Company Registration No. 06599503 (England and Wales)

# MCMINN DEVELOPMENTS LTD

## UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 OCTOBER 2019

## PAGES FOR FILING WITH REGISTRAR

# MCMINN DEVELOPMENTS LTD

## COMPANY INFORMATION

| | |
|---|---|
| **Director** | Mr A McMinn |
| **Company number** | 06599503 |
| **Registered office** | 40 Diglis Road<br>Worcester<br>WR5 3BW |
| **Accountants** | Kendall Wadley LLP<br>Granta Lodge<br>71 Graham Road<br>Malvern<br>Worcestershire<br>WR14 2JS |

# MCMINN DEVELOPMENTS LTD

## BALANCE SHEET

### *AS AT 31 OCTOBER 2019*

| | Notes | 2019 £ | 2019 £ | 2018 £ | 2018 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 3 | | 114,933 | | 58,085 |
| **Current assets** | | | | | |
| Debtors | 4 | 2,827,754 | | 2,418,289 | |
| Cash at bank and in hand | | 2,512 | | 628,988 | |
| | | 2,830,266 | | 3,047,277 | |
| **Creditors: amounts falling due within one year** | 5 | (3,099,790) | | (3,227,432) | |
| **Net current liabilities** | | | (269,524) | | (180,155) |
| **Total assets less current liabilities** | | | (154,591) | | (122,070) |
| **Provisions for liabilities** | | | (12,757) | | (8,704) |
| **Net liabilities** | | | (167,348) | | (130,774) |
| **Capital and reserves** | | | | | |
| Called up share capital | | | 100 | | 100 |
| Profit and loss reserves | | | (167,448) | | (130,874) |
| **Total equity** | | | (167,348) | | (130,774) |

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

For the financial year ended 31 October 2019 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 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 and signed by the director and authorised for issue on 23 October 2020

Mr A McMinn
**Director**
**Company Registration No. 06599503**

## 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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 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:

| | |
|---|---|
| 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 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.

**1 Accounting policies** **(Continued)**

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.

**1.5 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.

**1.6 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.

***Basic financial liabilities***

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price Financial liabilities classified as payable within one year are not amortised.

**1.7 Equity instruments**

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**1.8 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**1 Accounting policies** **(Continued)**

***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.

**1.9 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.

**1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.11 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.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2019 Number | 2018 Number |
|---|---|---|
| Total | 4 | 2 |

## 3 Tangible fixed assets

| | Plant and machinery etc |
|---|---|
| | £ |
| **Cost** | |
| At 1 November 2018 | 94,458 |
| Additions | 84,705 |
| Disposals | (15,000) |
| At 31 October 2019 | 164,163 |
| **Depreciation and impairment** | |
| At 1 November 2018 | 36,373 |
| Depreciation charged in the year | 20,591 |
| Eliminated in respect of disposals | (7,734) |
| At 31 October 2019 | 49,230 |
| **Carrying amount** | |
| At 31 October 2019 | 114,933 |
| At 31 October 2018 | 58,085 |

## 4 Debtors

| | 2019 | 2018 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 519,293 | 518,155 |
| Corporation tax recoverable | 134,552 | 119,913 |
| Other debtors | 2,169,430 | 1,774,694 |
| Prepayments and accrued income | 4,479 | 5,527 |
| | 2,827,754 | 2,418,289 |

## 5 Creditors: amounts falling due within one year

| | 2019 | 2018 |
|---|---|---|
| | £ | £ |
| Other borrowings | 3,067,563 | 3,067,563 |
| Trade creditors | 25,064 | 11,635 |
| Corporation tax | - | 136,484 |
| Other taxation and social security | 1,135 | 3,439 |
| Other creditors | 48 | 106 |
| Accruals and deferred income | 5,980 | 8,205 |
| | 3,099,790 | 3,227,432 |

## 6 Related party transactions

During the year, the company had no transactions with MSquared (Homes) Ltd, a company in which Mr A McMinn owns 50% of the issued share capital. At the reporting date, amounts totalling £13,199 (2018 - £13,199) 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 owns 50% of the issued share capital. Amounts totalling £Nil (2018 - £152,211) were paid to or on behalf of MSquared (Drakes Broughton) Ltd by the company. Amounts totalling £375,000 (2018 - £130,719) were received from MSquared (Drakes Broughton) Ltd), At the reporting date, amounts totalling £248,015 (2018 - £623,015) were owed to the company by MSquared (Drakes Broughton) Ltd.

During the year, the company had no transactions with MSquared (Clows Top) Ltd, a company owned by MSquared Homes Ltd in which Mr A McMinn owns 100% of the issued share capital. At the reporting date, amounts totalling £186,391 (2018 - £186,391) 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 owns 50% of the issued share capital. Amounts totalling £Nil (2018 - £447,857) were received from MSquared Developments Ltd, and £Nil (2018 - £36,333) were paid to or on behalf of MSquared Developments Ltd. At the reporting date, amounts totalling £4,071 (2018 - £4,071) were owed to the company by MSquared Developments Ltd.

During the year, the company had transactions with MPlant Holdings Ltd, a sister company of McMinn Developments Ltd. Amounts totalling £54,035 (2018 - £74,818) were paid on behalf of MPlant Holdings Ltd by the company. Amounts totalling £15,000 (2018 - £Nil) were received from MPlant Holdings Ltd. At the reporting date amounts totalling £113,853 (2018 £74,818) were owed to the company by MPlant Holdings Ltd.

During the previous period, the company transferred properties at 32, 38 and 40 Diglis Road to McMinn Property Investments Ltd with total value £456,500. This amount was outstanding at the period end. During the year McMinn Developments made payments of behalf of McMinn Property Investments Ltd totalling £42,983 (2018 - £180) and collected receipts on behalf of McMinn Property Investments Ltd totalling £Nil (2018 £2,400). At the reporting date amounts totalling £497,263 (2018 £454,280) were owed to the company by McMinn Property Investments Ltd.

During the year, the company made payments on behalf of Elite Fleet Travel Ltd with total value £45,806 (2018 £ 5,172). At the reporting date £50,978 (2018 £5,172) was owed to the company.

During the year, the company made payments on behalf of JointMedica Ltd totalling £501,866 (2018 - £Nil). This balance was outstanding at the reporting date.

## 7 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

| **Description** | **% Rate** | **Opening balance** | **Amounts advanced** | **Interest charged** | **Closing balance** |
|---|---|---|---|---|---|
| | | **£** | **£** | **£** | **£** |
| A McMinn | 2.50 | 368,962 | 155,763 | 10,870 | 535,595 |
| | | 368,962 | 155,763 | 10,870 | 535,595 |