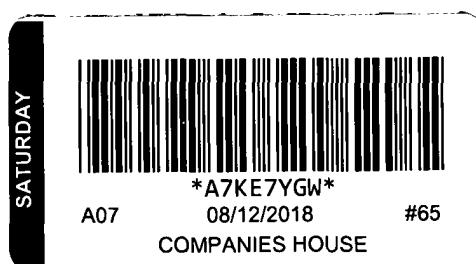

MALIGUES PROPERTIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2018



MALIGUES PROPERTIES LIMITED

COMPANY INFORMATION

Directors	A P Mason C I Mason G O Mason
Company secretary	B D Harvey
Registered number	03475402
Registered office	The Corn Exchange Brunswick Street Liverpool L2 0PJ
Accountants	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
Bankers	The Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP
Solicitors	Hill Dickinson LLP No. 1 St Paul's Square Liverpool L3 9SJ

MALIGUES PROPERTIES LIMITED

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Grant Thornton

Report to the directors on the preparation of the unaudited statutory financial statements of Maligues Properties Limited for the year ended 31 March 2018

We have compiled the accompanying financial statements of Maligues Properties Limited based on the information you have provided. These financial statements comprise the Statement of Financial Position of Maligues Properties Limited as at 31 March 2018, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Board of Directors of Maligues Properties Limited, as a body, in accordance with the terms of our engagement letter dated 13 November 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Maligues Properties Limited and state those matters that we have agreed to state to the Board of Directors of Maligues Properties Limited, as a body, in this report in accordance with our engagement letter dated 13 November 2018. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Maligues Properties Limited and its Board of Directors, as a body, for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with 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'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton

Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date: 3 December 2018

MALIGUES PROPERTIES LIMITED
REGISTERED NUMBER:03475402

Statement of Financial Position
AS AT 31 MARCH 2018

	Note	2018 £	Restated 2017 £
Fixed assets			
Tangible assets	5	4,653,500	4,653,500
Current assets			
Debtors: amounts falling due within one year	6	338,936	276,517
Cash at bank and in hand		14,048	19,936
		<u>352,984</u>	<u>296,453</u>
Creditors: amounts falling due within one year	7	(209,857)	(200,125)
Net current assets		<u>143,127</u>	<u>96,328</u>
Total assets less current liabilities		<u>4,796,627</u>	<u>4,749,828</u>
Creditors: amounts falling due after more than one year	8	(1,436,000)	(1,461,000)
		<u>3,360,627</u>	<u>3,288,828</u>
Provisions for liabilities			
Deferred taxation	9	(490,398)	(505,080)
		<u>(490,398)</u>	<u>(505,080)</u>
Net assets		<u><u>2,870,229</u></u>	<u><u>2,783,748</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Fair value reserve		2,502,251	2,487,569
Profit and loss account		366,978	295,179
		<u><u>2,870,229</u></u>	<u><u>2,783,748</u></u>

MALIGUES PROPERTIES LIMITED
REGISTERED NUMBER:03475402

Statement of Financial Position (CONTINUED)
AS AT 31 MARCH 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



A P Mason
Director

Date: 28/11/18

The notes on pages 5 to 10 form part of these financial statements.

MALIGUES PROPERTIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Fair value reserve £	Profit and loss account £	Total equity £
At 1 April 2016	1,000	2,453,972	213,416	2,668,388
Comprehensive income for the year				
Profit for the year	-	-	185,360	185,360
Deferred tax on revaluation of investment property	-	-	(33,597)	(33,597)
Total comprehensive income for the year	-	-	151,763	151,763
Dividends: Equity capital	-	-	(70,000)	(70,000)
Transfer to/from profit and loss account	-	33,597	-	33,597
Total transactions with owners	-	33,597	(70,000)	(36,403)
At 1 April 2017	1,000	2,487,569	295,179	2,783,748
Comprehensive income for the year				
Profit for the year	-	-	191,481	191,481
Deferred tax on revaluation of investment property	-	-	(14,682)	(14,682)
Total comprehensive income for the year	-	-	176,799	176,799
Dividends: Equity capital	-	-	(105,000)	(105,000)
Transfer from profit and loss account	-	14,682	-	14,682
Total transactions with owners	-	14,682	(105,000)	(90,318)
At 31 March 2018	1,000	2,502,251	366,978	2,870,229

The notes on pages 5 to 10 form part of these financial statements.

A prior year adjustment of £505,080 has been processed to transfer the deferred tax on the revaluation of investment property from the profit and loss account to the fair value reserve.

The transfer resulted in a debit to the fair value reserve of £538,677 for the year ended 31 March 2016 and a credit to the fair value reserve of £33,597 for the year ended 31 March 2017.

