

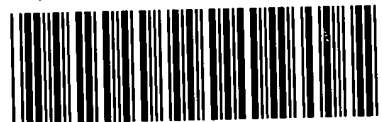
Registered number: 07260814

## **MCLAREN PROPERTY LIMITED**

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2015**

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**MCLAREN PROPERTY LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	J A Gatley G M Inglis E J Cannon A H Norris
<b>Registered number</b>	07260814
<b>Registered office</b>	3rd Floor East Leconfield House Curzon Street London W1J 5JA
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Bankers</b>	Lloyds TSB 47 High Street Brentwood Essex CM14 4RN
<b>Solicitors</b>	Taylor Wessing LLP 5 New Street Square London EC4A 3TW

## **MCLAREN PROPERTY LIMITED**

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**MCLAREN PROPERTY LIMITED**

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JULY 2015**

**Business review**

The company experienced an improvement in its results during the current year, primarily from an increase in activity from its investment and advisory business. The company sold its stake in a Joint Venture company for a net profit of £1,970,937. Furthermore, the company's parent sold its group interest in various property investments and developments resulting in the recognition of termination fees of £3,428,528. Similar fees of £1,294,226 were recognised in the prior year. Other development management fees decreased slightly against the prior year, however these fees are expected to increase in future periods.

The company recognised a profit before tax for the year of £506,438 (2014: £18,008).

**Principal risks and uncertainties**

The Directors consider a decline in the UK Real Estate market which could directly impact the level of development and asset management fees earned by the company as its principal risk. The Directors however believe that the student accommodation sector will continue to show sustainable growth in the future.

The company also considers cost efficiency as a risk which includes management of employee costs, overheads and pre-development expenditure. The Directors consider this risk to be managed through careful monitoring and management of these costs.

**Financial key performance indicators**

The key performance indicator is net profit on its investment, advisory and financing activities, which is achieved by maximising development management fees, asset management fees and through close management of the company's costs.

This report was approved by the board and signed on its behalf.

.....  
**G M Inglis**  
Director

Date: 29/4/16

## **MCLAREN PROPERTY LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2015**

The directors present their report and the financial statements for the year ended 31 July 2015.

#### **Principal activities**

The principal activity is that of property development and asset management by way of joint ventures, through fellow subsidiaries and other group companies. The company also acts as a property consultant and project advisor.

#### **Results**

The profit for the year, after taxation, amounted to £502,064 (2014 - £339,586). The business review is included within the strategic report on page 1.

#### **Directors**

The directors who served during the year were:

P J Pringle (resigned 7 May 2015)  
J A Gatley  
G M Inglis  
E J Cannon

A H Norris was appointed as a director on 21 August 2015.

#### **Provision of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

#### **Auditor**

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....  
**G M Inglis**  
Director

Date: 28/4/16

## **MCLAREN PROPERTY LIMITED**

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the strategic report, the directors' 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). 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

2023

## **MCLAREN PROPERTY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MCLAREN PROPERTY LIMITED**

We have audited the financial statements of McLaren Property Limited for the year ended 31 July 2015 which comprise the profit and loss account, the balance sheet and the related notes. 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).

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 auditors**

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 July 2015 and of its profit 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MCLAREN PROPERTY LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MCLAREN PROPERTY LIMITED**

**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.



**Geraint Jones** (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

Date: 28 April 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**MCLAREN PROPERTY LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2015**

	Note	2015 £	2014 £
<b>TURNOVER</b>	1,2	<b>4,187,228</b>	2,175,375
Cost of sales		<u>(902,478)</u>	<u>-</u>
<b>GROSS PROFIT</b>		<b>3,284,750</b>	2,175,375
Administrative expenses		<u>(10,641,166)</u>	<u>(4,225,633)</u>
<b>OPERATING LOSS</b>	3	<b>(7,356,416)</b>	(2,050,258)
Income from shares in group undertakings	6	3,450,000	52,475
Profit on disposal of investments	7	1,970,937	-
Interest receivable and similar income	8	4,612,989	3,394,639
Interest payable and similar charges	9	<u>(2,171,072)</u>	<u>(1,378,848)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>506,438</b>	18,008
Tax on profit on ordinary activities	10	<u>(4,374)</u>	<u>321,578</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	19	<u><b>502,064</b></u>	<u><b>339,586</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 21 form part of these financial statements.

