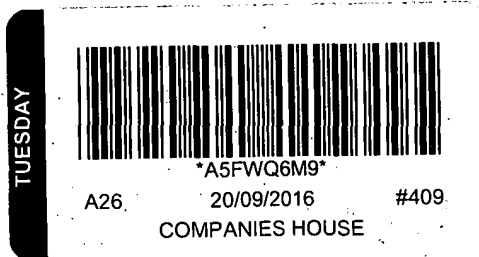


# **MV Properties Limited**

**Annual report and financial statements**

**For the year ended 31 December 2015**

Registered number: 3458237



# **MV Properties Limited**

## **Annual report and financial statements For the year ended 31 December 2015**

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# **MV Properties Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2015. The Directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption and taking the exemption from preparing the Strategic report.

### **Principal activities and review of the business**

The Company did not trade during the current or prior year. The directors are satisfied with the level of business and year-end financial position of the Company.

### **Results and dividends**

The results and financial position of the Company for the year ended 31 December 2015 are set out in the financial statements. No interim dividend was paid during the year (2014: nil) and the directors do not recommend the payment of a final dividend (2014: nil).

Loss for the financial year of £7,004 (2014: £1,450) has been transferred to reserves.

### **Principal risks and uncertainties**

The key business risks and uncertainties affecting the Company are considered to relate to the external economic climate and general confidence in the housing market.

### **Financial risk management**

The Company's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. The management manages and monitors the exposure to ensure appropriate measures are implemented on a timely and effective manner.

#### *(i) Credit risk*

The Company has no significant concentrations of credit risk with third parties.

#### *(ii) Interest rate risk*

The Company has no significant interest bearing assets, its income and operating cash flows are substantively independent of changes in market interest rates.

#### *(iii) Liquidity risk*

The Company manages liquidity risk by ensuring that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through management of resources and operating cash flows.

### **Key performance indicators (KPIs)**

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### **Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the notes to the financial statements.

# **MV Properties Limited**

## **Directors' report (continued)**

### **Directors**

The following held office as directors during the year and up to the date of signing the financial statements:

Susan Chow (Resigned on 3 June 2015)  
Raymond Chow  
Edmond Ip  
Davy Chung

None of the directors (2014: nil) had any interest in the shares of the Company during the year.

No director beneficially owns any of the ordinary shares or share options of the Company or has had a material interest in contracts of any significance during or at the end of the year.

Directors' and officers' liability insurance is provided to the directors of the Company by another company within the Cheung Kong Property group. The Cheung Kong Property group is defined as Cheung Kong Property Holdings Limited and its subsidiaries.

### **Statement of disclosure of information to auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Independent auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed to the shareholder.

Approved by the Board and signed on its behalf by:



Raymond Chow  
Director

8 September 2016

## **MV Properties Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual 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), including Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 accounting estimates that are reasonable and prudent; 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditor's report to the members of MV Properties Limited**

We have audited the financial statements of MV Properties Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 12. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 Company's affairs as at 31 December 2015 and of its 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.

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

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

## **Independent auditor's report to the members of MV Properties Limited (continued)**

### **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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' report or from the requirement to prepare a Strategic report.

*Philip Doherty*

Philip Doherty, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

12 September 2016

## MV Properties Limited

### Profit and loss account

For the year ended 31 December 2015

	Notes	2015 £	2014 £
Administrative expenses		(7,956)	(2,485)
<b>Operating loss</b>	3	(7,956)	(2,485)
Interest receivable and similar income		952	1,035
<b>Loss on ordinary activities before taxation</b>		(7,004)	(1,450)
Tax on loss on ordinary activities	5	-	-
<b>Loss for the financial year</b>	9	(7,004)	(1,450)

The loss for the financial year above arises from the Company's continuing operations.

The Company has no recognised gains and losses other than the loss for the financial year above and therefore no separate statement of total comprehensive income has been presented.




## MV Properties Limited

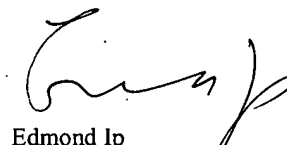
### Balance sheet

As at 31 December 2015

	Notes	2015 £	2014 £
<b>Current assets</b>			
Debtors	6	109	425
Cash at bank		401,221	403,798
		<u>401,330</u>	<u>404,223</u>
<b>Creditors: amounts falling due within one year</b>	7	(9,282)	(5,171)
<b>Net assets</b>		<u>392,048</u>	<u>399,052</u>
<b>Capital and reserves</b>			
Called up share capital	8	200	200
Profit and loss account	9	391,848	398,852
<b>Total shareholders' funds</b>	10	<u>392,048</u>	<u>399,052</u>

The financial statements of MV Properties Limited (3458237) were approved by the Board of Directors and authorised for issue on 8 September 2016. They were signed on its behalf by:

  
Raymond Chow  
Director

  
Edmond Ip  
Director

## MV Properties Limited

### Statement of changes in equity

As at 31 December 2015

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance as at 1 January 2014</b>	200	400,302	400,502
Loss for the year	-	(1,450)	(1,450)
<b>Balance as at 31 December 2014</b>	200	398,852	399,052
Loss for the year	-	(7,004)	(7,004)
<b>Balance as at 31 December 2015</b>	200	391,848	392,048

# **MV Properties Limited**

## **Notes to the financial statements**

For the year ended 31 December 2015

### **1. Accounting policies**

The principal accounting policies of the Company, which have been applied consistently during both years, are as follows:

#### **a. General information and basis of accounting**

MV Properties Limited is a company incorporated in the United Kingdom under the Company Act. The address of the registered office is Hutchison House, 5 Hester Road, London, SW11 4AN. The nature of the Company's operation and its principal activities are set out in the Directors' report on page 1 to 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with FRS 102 issued by the Financial Reporting Council.