MALIGUES PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

The company is a private company limited by shares and is registered in England and Wales.
Registered Number: 03475402.
Registered office: The Corn Exchange, Brunswick Street, Liverpool, L2 0PJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

The company currently has a number of loans in place with shareholders and a loan facility with The Royal Bank of Scotland Plc. During 2015 the company re-financed the bank loan with The Royal Bank of Scotland Plc and took out a new facility of £1.5m which is repayable by eighteen quarterly instalments and a final instalment of £1.4m in December 2019.

The company's forecast and projections, taking into account reasonably possible changes in the company's trading performance show that the company should be able to operate within the level of the current facility, providing that the shareholders and related parties do not recall their loans in the foreseeable future. This has been confirmed by the individual shareholders and related parties.

Although there are inevitably inherent uncertainties in the foreseeable future and there can be no certainty in relation to certain of the above matters, the directors believe that the company's financial statements should be prepared on the going concern basis.

2.3 Turnover

Turnover is the total amount of rent and other income receivable by the company, excluding VAT, and is attributable to the continuing activity of property investment. Turnover is recognised in the period to which it relates, taking into account provisions for lease incentives. Lease incentives are spread on a straight-line basis over the period to the first rent review date.

2.4 Investment Properties

Investment properties are included in the Statement of financial position at their fair value in accordance with Financial Reporting Standard 102 Section for Smaller Entities (effective January 2015) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

MALIGUES PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash

MALIGUES PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.10 Financial instruments (continued)

are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The Company has no employees other than the 3 directors (2017: 3), who did not receive any remuneration (2017 - £23,079).

4. Dividends

	2018 £	2017 £
Dividends paid on equity capital at £105 (2017: £70) per share	<u>105,000</u>	<u>70,000</u>

MALIGUES PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Tangible fixed assets

	Investment property £
Cost or valuation	
At 1 April 2017	4,653,500
At 31 March 2018	4,653,500
 Net book value	
At 31 March 2018	4,653,500
At 31 March 2017	4,653,500

At 31 March 2018 the company's investment portfolio had been valued at £4,653,500 (2017: £4,653,500) on the basis of existing use fair value guided by an external valuation completed in January 2015.

The total historical cost of investment properties at 31 March 2018 was £1,660,851 (2017: £1,660,851).

6. Debtors

	2018 £	2017 £
Trade debtors	4,864	1,788
Amounts owed by related undertakings	287,668	221,294
Other debtors	39,014	49,575
Called up share capital not paid	200	200
Prepayments and accrued income	7,190	3,660
	338,936	276,517

MALIGUES PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loan	25,000	25,000
Trade creditors	3,754	1,529
Corporation tax	41,559	67,729
Other taxation and social security	8,241	10,830
Other creditors	60,585	-
Accruals and deferred income	70,718	95,037
	<u>209,857</u>	<u>200,125</u>

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loan	<u>1,436,000</u>	<u>1,461,000</u>

Secured loans

The bank loan is secured by a fixed charge over the investment properties.

The bank loan is repayable by eighteen equal quarterly instalments amounting to £6,250 followed by a final instalment of £1,417,250. Interest is charged at a rate of 2% above LIBOR.

9. Deferred taxation

	2018 £	2017 £
At beginning of year	(505,080)	(538,677)
Charged to Statement of Comprehensive Income	14,682	33,597
At end of year	<u>(490,398)</u>	<u>(505,080)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Capital gain	<u>(490,398)</u>	<u>(505,080)</u>

MALIGUES PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Operating lease commitments - lessor

At 31 March 2018 the Company had future minimum lease receipts under non-cancellable operating leases as follows:

	2018 £	2017 £
Within 1 year	287,500	287,500
Between 2 and 5 years	844,792	947,292
Greater than 5 years	2,204,583	2,389,583
	<u>3,336,875</u>	<u>3,624,375</u>

11. Related party transactions

The directors of the company are also members of Mason Partners LLP. The company was charged £9,076 (2017: £8,910) during the year for management fees in connection with the company's properties and £5,000 (2017: £5,000) for accountancy fees.

At 31 March 2018 Mason Partners LLP owed Maligues Properties Limited £187,418 (2017: £197,545) in their capacity as managing agents which is included in amounts owed by related undertakings. Also, during the year the company provided a loan of £86,500 to Mason Partners LLP. At 31 March 2018, Mason Partners LLP owed the company £86,500 (2017: £Nil). The loan is interest free, unsecured and repayable upon demand..

Chase Property Developments Limited owed Maligues Properties Limited £10,000 (2017: £20,000). This relates to an unsecured loan and is included within amounts due from related undertakings. Interest is charged at 2% above bank base rate, the charge for the year amounts to £272 (2017: £500). The interest accrued to date amounting to £4,570 (2017: £4,298) remains unpaid at 31 March 2017 and is included in other debtors.

A P Mason and C I Mason are also directors of Conky Properties Limited. At 31 March 2018, Conky Properties Limited owed Maligues Properties Limited £3,750 (2017: £3,750). This relates to an unsecured loan and is included within amounts due from related undertakings. No interest has been charged on this loan.