**MCLAREN PROPERTY LIMITED**  
**REGISTERED NUMBER: 07260814**

**BALANCE SHEET**  
**AS AT 31 JULY 2015**

	Note	£	2015 £	2014 £
<b>FIXED ASSETS</b>				
Tangible assets	11		50,721	34,138
Investments	12		1,106	406
			<u>51,827</u>	<u>34,544</u>
<b>CURRENT ASSETS</b>				
Stocks	13	1,316,637	1,074,031	
Debtors	14	58,723,490	48,205,745	
Cash at bank		2,497,552	15,789	
		<u>62,537,679</u>	<u>49,295,565</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(65,149,950)	(50,267,169)	
<b>NET CURRENT LIABILITIES</b>			<u>(2,612,271)</u>	<u>(971,604)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(2,560,444)</u>	<u>(937,060)</u>
<b>CREDITORS:</b> amounts falling due after more than one year	16		(1,671,364)	(3,800,000)
<b>PROVISIONS FOR LIABILITIES</b>				
Deferred tax	17		(3,188)	-
<b>NET LIABILITIES</b>			<u>(4,234,996)</u>	<u>(4,737,060)</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	18		100	100
Profit and loss account	19		(4,235,096)	(4,737,160)
<b>SHAREHOLDERS' DEFICIT</b>	20		<u>(4,234,996)</u>	<u>(4,737,060)</u>

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

  
 .....  
**G M Inglis**  
 Director

Date: 28/4/16

The notes on pages 8 to 21 form part of these financial statements.

## **MCLAREN PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### **1.2 Going concern**

The company has net current liabilities at the balance sheet date and therefore the directors have obtained confirmation from its parent undertaking, McLaren Property Holdings LLP, of its continued financial support for a period of at least twelve months from the date of approval of these financial statements.

##### **1.3 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.4 Turnover**

Turnover comprises revenue recognised by the company in respect of development and asset management services rendered to other group companies.

Development management fees are recognised evenly as earned over the life of the project up to practical completion of the development.

Rental income received is recognised on an accruals basis.

All turnover is recognised on an accruals basis and exclusive of Value Added Tax.

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

##### **1.6 Investments in subsidiaries and joint ventures**

Investments held as fixed assets are shown at cost less provision for impairment.

##### **1.7 Stocks**

Stocks of property and development expenditure is included at cost. Where contracts have been exchanged on the sale of a property it is included at lower of cost and net realisable value. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads including interest specifically attributable to the project whilst under development.

## **MCLAREN PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **1.9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### **1.10 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

##### **1.11 Financial Instruments**

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# MCLAREN PROPERTY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

### 2. TURNOVER

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Development management fees	604,965	842,076
Termination fees - development and asset management	3,428,528	1,294,226
Management fee income	153,735	-
Rental income	-	39,073
	<u>4,187,228</u>	<u>2,175,375</u>

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	1,104,964	881,149
EU - from parent undertaking	3,082,264	1,294,226
	<u>4,187,228</u>	<u>2,175,375</u>

### 3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	21,744	36,817
Auditor's remuneration	40,780	10,780
Auditor's remuneration - accounting services	13,520	3,220
Difference on foreign exchange	23,025	-
Provision for loan interest receivable:		
- Joint venture of the group	1,122,823	-
- Joint venture of the company	1,046,607	-
	<u>1,122,823</u>	<u>-</u>

**MCLAREN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**4. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	5,625,703	2,336,490
Social security costs	871,353	403,278
Other pension costs	125,607	76,263
	<u>6,622,663</u>	<u>2,816,031</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Management	<u>19</u>	<u>18</u>

**5. DIRECTORS' REMUNERATION**

	2015 £	2014 £
Remuneration	<u>1,206,732</u>	<u>384,524</u>
Company pension contributions to defined contribution pension schemes	<u>9,000</u>	<u>8,000</u>

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £1,056,732 (2014 - £284,524).

**6. INCOME FROM SHARES IN GROUP UNDERTAKINGS**

	2015 £	2014 £
Dividend income from McLaren Greenwich Limited	2,650,000	-
Dividend income from McLaren Lynton (Harlow) Limited	800,000	-
	<u>3,450,000</u>	<u>-</u>

**MCLAREN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**7. PROFIT ON DISPOSAL OF INVESTMENTS**

	2015 £	2014 £
Cathedral (Brighton) Limited	<b>1,970,937</b>	-

On 15 March 2015, the company disposed of its entire 50% shareholding in Cathedral (Brighton) Limited for a total consideration of £2,000,001 (of which £1m relates to deferred consideration which is included within accrued income in note 14 and is payable upon meeting certain criteria in accordance with the agreement). The profit on disposal of £1,970,937 is net of disposal costs of £29,064.

