

Registered number: 07260814

MCLAREN PROPERTY LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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MCLAREN PROPERTY LIMITED

COMPANY INFORMATION

Directors	J A Gatley E J Cannon C R Young
Registered number	07260814
Registered office	1st & 2nd floors 61 Curzon Street London W1J 8PD
Independent auditor	MHA MacIntyre Hudson Statutory Auditors 6th Floor 2 London Wall Place London United Kingdom EC2Y 5AU

MCLAREN PROPERTY LIMITED

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MCLAREN PROPERTY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2022

The directors present their report and the financial statements for the year ended 31 July 2022.

Directors' responsibilities

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 to 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.

Principal activity

The principal activity of the company 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 and dividends

The profit for the year, after taxation, amounted to £755,300 (2021 - £1,244,396).

Directors

The directors who served during the year were:

J A Gatley
E J Cannon
C R Young

Qualifying third party indemnity provisions

Directors' liability and indemnity insurance was in force throughout the year to cover the directors and officers of the company against actions brought against them in their personal capacities. Cover is not provided where the individual has acted fraudulently or dishonestly.

MCLAREN PROPERTY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Disclosure 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 the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



.....
C R Young
Director

Date: 31 March 2023

MCLAREN PROPERTY LIMITED

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

Opinion

We have audited the financial statements of McLaren Property Limited (the 'company') for the year ended 31 July 2022, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MCLAREN PROPERTY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MCLAREN PROPERTY LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

MCLAREN PROPERTY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MCLAREN PROPERTY LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtaining an understanding of the legal and regulatory frameworks that the company operates in;
- reviewing key correspondence with regulatory authorities;
- testing for evidence of management override;
- enquiry of management to identify any instances of non-compliance with laws and regulations;
- enquiry of management around actual and potential litigation and claims;
- enquiry of management to identify any instances of known or suspected instances of fraud;
- discussing among the engagement team regarding how and where fraud might occur.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.



Atul Kariya FCCA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Statutory Auditors

London

United Kingdom

Date:

5 April 2023

MCLAREN PROPERTY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2022**

	Note	2022 £	2021 £
Turnover	4	7,442,384	7,175,668
Cost of sales		-	(16,816)
Gross profit		7,442,384	7,158,852
Administrative expenses		(6,067,287)	(6,193,884)
Operating profit	5	1,375,097	964,968
Interest receivable and similar income	9	40,023	76,231
Interest payable and similar expenses	10	(167,936)	(275,442)
Profit before tax		1,247,184	765,757
Tax on profit	11	(491,884)	478,639
Profit for the financial year		755,300	1,244,396

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 9 to 22 form part of these financial statements.

MCLAREN PROPERTY LIMITED
REGISTERED NUMBER: 07260814

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	12	155,804	70,890
Investments	13	50	100
		<u>155,854</u>	<u>70,990</u>
Current assets			
Debtors	14	8,094,407	9,896,542
Cash at bank and in hand	15	53,570	1,167
		<u>8,147,977</u>	<u>9,897,709</u>
Creditors: amounts falling due within one year	16	(5,415,335)	(7,835,503)
Net current assets		<u>2,732,642</u>	<u>2,062,206</u>
Total assets less current liabilities		<u>2,888,496</u>	<u>2,133,196</u>
Net assets		<u><u>2,888,496</u></u>	<u><u>2,133,196</u></u>
Capital and reserves			
Called up share capital	18	4,400,100	4,400,100
Profit and loss account	19	(1,511,604)	(2,266,904)
		<u><u>2,888,496</u></u>	<u><u>2,133,196</u></u>

The company's financial statements have been prepared in accordance with the 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:



C R Young
 Director

Date: 31 March 2023

The notes on pages 9 to 22 form part of these financial statements.