The date of transition to FRS 102 was 1 January 2014 and this is the first financial year that the Company has presented its financial statements under FRS 102.

There is no change to accounting policy and there has been no impact on the prior year financial statements on adoption of FRS 102.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

#### **b. Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

#### **c. Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). If an arrangement constitutes a financial transaction, the financial asset and financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### **d. Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

## **MV Properties Limited**

### **Notes to the financial statements (continued)**

For the year ended 31 December 2015

#### **1. Accounting policies (continued)**

##### **d. Impairment of assets (continued)**

###### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **e. Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

###### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **f. Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and law that have been enacted or substantively enacted at the balance sheet date.

# MV Properties Limited

## Notes to the financial statements (continued)

For the year ended 31 December 2015

### g. Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax assets are measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### h. Revenue recognition

Interest income is recognised on a time proportion basis using the effective interest method.

### i. Related parties

The Company has taken advantage of the exemption in S33.1A of FRS102 from disclosing transactions with other group companies.

## 2. Cash flow statement

The Company has not presented a cash flow statement as it is a small company as defined by sections 382 and 465 of the Companies Act 2006.

## 3. Operating loss

### Services provided by the Company's auditors

During the year the Company obtained the following services from the Company's auditors at costs as detailed below:

	2015 £	2014 £
Fees payable for audit work	4,810	2,015

## 4. Directors' emoluments and employee numbers

No fees or other emoluments were paid to the directors in respect of their services to the Company during the year, nor are any payable (2014: nil).

The Company had no employees during the year (2014: nil).

## MV Properties Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2015

#### 5. Tax on loss on ordinary activities

##### (a) Analysis of tax in the year

	2015 £	2014 £
<b>Current tax:</b>		
UK corporation tax on loss for the year at 20.25% (2014: 20%)	-	-
Tax charge on loss on ordinary activities	-	-

##### (b) Factors affecting tax charge for the year

The differences between the Company's expected tax charge, using the applicable tax rate, and the Company's taxation for the years were as follows:

	2015 £	2014 £
Loss on ordinary activities before taxation	(7,004)	(1,450)
Taxation credit at 20.25% (2014: 20%)	(1,418)	(290)
Effect of:		
Tax losses not recognised	1,418	290
Total current tax	-	-

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through the future taxable profits is probable. The Company has unrecognised tax losses of £22,230 (2014: £15,226) to carry forward against future taxable income. These tax losses have no expiry date.

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015 (2014: from 23% to 21% with effect from 1 April 2014). Accordingly, the Company's profits for this financial year are taxed at an effective rate of 20.25% (2014: 20%).

#### 6. Debtors

	2015 £	2014 £
Tax recoverable	-	338
Other debtors	109	87
	109	425

## MV Properties Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2015

#### 7. Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings (note 11)	3,041	1,942
Accruals and deferred income	6,241	3,229
	<u>9,282</u>	<u>5,171</u>

The amounts due to group undertakings are unsecured, interest free and repayable on demand.

#### 8. Called up share capital

	2015 £	2014 £
<b>Allotted and fully paid</b>		
200 (2014: 200) ordinary shares of £1 each	<u>200</u>	<u>200</u>

#### 9. Profit and loss account

	2015 £	2014 £
At 1 January	398,852	400,302
Loss for the financial year	(7,004)	(1,450)
At 31 December	<u>391,848</u>	<u>398,852</u>

#### 10. Reconciliation of movements in total shareholders' funds

	2015 £	2014 £
Shareholders' funds as at 1 January	399,052	400,502
Loss for the financial year	(7,004)	(1,450)
Shareholders' funds as at 31 December	<u>392,048</u>	<u>399,052</u>

#### 11. Related party transactions

At the balance sheet date, included in amounts owed to group undertakings is £971 (2014: £971) due to Top Sails Limited, £971 (2014: £971) due to Millen Investment Limited and £1,099 (2014: nil) due to Hutchison Property Group (UK) Limited, all of which are subsidiaries of Cheung Kong Property Holdings Limited.

## **MV Properties Limited**

### **Notes to the financial statements (continued)**

**For the year ended 31 December 2015**

#### **12. Ultimate parent undertaking**

The Company's ultimate holding company and controlling party is Cheung Kong Property Holdings Limited, a company incorporated in the Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited since 3 June 2015. The group financial statements of Cheung Kong Property Holdings Limited, which is both the largest and smallest group into which the financial results of the Company are consolidated, can be obtained from 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.