**8. INTEREST RECEIVABLE**

	2015 £	2014 £
Interest receivable from group companies	<b>2,313,230</b>	1,185,194
Interest receivable from joint ventures of the company	<b>1,953,324</b>	1,674,502
Interest receivable from joint ventures of the group	<b>343,841</b>	486,164
Other interest receivable	<b>2,594</b>	48,779
	<b>4,612,989</b>	3,394,639

**9. INTEREST PAYABLE**

	2015 £	2014 £
Other interest payable	<b>9,522</b>	(76,517)
Interest payable by group undertakings	<b>2,161,550</b>	1,455,365
	<b>2,171,072</b>	1,378,848

The interest payable credit during the prior year arises due to a reversal of over-accrued interest payable in previous periods.

**10. TAXATION**

	2015 £	2014 £
<b>Analysis of tax charge/(credit) in the year</b>		
<b>Current tax</b> (see note below)		
Adjustments in respect of prior periods	-	(328,771)
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>4,374</b>	(4,364)
Effect of increased tax rate on opening liability	-	455
Adjustment in respect of previous periods	-	11,102
<b>Total deferred tax</b> (see note 17)	<b>4,374</b>	7,193
<b>Tax on profit on ordinary activities</b>	<b>4,374</b>	(321,578)

# MCLAREN PROPERTY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

### 10. TAXATION (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>506,438</u>	<u>18,008</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%) (2014 - 22.33%)	104,681	4,021
<b>Effects of:</b>		
Expenses not deductible for tax purposes	29,881	30,787
Capital allowances for year in excess of depreciation	(4,519)	4,364
Unrelieved tax losses carried forward	990,234	-
Adjustments to tax charge in respect of prior periods	-	(328,771)
Non-taxable income	(1,120,277)	(53,707)
Group relief	-	14,535
<b>Current tax charge/(credit) for the year (see note above)</b>	<u>-</u>	<u>(328,771)</u>

#### Factors that may affect future tax charges

The company has losses carried forward of £4,791,667 (2014 - £Nil). These losses will reduce the tax charge of future years until they are utilised.

No deferred tax asset in respect of these losses, which would amount to approximately £958,333 (2014 - Nil), has been recognised as there is currently insufficient certainty as to the precise timing of when the asset will be recovered.



**MCLAREN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**11. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>			
At 1 August 2014	76,425	67,720	144,145
Additions	38,327	-	38,327
At 31 July 2015	<u>114,752</u>	<u>67,720</u>	<u>182,472</u>
<b>Depreciation</b>			
At 1 August 2014	51,563	58,444	110,007
Charge for the year	12,468	9,276	21,744
At 31 July 2015	<u>64,031</u>	<u>67,720</u>	<u>131,751</u>
<b>Net book value</b>			
At 31 July 2015	<u>50,721</u>	<u>-</u>	<u>50,721</u>
At 31 July 2014	<u>24,862</u>	<u>9,276</u>	<u>34,138</u>

**12. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>			
At 1 August 2014	350	56	406
Additions	800	50	850
Disposals	(100)	(50)	(150)
Transfers between classes	(250)	250	-
At 31 July 2015	<u>800</u>	<u>306</u>	<u>1,106</u>
<b>Net book value</b>			
At 31 July 2015	<u>800</u>	<u>306</u>	<u>1,106</u>
At 31 July 2014	<u>350</u>	<u>56</u>	<u>406</u>

# MCLAREN PROPERTY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

### 12. FIXED ASSET INVESTMENTS (continued)

The following were the subsidiary and joint venture undertakings of the company during the year:

#### a. Subsidiaries

Company name	Class of shares	Percentage Shareholding	Description
McLaren Greenwich Limited	Ordinary	100 %	Property development
McLaren Upper Brook Street Limited	Ordinary	100 %	Dormant
McLaren Investment Property Limited	Ordinary	100 %	Dormant
McLaren (York General Partner) Limited	Ordinary	100 %	Dormant
McLaren (Elliott House General Partner) Limited	Ordinary	100 %	Dormant
McLaren (112/113 Lewes Road General Partner) Limited	Ordinary	100 %	Dormant
McLaren (Twerton Mill General Partner) Limited	Ordinary	100 %	Dormant
McLaren Nine Elms Limited	Ordinary	100 %	Dormant