MCLAREN PROPERTY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2022**

	Share capital £	Profit and loss account £	Total equity £
At 1 August 2021	4,400,100	(2,266,904)	2,133,196
Comprehensive income for the year			
Profit for the year	-	755,300	755,300
At 31 July 2022	<u>4,400,100</u>	<u>(1,511,604)</u>	<u>2,888,496</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Share capital £	Profit and loss account £	Total equity £
At 1 August 2020	4,400,100	(3,511,300)	888,800
Comprehensive income for the year			
Profit for the year	-	1,244,396	1,244,396
At 31 July 2021	<u>4,400,100</u>	<u>(2,266,904)</u>	<u>2,133,196</u>

The notes on pages 9 to 22 form part of these financial statements.

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. General information

McLaren Property Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006, with registration number 07260814. The address of the registered office is stated on the company information page and the nature of the company's operations and principal activity are set out in the directors' report.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The financial statements have been prepared in pounds sterling, the functional currency, rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of McLaren Property Holdings LLP as at 31 July 2022 and these financial statements may be obtained from 1st & 2nd floors, 61 Curzon Street, London, W1J 8PD..

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of development advisory 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.

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	10% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Investments in subsidiaries and joint ventures

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

2.6 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Operating leases: the company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.8 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.

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting.

2.12 Foreign currency translation

Functional and presentational currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.15 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 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 flows and subsequently at amortised cost using the effective interest method. Debt instruments that 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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.

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.17 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to carrying amounts of assets and liabilities within the next financial year, are discussed below:

Tangible fixed assets (see note 12)

Tangible fixed assets, other than investments properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Recoverability of amounts due from group undertakings, joint ventures and other related parties

Provision for impairment of the carrying value of amounts due from group undertakings, joint ventures and other related parties is made based on management's estimate of the prospect of recovering the amounts due, which includes considering the solvency of the counterparty and its future outlook, based on budgets and forecasts prepared by the management.

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

4. Turnover

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

	2022 £	2021 £
Development management fees	1,181,400	1,265,421
Development advisory and asset management services	6,260,984	5,910,247
	<u>7,442,384</u>	<u>7,175,668</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	35,341	33,090
Operating lease rentals	345,816	424,900
Auditor's remuneration	4,150	20,836
	<u>314,625</u>	<u>412,646</u>

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>4,150</u>	<u>20,836</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

7. Employees

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

	2022	2021
	No.	No.
Management	14	14
Legal	1	1
Finance	4	4
Administration	2	2
	21	21

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	1,096,449	942,707
Company contributions to defined contribution pension schemes	4,000	10,667
	1,100,449	953,374

During the year retirement benefits were accruing to 3 directors (2021 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £756,699 (2021 - £663,332).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,000 (2021 - £10,667).

9. Interest receivable and similar income

	2022	2021
	£	£
Interest receivable from related parties	13,893	47,249
Other interest receivable	26,130	28,982
	40,023	76,231

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

10. Interest payable and similar charges

	2022	2021
	£	£
Other loan interest payable	32,925	2,771
Interest payable to group undertakings	106,347	251,662
Interest payable to related parties	28,664	21,009
	<u>167,936</u>	<u>275,442</u>

11. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	5,626	12,252
Adjustments in respect of previous periods	97,551	126,580
Total current tax	<u>103,177</u>	<u>138,832</u>
Deferred tax		
Origination and reversal of timing differences	243,947	(469,278)
Changes to tax rates	77,036	(148,193)
Adjustment in respect of prior periods	67,724	-
Total deferred tax	<u>388,707</u>	<u>(617,471)</u>
Taxation on profit on ordinary activities	<u>491,884</u>	<u>(478,639)</u>

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

11. Taxation (continued)

Factors affecting tax credit for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19.00% (2021 - 19.00%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>1,247,184</u>	<u>765,757</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021 - 19.00%)	236,965	145,494
Effects of:		
Expenses not deductible for tax purposes	12,608	8,052
Utilisation of tax losses	-	(610,572)
Adjustments to tax charge in respect of prior periods	165,275	126,580
Tax rate changes	77,036	(148,193)
Total tax charge for the year	<u><u>491,884</u></u>	<u><u>(478,639)</u></u>

Factors that may affect future tax charges

The company has losses carried forward of £915,060 (2021 - £2,469,883). These losses will reduce the tax charge of future years until they are utilised.

