

Company Registration No. 06599503 (England and Wales)

MCMINN DEVELOPMENTS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017
PAGES FOR FILING WITH REGISTRAR

MCMINN DEVELOPMENTS LTD

COMPANY INFORMATION

Director	Mr A McMinn
Secretary	Dr M J McMinn
Company number	06599503
Registered office	40 Diglis Road Worcester WR5 3BW
Accountants	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS

MCMINN DEVELOPMENTS LTD

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MCMINN DEVELOPMENTS LTD

BALANCE SHEET

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3	393,460		388,353	
Investment properties	4	152,487		152,487	
			<u>545,947</u>		<u>540,840</u>
Current assets					
Stocks		339,184		240,563	
Debtors	5	1,765,970		1,355,165	
Cash at bank and in hand		595,516		707,163	
			<u>2,700,670</u>		<u>2,302,891</u>
Creditors: amounts falling due within one year	6	<u>(3,514,449)</u>		<u>(3,160,284)</u>	
Net current liabilities			<u>(813,779)</u>		<u>(857,393)</u>
Total assets less current liabilities			<u>(267,832)</u>		<u>(316,553)</u>
Provisions for liabilities			<u>(9,047)</u>		<u>(8,797)</u>
Net liabilities			<u><u>(276,879)</u></u>		<u><u>(325,350)</u></u>
Capital and reserves					
Called up share capital	7	100		100	
Profit and loss reserves		<u>(276,979)</u>		<u>(325,450)</u>	
Total equity			<u><u>(276,879)</u></u>		<u><u>(325,350)</u></u>

The director 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 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act 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 and signed by the director and authorised for issue on 28 February 2018

Mr A McMinn

Director

Company Registration No. 06599503

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

McMinn Developments Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 40 Diglis Road, Worcester, WR5 3BW.

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 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 31 May 2017 are the first financial statements of McMinn Developments Ltd 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 June 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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.

1.3 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:

Land and buildings Freehold	50 Years straight line & 25% reducing balance
Plant and machinery	10% Reducing balance
Computer equipment	33.3% Reducing balance
Fixtures & fittings	25% Reducing balance
Motor vehicles	25% Reducing balance

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.

1.4 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 the profit and loss account.

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.5 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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, 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. 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.

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. 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.

1.10 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.

1.11 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.

1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2016 - 3).

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

3	Tangible fixed assets							
		Land and buildings Freehold £	Plant and machinery £	Computer equipment £	Fixtures & fittings £	Motor vehicles £	Total £	
Cost								
At 1 June 2016		356,689	43,512	1,279	920	11,025	413,425	
Additions		-	13,073	-	-	15,000	28,073	
At 31 May 2017		356,689	56,585	1,279	920	26,025	441,498	
Depreciation and impairment								
At 1 June 2016		12,323	7,083	612	230	4,824	25,072	
Depreciation charged in the year		12,322	4,951	220	173	5,300	22,966	
At 31 May 2017		24,645	12,034	832	403	10,124	48,038	
Carrying amount								
At 31 May 2017		332,044	44,551	447	517	15,901	393,460	
At 31 May 2016		344,366	36,429	667	690	6,201	388,353	

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

4 Investment property

	2017 £
Fair value	
At 1 June 2016 and 31 May 2017	152,487

Investment property comprises residential property used to generate rental income. The director has reviewed fair value based on average sale prices in the area, and believes that the carrying amount is appropriate.

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	552,703	527,799
Other debtors	1,212,145	826,277
Prepayments and accrued income	1,122	1,089
	<u>1,765,970</u>	<u>1,355,165</u>

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Other borrowings	3,067,563	3,067,563
Trade creditors	-	5,683
Other taxation and social security	19,122	2,217
Other creditors	424,245	81,133
Accruals and deferred income	3,519	3,688
	<u>3,514,449</u>	<u>3,160,284</u>

7 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

MCMINN DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

8 Related party transactions

During the year, the company had transactions with MSquared (Homes) Ltd, a company in which Mr A McMinn, the sole shareholder in the company, owns 50% of the issued share capital. Amounts totalling £810,643 (2016 - £Nil) were received from MSquared (Homes) Ltd, and £Nil (2016 - £819,279) was paid to or on behalf of MSquared (Homes) Ltd by the company. At the reporting date, amounts totalling £8,636 (2016 - £819,279) were owed to the company by MSquared (Homes) Ltd.

During the year, the company had transactions with MSquared (Drakes Broughton) Ltd, a company in which Mr A McMinn, the sole shareholder in the company, owns 50% of the issued share capital. Amounts totalling £601,523 (2016 - £Nil) were paid to or on behalf of MSquared (Drakes Broughton) Ltd by the company. At the reporting date, amounts totalling £601,523 (2016 - £Nil) were owed to the company by MSquared (Drakes Broughton) Ltd.

During the year, the company had transactions with MSquared (Clows Top) Ltd, a company in which Mr A McMinn, the sole shareholder in the company, owns 50% of the issued share capital. Amounts totalling £186,391 (2016 - £Nil) were paid to or on behalf of MSquared (Clows Top) Ltd by the company. At the reporting date, amounts totalling £186,391 (2016 - £Nil) were owed to the company by MSquared (Clows Top) Ltd.

During the year, the company had transactions with MSquared Developments Ltd, a company in which Mr A McMinn, the sole shareholder in the company, owns 50% of the issued share capital. Amounts totalling £357,848 (2016 - £Nil) were received from MSquared Developments Ltd, and £773,443 (2016 - £Nil) were paid to or on behalf of MSquared Developments Ltd. At the reporting date, amounts totalling £415,595 (2016 - £Nil) were owed to the company by MSquared Developments Ltd.

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