#### b. Joint ventures

Company name	Class of shares	Percentage Shareholding	Description
Joshua Properties Limited	Ordinary	50 %	Property development
Evala Limited	Ordinary	50 %	Property development
Benjamin Properties (Pall Mall) Limited	Ordinary	50 %	Property development
McLaren Life Limited	Ordinary	50 %	Property development
McLaren Lynton (Harlow) Limited	Ordinary	50 %	Property development
McLaren Life Clevedon Limited	Ordinary	50 %	Property development
McGrove Developments Limited	Ordinary	25 %	Property development
Cathedral (Brighton) Limited	Ordinary	50 %	Property development
McGrove Securities Limited	Ordinary	50 %	Intermediate holding company
Paul Street (General Partner) Limited	Ordinary	25 %	Property development

All subsidiaries and joint ventures are incorporated in the United Kingdom and directly held by the company, except for Evala Limited which is a wholly owned subsidiary of Joshua Properties Limited and McGrove Developments Limited which is a 50% joint venture of McGrove Securities Limited.

On 15 March 2015, the company disposed of its entire 50% shareholding in Cathedral (Brighton) Limited for a total consideration of £2,000,001. The profit on disposal of £1,970,937 is net of disposal costs of £29,064 as can be seen in note 7.

**MCLAREN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**13. STOCKS**

	2015 £	2014 £
Pre development costs	<u>1,316,637</u>	<u>1,074,031</u>

Pre development costs relate to costs incurred on property development projects for the group where development and construction has not yet commenced.

The directors consider all pre development costs will be recovered through future development activities of the group.

**14. DEBTORS**

	2015 £	2014 £
Trade debtors	91,157	285,269
Amounts owed by group undertakings	34,653,778	27,523,575
Amounts owed by undertakings in which the company has a participating interest	17,600,238	17,019,552
Amounts owed by undertakings which the group has a participating interest	4,436,255	2,339,238
Directors' current accounts	210,529	461,493
Other debtors	560,216	143,194
Prepayments and accrued income	1,171,317	432,238
Deferred tax asset (see note 17)	-	1,186
	<u>58,723,490</u>	<u>48,205,745</u>

All amounts are due within one year.

**15. CREDITORS:  
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	250,567	152,789
Amounts owed to group undertakings	59,020,108	47,427,848
Other taxation and social security	188,059	78,271
Directors' current accounts	-	817,163
Other creditors	821,334	615,700
Accruals and deferred income	4,869,882	1,175,398
	<u>65,149,950</u>	<u>50,267,169</u>

**MCLAREN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**16. CREDITORS:**  
**Amounts falling due after more than one year**

	2015 £	2014 £
Amounts owed to group undertakings	<u>1,671,364</u>	<u>3,800,000</u>

Amounts owed to group undertakings payable after more than one year in the prior year accrued interest at a rate of 11% per annum (2014: 13.5%).

**17. DEFERRED TAXATION**

	2015 £	2014 £
At beginning of year	1,186	8,379
Charged for year (P&L)	(4,374)	(7,193)
At end of year	<u>(3,188)</u>	<u>1,186</u>

The deferred taxation balance is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>3,188</u>	<u>1,186</u>

**18. SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

There is a first fixed charge over the shares of the company in favour of a lender to other group entities. The fixed charge held over the shares was released in November 2015

**19. RESERVES**

	<b>Profit and loss account £</b>
At 1 August 2014	(4,737,160)
Profit for the financial year	502,064
At 31 July 2015	<u>(4,235,096)</u>

# MCLAREN PROPERTY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

### 20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2015 £	2014 £
Opening shareholders' deficit	(4,737,060)	(5,076,646)
Profit for the financial year	502,064	339,586
Closing shareholders' deficit	<u>(4,234,996)</u>	<u>(4,737,060)</u>

### 21. POST BALANCE SHEET EVENTS

In April 2016, as part of the McLaren Group restructure, the company sold its shares in Joshua Properties Limited and Benjamin Properties (Pall Mall) Limited, both joint ventures, to McLaren Property Holdings LLP, a fellow group undertaking.

### 22. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group.

#### *J A Gatley (director)*

During the year, the company paid expenses on behalf of J A Gatley of £374,004 (2014 - £Nil), the company made payments to him of £800,000 (2014 - £461,493) and J A Gatley repaid £1,439,556 (2014 - £Nil). After taking into account interest of £14,588 accruing during the year (2014 - £Nil), the total amount payable by J A Gatley to the company was £210,529 (2014 - £461,493).

