Company Registration No. 03739610 (England and Wales)

M CAPITAL INVESTMENT PROPERTIES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

PAGES FOR FILING WITH REGISTRAR

M CAPITAL INVESTMENT PROPERTIES LIMITED

COMPANY INFORMATION

Directors	Mr A D Stanyon Mrs E J Stanyon Mr S J Higginson Mr D F G Wortley	(Appointed 28 November 2016)
Secretary	Mr S J Higginson	
Company number	03739610	
Registered office	76 Church Street Lancaster Lancashire LA1 1ET	
Accountants	CLB Coopers Fleet House New Road Lancaster LA1 1EZ	

M CAPITAL INVESTMENT PROPERTIES LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF M CAPITAL INVESTMENT PROPERTIES LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of M Capital Investment Properties Limited for the year ended 30 September 2017 set out on pages to 10 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of M Capital Investment Properties Limited, as a body, in accordance with the terms of our engagement letter dated 27 June 2017. Our work has been undertaken solely to prepare for your approval the financial statements of M Capital Investment Properties Limited and state those matters that we have agreed to state to the Board of Directors of M Capital Investment Properties Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than M Capital Investment Properties Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that M Capital Investment Properties Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of M Capital Investment Properties Limited. You consider that M Capital Investment Properties Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of M Capital Investment Properties Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

CLB Coopers

CLB Coopers

Accountants

28 June 2018

Fleet House
New Road
Lancaster
LA1 1EZ

M CAPITAL INVESTMENT PROPERTIES LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

			2017		2016
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		41,376		5,667
Investment properties	4		1,280,994		1,280,994
Investments	5		90		90
			1,322,460		1,286,751
Current assets					
Debtors	6	354,025		492,760	
Cash at bank and in hand		25,374		27,916	
		379,399		520,676	
Creditors: amounts falling due within one year	7	(405,618)		(151,058)	
Net current (liabilities)/assets			(26,219)		369,618
Total assets less current liabilities			1,296,241		1,656,369
Creditors: amounts falling due after more than one year	8		(680,970)		(1,253,035)
Net assets			615,271		403,334
Capital and reserves					
Called up share capital	9		3		3
Share premium account			54,121		54,121
Profit and loss reserves			561,147		349,210
Total equity			615,271		403,334

M CAPITAL INVESTMENT PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2017

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28 June 2018 and are signed on its behalf by:

Mr D F G Wortley
Director

Company Registration No. 03739610

1 Accounting policies

Company information

M Capital Investment Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 76 Church Street, Lancaster, Lancashire, LA1 1ET.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2017 are the first financial statements of M Capital Investment Properties Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1 Accounting policies **(Continued)**

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 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.

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:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	33% straight line
Motor vehicles	25% straight line

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 credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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 company after deducting all of its liabilities.

Basic financial 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 unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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 company'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 when the company has 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 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2016 - 7).

3 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2016	2,835	3,894	-	6,729
Additions	-	-	37,560	37,560
At 30 September 2017	2,835	3,894	37,560	44,289
Depreciation and impairment				
At 1 October 2016	284	778	-	1,062
Depreciation charged in the year	284	389	1,178	1,851
At 30 September 2017	568	1,167	1,178	2,913
Carrying amount				
At 30 September 2017	2,267	2,727	36,382	41,376
At 30 September 2016	2,551	3,116	-	5,667

4 Investment property

	2017
	£
Fair value	
At 1 October 2016	1,385,235
Revaluations	(104,241)
At 30 September 2017	1,280,994

Investment property comprises £1,280,994. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 September 2017 by the directors of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Fixed asset investments

	2017	2016
	£	£
Investments	90	90

Investments are recorded at historical cost.

5 Fixed asset investments **(Continued)**

Movements in fixed asset investments

	Investments other than loans
	£
Cost or valuation	
At 1 October 2016 & 30 September 2017	90
Carrying amount	
At 30 September 2017	90
At 30 September 2016	90

6 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	26,401	922
Amounts owed by group undertakings	-	204,225
Other debtors	321,174	279,166
Prepayments and accrued income	6,450	8,447
	354,025	492,760

7 Creditors: amounts falling due within one year

	Notes	2017	2016
		£	£
Bank loans and overdrafts		37,214	36,471
Other borrowings		45,326	45,326
Trade creditors		12,914	7,447
Amounts due to group undertakings		122,122	-
Corporation tax		55,065	30,966
Other taxation and social security		20,112	15,848
Other creditors		109,165	15,000
Accruals and deferred income		3,700	-
		405,618	151,058

Bank loans and overdrafts and other borrowings are secured by fixed and floating charges over all the assets and undertaking of the company.

8 Creditors: amounts falling due after more than one year

	Notes	2017	2016
		£	£
Bank loans and overdrafts		546,460	584,217
Other borrowings		134,510	668,818
		680,970	1,253,035

Bank loans and overdrafts and other borrowings amounting to £134,923 are secured by fixed and floating charges over all the assets and undertaking of the company.

Amounts included above which fall due after five years are as follows:

	2017	2016
Payable by instalments	379,240	423,720

9 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
200 A Ordinary shares of 1p each	2	2
100 B Ordinary shares of 1p each	1	1
	3	3

10 Related party transactions

Transactions with related parties

During the year the company continued to loan funds to its key management personnel. At the balance sheet date the company was owed £5,091 (2016: £176,811).

During the year the company continued to loan funds to an owner holding a participating interest. At the balance sheet date the company was owed £315,071 (2016: £93,655).