconciliation of movements in shareholders' funds</b>	<b>2014</b>	<b>2013</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Profit for the financial year	89,031	188,881
Amounts payable to outside investors	(309,870)	(781,826)
	(220,839)	(592,945)
Other recognised gains and losses	208,376	(117,855)
	(12,463)	(710,800)
Net depletion in shareholders' funds	(738,238)	(27,438)
Opening shareholders' funds		
Closing shareholders' funds	(750,701)	(738,238)
	<b>2014</b>	<b>2013</b>
<b>Company</b>	<b>£</b>	<b>£</b>
Loss for the financial year	(31,261)	(443,595)
Opening shareholders' funds	(513,136)	(69,541)
Closing shareholders' funds	(544,397)	(513,136)

**15 Employees****Number of employees**

There were no employees during the year apart from the directors

**16 Control**

The directors consider there to be no one ultimate controlling party.

**MFF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

<b>17 Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit	2,420,991	2,444,339
Depreciation of tangible assets	55,523	46,746
Decrease in debtors	(444,304)	(113,627)
Decrease in creditors due within one year	523,640	590,959
Net effect of foreign exchange differences	(155,298)	22,686
<b>Net cash inflow from operating activities</b>	<b>2,400,552</b>	<b>2,991,103</b>

<b>18 Analysis of net debt</b>	<b>1 April 2013</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 March 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:				
Cash at bank and in hand	2,311,353	(400,776)	46,456	1,957,033
Debts falling due within one year	(576,581)	(42,573)	-	(619,154)
Debts falling due after one year	(50,011,845)	4,976,105	2,441,023	(42,594,717)
	(50,588,426)	4,933,532	2,441,023	(43,213,871)
<b>Net debt</b>	<b>(48,277,073)</b>	<b>4,532,756</b>	<b>2,487,479</b>	<b>(41,256,838)</b>

<b>19 Reconciliation of net cash flow to movement in net debt</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash in the year	(400,776)	403,758
Cash outflow from decrease in debt	4,933,352	331,048
Change in net debt resulting from cash flows	4,532,756	734,806
Foreign exchange differences	1,174,190	(712,887)
Other non-cash movements	1,313,289	1,874,947
<b>Movement in net debt in the year</b>	<b>7,020,235</b>	<b>1,896,866</b>
Opening net debt	(48,277,073)	(50,173,939)
<b>Closing net debt</b>	<b>(41,256,838)</b>	<b>(48,277,073)</b>



**MFF1 (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

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**20 Related party relationships and transactions**

**Group**

The group has taken advantage of the exemption conferred by Financial Reporting Standard No 8 from the requirement to disclose details of transactions with group companies.

As at 31 March 2014 loans totalling £232,386 (2013: £232,386) were due to J-Wharf Limited, a company in which O Smith and C H Knight are directors.

During the year the group was charged fees of £384,142 (2013: £397,660) for fund management services by Mansford Real Estate LLP, a limited liability partnership in which the directors are members.