#### *P J Pringle (director)*

During the year, the company made repayments of £810,256 (2014 - £352,100) against a loan balance payable to P J Pringle. After taking into account interest of £58,682 accruing during the year (2014 - £79,400), the total amount payable by the company to P J Pringle at 31 July 2015 was £Nil (2014 - £817,163).

#### *Reining Limited (joint venture of McLaren Property Holdings BV)*

During the year the company made loans to Reining Limited totalling £Nil (2014 - £6,493,244) and Reining Limited repaid £Nil (2014 - £8,454,397) to the company. At the balance sheet date the amount due from Reining Limited to the company was £36,044 (2014 - £36,044). No interest has been accrued in respect of the above loan. In addition, management fees have been charged by the company during the year of £280,280 (2014 - £252,252).

#### *Sparmax Limited (joint venture of McLaren Property Holdings BV)*

During the year the company made loans to Sparmax Limited totalling £Nil (2014 - £187,807) and Sparmax Limited repaid £6,191 (2014 - £540,847) to the company. At the balance sheet date the principal amount due from Sparmax Limited to the company was £Nil (2014 - £6,191). Interest of £Nil (2014 - £46,847) was charged on this loan during the year, of which £Nil remained payable at 31 July 2015 (2014 - £125). Total interest repayments of £125 were made during the year (2014 - £53,594).

## **MCLAREN PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

#### **22. RELATED PARTY TRANSACTIONS (continued)**

##### *Beaudream Limited (joint venture of McLaren Property Holdings BV)*

During the year the company made loans to Beaudream Limited totalling £231,097 (2014 - £302,228) and Beaudream Limited repaid £120,000 (2014 - £1,982,975). At the balance sheet date the amount due from Beaudream was £2,601,958 (2014 - £2,167,993), which included a capital amount of £1,346,172 (2014 - £1,235,075) and accrued interest of £1,255,786 (2014 - £932,918). Interest of £322,868 (2014 - £486,425) was charged during the year.

At the balance sheet date the company made a provision of £1,122,821 against amounts due in respect of accrued interest owed by Beaudream Limited.

##### *Joshua Properties Limited (joint venture)*

At the balance sheet date the amount due from Joshua Properties Limited to the company was £2,515,994 (2014 - £2,216,735) including a principal amount of £1,406,912 (2014 - £1,406,912) and accrued interest of £1,109,079 (2014 - £809,823). Interest of £299,256 (2014 - £263,674) was charged on this loan during the year.

##### *Evala Limited (joint venture)*

During the year the company made loans to Evala Limited totalling £451,000 (2014 - £1,532,555). At the balance sheet date the amount due from Evala Limited to the company was £3,322,918 (2014 - £2,505,176) including a principal amount of £2,651,000 (2014 - £2,200,000) and accrued interest of £671,918 (2014 - £305,176). Interest of £366,742 (2014 - £220,983) was charged on this loan during the year. In addition, management fees have been charged by the company during the year of £8,548 (2014 - £41,452), which were settled in full during the year.

##### *Benjamin Properties (Pall Mall) Limited (joint venture)*

During the year the company made loans to Benjamin Properties (Pall Mall) Limited totalling £1,000 (2014 - £999,884) and Benjamin Properties (Pall Mall) Limited repaid £Nil (2014 - £110,000). At the balance sheet date the amount due from Benjamin Properties (Pall Mall) Limited to the company was £6,945,542 (2014 - £6,118,695) including a principal amount of £4,291,000 (2014 - £4,290,000) and accrued interest of £2,654,542 (2014 - £1,828,695). The interest charged in the year was £825,847 (2014 - £730,331). In addition, management fees have been charged by the company during the year of £27,813 (2014 - £87,187), all of which remain outstanding at the year end.

##### *McLaren Life Limited (joint venture)*

During the year the company made loans to McLaren Life Limited totalling £497,721 (2014 - £1,149,630). At the balance sheet date the amount due from McLaren Life Limited to the company was £5,243,087 (2014 - £4,259,502), including a capital amount of £3,096,305 (2014 - £2,598,584) and accrued interest of £2,146,782 (2014 - £1,660,918). Interest of £485,864 (2014 - £57,658) was charged during the year.

At the balance sheet date the company made a provision of £1,046,608 against amounts due in respect of accrued interest.