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

12. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 August 2021	-	305,421	143,034	448,455
Additions	120,256	-	-	120,256
At 31 July 2022	120,256	305,421	143,034	568,711
Depreciation				
At 1 August 2021	-	267,428	110,137	377,565
Charge for the year on owned assets	655	23,763	10,923	35,341
At 31 July 2022	655	291,191	121,060	412,906
Net book value				
At 31 July 2022	119,601	14,230	21,974	155,805
At 31 July 2021	-	37,993	32,896	70,889

13. Fixed asset investments

	Investment in joint ventures £
Cost or valuation	
At 1 August 2021	100
Disposals	(50)
At 31 July 2022	50

During the year the company disposed of its 50% owned joint venture McGrove Securities Limited.

MCLAREN PROPERTY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. Fixed asset investments (continued)

Joint ventures

The following was an associate of the company:

Name	Principal activity	Class of shares	Holding
McLaren Life Limited	Property development	Ordinary	50%

All joint ventures are incorporated in the United Kingdom and directly held by the company.

The registered address for all of the above joint ventures is 1st and 2nd floors, 61 Curzon Street, London, W1J 5PD.

14. Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	6,275,660	5,877,274
Amounts owed by undertakings which the group has a participating interest	22,205	26,713
Amounts owed by undertakings which the company has a participating interest	-	25,000
Other debtors	1,167,682	3,111,628
Prepayments and accrued income	400,095	238,456
Deferred taxation	228,765	617,471
	<u>8,094,407</u>	<u>9,896,542</u>

All amounts shown under debtors fall due for payment within a year.

15. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	53,570	1,167
	<u>53,570</u>	<u>1,167</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	428,785	401,195
Amounts owed to group undertakings	2,129,081	4,022,794
Amounts owed to other related parties	590,269	793,250
Corporation tax	115,429	138,832
Other taxation and social security	144,789	123,456
Other creditors	36,789	25,893
Accruals and deferred income	1,970,193	2,330,083
	<u>5,415,335</u>	<u>7,835,503</u>

The amounts owed to group undertakings and other related parties are unsecured and repayable on demand.

17. Deferred taxation

	2022 £
At beginning of year	617,471
Charged to profit or loss	(320,983)
Adjustment in respect of prior years	(67,723)
At end of year	<u>228,765</u>

The deferred tax asset is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	34,037	32,134
Tax losses carried forward	194,728	585,337
	<u>228,765</u>	<u>617,471</u>

18. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
4,400,100 (2021 - 4,400,100) Ordinary shares of £1 each	<u>4,400,100</u>	<u>4,400,100</u>

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

19. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

20. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £149,544 (2021 - £117,706). Contributions totalling £14,352 (2021 - £Nil) were payable to the fund at the reporting date.

21. Commitments under operating leases

At 31 July 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	560,748	362,038
Later than 1 year and not later than 5 years	2,242,992	-
Later than 5 years	3,504,675	-
	<u>6,308,415</u>	<u>362,038</u>

22. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

McLaren Construction (UK) Limited (company under common control)

During the year sales of £106,887 (2021 - £271,472) were made by McLaren Construction (UK) Limited to the company. The company made repayments totalling £338,533 so at the balance sheet date the amount due to McLaren Construction (UK) Limited was £590,270 (2021 - £793,250). This amount included £28,665 of interest charged during the year. At the balance sheet date the total interest accrued was £49,674 (2021 - £21,009).

MCLAREN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

23. Parent entity and controlling party

The company's parent is McLaren Property Holdings LLP, a limited liability partnership incorporated in the United Kingdom, which will be preparing consolidated financial statements for the year ended 31 July 2022 which will be publicly available.

The company's ultimate parent undertaking is McLaren Property Holdco Limited, a limited company incorporated in the United Kingdom, which will be preparing consolidated financial statements for the year ended 31 July 2022 which will be publicly available.

The ultimate controlling party is Optimus Corporate Services Limited in its capacity as Trustee of the McLaren Construction Employee Trust 2007 re Mr Kevin Robert Taylor and Family sub fund.