MC Equibuild Limited

Registered number: 07497525

Annual Report

For the year ended 31 July 2018

MC EQUIBUILD LIMITED

COMPANY INFORMATION

Director	M A Collins
Company secretary	Ms R A E Haslett
Registered number	07497525
Registered office	1 London Street Reading Berkshire RG1 4QW
Trading Address	Cuckoo Copse Lambourn Woodlands Hungerford Berkshire RG17 7TJ
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD

MC EQUIBUILD LIMITED

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DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2018

The director presents his report and the financial statements for the year ended 31 July 2018.

Principal activity

The principal activity of the company is the design, planning and construction of equestrian and residential properties based in the South of England.

Results and dividends

The loss for the year, after taxation, amounted to £18,157 (2017 - loss £41,763).

The director does not recommend a payment of a dividend (2017 - £nil).

Director

The director who served during the year was:

M A Collins

Director's responsibilities statement

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the Director has 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 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director must not approve the financial statements unless he is satisfied that he gives 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 director is 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;
- 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

Going concern

The company had net current liabilities at 31 July 2018 of £2,757,132 (2017: £2,738,975) and incurred a loss before tax of £18,157 (2017: £44,086) during the year ended 31 July 2018.

During the year the company received financial support from the Martin Collins Enterprises (Holdings) group, which is classified within amounts falling due within one year. The Director has received confirmation that the fellow group company will not demand repayment of the intercompany loans if such repayments would have an adverse effect on the company's ability to trade as a going concern. Furthermore, additional financial support will be provided by the Martin Collins Enterprises (Holdings) group to allow the company to meet its liabilities as they fall due.

After making inquiries the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Director continues to adopt the going concern basis in preparing the financial statements.

Provision of information to auditor

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has 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.

M A Collins
Director

Date: 30.04.2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MC EQUIBUILD LIMITED

Opinion

We have audited the financial statements of MC Equibuild Limited (the 'company') for the year ended 31 July 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Section 1A.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its loss 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 UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MC EQUIBUILD LIMITED

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the director is not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors Report and from the requirement to prepare a Strategic Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MC EQUIBUILD LIMITED

Responsibilities of Directors

As explained more fully in the directors responsibilities statement set out on page 1, the director is 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 director determines 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 intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

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 the audit 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.

Robert Neate (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 1 May 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2018

	Note	2018 £	2017 £
Administrative expenses		(18,159)	(44,086)
Operating loss		(18,159)	(44,086)
Interest receivable and similar income		2	-
Loss before tax		(18,157)	(44,086)
Tax on loss	6	-	2,323
Loss for the year		(18,157)	(41,763)
Other comprehensive income		-	-
Total comprehensive income for the year		(18,157)	(41,763)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2018

	Note		2018 £		2017 £
Current assets					
Debtors: amounts falling due within one year	7	7,496		2,691	
Cash at bank and in hand		3,784		4,660	
		11,280		7,351	
Creditors: amounts falling due within one year	8	(2,768,412)		(2,746,326)	
Net current liabilities			(2,757,132)		(2,738,975)
Total assets less current liabilities			(2,757,132)		(2,738,975)
Net liabilities			(2,757,132)		(2,738,975)
Capital and reserves					
Called up share capital			1		1
Profit and loss account			(2,757,133)		(2,738,976)
Total equity			(2,757,132)		(2,738,975)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

M A Collins
Director

Date: 30.04.2019

The notes on pages 9 to 16 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2016	1	(2,697,213)	(2,697,212)
Comprehensive income for the year			
Loss for the year	-	(41,763)	(41,763)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(41,763)	(41,763)
Total transactions with owners	-	-	-
At 1 August 2017	1	(2,738,976)	(2,738,975)
Comprehensive income for the year			
Loss for the year	-	(18,157)	(18,157)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(18,157)	(18,157)
Total transactions with owners	-	-	-
At 31 July 2018	1	(2,757,133)	(2,757,132)

The notes on pages 9 to 16 form part of these financial statements.

1. General information

MC Equibuild Limited is a private company limited by shares, incorporated in England and Wales. The address of its registered office is 1 London Street, Reading, RG1 4QW, United Kingdom.

The principal activity of the company is the design, planning and construction of equestrian and residential properties based in South England.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

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 Section 1A of 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.

The following principal accounting policies have been applied:

2.2 Going concern

The company had net current liabilities at 31 July 2018 of £2,757,132 (2017: £2,738,975) and incurred a loss before tax of £18,157 (2017: £44,086) during the year ended 31 July 2018.

During the year the company received financial support from the Martin Collins Enterprises (Holdings) group, which is classified within amounts falling due within one year. The Director has received confirmation that the fellow group company will not demand repayment of the intercompany loans if such repayments would have an adverse effect on the company's ability to trade as a going concern. Furthermore, additional financial support will be provided by the Martin Collins Enterprises (Holdings) group to allow the company to meet its liabilities as they fall due.

After making inquiries the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Director continues to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 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. Accounting policies (continued)

2.5 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 and loans to related parties.

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation 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 except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2.7 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.8 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.9 Taxation

Tax is recognised in the statement of comprehensive income, 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.

2. Accounting policies (continued)

2.10 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as the proportion of total contract value which costs incurred to date bare to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

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

There are no critical judgements that the directors have made in applying the Company's policies that have a significant effect on the amounts recognised in the statutory financial statements.

4. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £7,160 *(2017 - £7,160)*.

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.

5. Employees

The average monthly number of employees, including directors, during the year was 1 (2017 - 1).

6. Taxation

	2018 £	2017 £
Current tax on profits for the year	-	-
	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	(2,194)
Effect of tax rate change on opening balance	-	(129)
Total deferred tax	-	(2,323)
Taxation on loss on ordinary activities	-	(2,323)

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.67%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	(18,157)	(44,086)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.67%)	(3,450)	(8,936)
Effects of:		
Expenses not deductible for tax purposes	770	147
Group relief surrendered	2,680	-
Adjust closing deferred tax to average rate of 19%/19.67%	695	829
Adjust opening deferred tax to average rate of 19%/19.67%	(695)	226
Deferred tax not recognised	-	5,411
Total tax charge for the year	-	(2,323)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate to 17% from 1 April 2020 has substantively enacted in September 2016.

7. Debtors

	2018 £	2017 £
Trade debtors	400	400
Other debtors	7,096	2,291
	7,496	2,691

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	24,826	17,665
Amounts owed to group undertakings	2,743,086	2,728,661
Accruals and deferred income	500	-
	2,768,412	2,746,326

The amounts owed to group undertaking are unsecured, interest free and repayable on demand.

9. Related party transactions

The company is a wholly owned subsidiary of Martin Collins Enterprises (Holdings) Limited and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group.

10. Post balance sheet events

There have been no significant events affecting the company since the year end.

11. Controlling party

The immediate and ultimate parent company in both the current and previous years was Martin Collins Enterprises (Holdings) Limited, a company incorporated in England and Wales.

The ultimate controlling party is considered to be M A Collins by virtue of his shareholdings.

The parent company of the smallest and largest group of which the company is a member and for which group accounts are prepared is Martin Collins Enterprises (Holdings) Limited.