##### *McLaren Lynton (Harlow) Limited (joint venture)*

During the year the company made net loans to McLaren Lynton (Harlow) Limited totalling £Nil (2014 - £27,704) and McLaren Lynton (Harlow) Limited made repayments totalling £27,704 (2014 - £Nil). At the balance sheet date the amount due from McLaren Lynton (Harlow) Limited was £Nil (2014 - £27,704).

## **MCLAREN PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

#### **22. RELATED PARTY TRANSACTIONS (continued)**

##### *McLaren Life Clevedon Limited (joint venture)*

During the year the company made net loans to McLaren Life Clevedon Limited totalling £397,199 (2014: £110,000) and McLaren Life Clevedon Limited made repayments totalling £507,199 (2014 - £Nil). At the balance sheet date the amount due from McLaren Life Clevedon Limited was £Nil (2014: £110,000).

##### *Cathedral (Brighton) Limited (joint venture)*

During the year the company made loans to Cathedral (Brighton) Limited of £183,000 (2014 - £1,265,762). At the balance sheet date a principal amount of £Nil was owed to the company by Cathedral Brighton Limited (2014 - £1,764,762). Interest of £8,306 was charged on this balance during the year (2014 - £3,555). At the balance sheet date there were no amounts outstanding (2014 - £Nil).

##### *McGrove Properties Limited (joint venture of McLaren Property Holdings B.V.)*

During the year the company recharged costs amounting to £119,694 to McGrove Properties Limited (2014 - £116,351). At the balance sheet date there were no amounts outstanding (2014 - £Nil).

##### *McLaren Furniture Limited (company under common control)*

During the year the company recharged rental expenditure of £Nil to McLaren Furniture Limited (2014 - £13,758). At the balance sheet date the amount owed to McLaren Property Limited was £Nil (2014 - £82,549).

##### *McLaren Property Sarls (company under common control)*

During the year the company received loans from McLaren Property Sarls of £156,650 (2014 - £Nil). At the balance sheet date, the principal amount owed was £156,650. This balance is interest free and there are no set terms of repayment.

##### *Nutley Holdings Limited (company under common control)*

During the year the company received loans from Nutley Holdings Limited of £374,030 (2014 - £Nil). At the balance sheet date, the principal amount owed was £374,030. This balance is interest free and there are no set terms of repayment.

##### *McGrove Securities Limited (joint venture of McLaren Property Holdings B.V.)*

During the year the company made loans to McGrove Securities Limited totalling £692,926 (2014 - £Nil). At the balance sheet date the amount due from McGrove Securities Ltd to the company was £692,926 (2014 - £Nil). This balance is interest free and repayable on demand.

##### *Katam Limited (joint venture of McLaren Property Holdings B.V.)*

During the year management fees have been charged by the company to Katam Limited of £104,720 (2014 - £94,248). These fees were settled in full by Katam Limited at 31 July 2015 (2014 - £Nil).

##### *McGrove Investments Limited (joint venture of McLaren Property Holdings B.V.)*

During the year management fees have been charged by the company to McGrove Investments Limited of £18,750 (2014 - £Nil) and it charged McGrove Investments Limited a termination fee of £500,000 (2014 - £Nil). These fees were settled in full at 31 July 2015 (2014 - £Nil).

## **MCLAREN PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

#### **22. RELATED PARTY TRANSACTIONS (continued)**

*McLaren PMG (Cardiff) Limited (joint venture of McLaren Property Holdings B.V.)*

During the year the company made loans to McLaren PMG (Cardiff) Limited of £2,821,296 (2014 - £Nil). At the balance sheet date the amount due from McLaren PMG (Cardiff) Limited was £2,843,215 (2014 - £Nil) which included a capital amount of £2,821,296 (2014 - £Nil) and accrued interest of £21,919 (2014 - £Nil). Interest of £21,785 was charged on this balance during the year (2014 - £Nil).

#### **23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

During the financial year ended 31 July 2015, the company's immediate parent undertaking was McLaren Property Holdings B.V., a company registered in the Netherlands. The ultimate parent undertaking was McLaren S.A. a company registered in Luxembourg which prepares consolidated financial statements for the year, and which are publicly available. The ultimate controlling party was K R Taylor.

Following the McLaren Group restructure in April 2016, the company's ultimate parent undertaking is McLaren Property Holdings LLP, a Limited Liability Partnership registered in the United Kingdom.