

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Report and Financial Statements

Year Ended 31 December 2020

Company number: 08473329

THURSDAY



AAE4A2W9

A04

30/09/2021

#182

COMPANIES HOUSE

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Report and financial statements for the year ended 31 December 2020

Contents

Page

2	Directors' Report
4	Independent Auditor's Report
7	Statement of Comprehensive Income
8	Statement of Financial Position
9	Statement of Changes in Equity
10	Notes to the Financial Statements

Directors

J R Hall
E T Anderson
C K Hurley
D R J Hurley

Secretary and registered office

E T Anderson
140 Aldersgate Street
London
EC1A 4HY

Company number

08473329

Auditors

BDO LLP
55 Baker Street
London
W1U 7EU

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Report of the directors for the year ended 31 December 2020

The directors present their report and audited financial statements for the year ended 31 December 2020.

Results and principal activities

The principal activity of the company in the year was that of providing project and development management services. The company made a profit after tax in the year of £125,000 (2019: £557,000). No dividends were paid in the year (2019: £nil).

Directors

The directors of the company during the year and up to the date of this report were:

J R Hall	E T Anderson
C K Hurley	D R J Hurley

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 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.

Other matters and going concern

The directors have conducted a rigorous assessment of the company's ability to continue to operate for the foreseeable future. In making this assessment consideration has been given to the inherent uncertainty in future financial forecasts and, where applicable, severe but plausible sensitivities have been applied to key factors affecting the expected financial performance and liquidity of the company – taking into account these factors and continuing impact on the business caused by the outbreak of COVID-19. This assessment has considered downside case forecasts where significant delays, and revenue reduction are experienced. Stress test sensitivities have been applied to these forecasts to model the impact of a significant fall in fee income.

The company's existing cash resource has grown during the year to 31 December 2020, following the receipt of significant fee income early in 2020. The directors have therefore prepared the financial statements on a going concern basis.

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Report of the directors for the year ended 31 December 2020 (continued)

Auditors

The current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the next annual general meeting.

In preparing the directors' report advantage has been taken of the provisions applicable to companies' subject to the small companies' regime.

By order of the board



Ewan Anderson

Director

30 June 2021

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Independent auditor's report to the members of Mount Anvil (Development Management) Limited

Opinion on the 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 December 2020 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.

We have audited the financial statements of Mount Anvil (Development Management) Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

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 directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements 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. 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.

Other Companies Act 2006 reporting

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/has been prepared in accordance with applicable legal requirements.

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.

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Independent auditor's report to the members of Mount Anvil (Development Management) Limited (continued)

Other Companies Act 2006 reporting (continued)

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, 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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the directors and the other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the directors.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Independent auditor's report to the members of Mount Anvil (Development Management) Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

DocuSigned by:

Charles Ellis

71D0B433DEE2415...

Charles Ellis (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

55 Baker Street, London W1U 7EU

30 June 2021

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

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED**Statement of Comprehensive Income for the year ended 31 December 2020**

	Note	2020 £'000	2019 £'000
Turnover	3	6,685	15,398
Cost of sales		(6,552)	(14,843)
Gross profit		133	555
Administrative expenses		(10)	(10)
Operating profit and profit on ordinary activities before taxation	5	123	545
Tax on profit on ordinary activities	6	2	12
Profit and total comprehensive income for the year		125	557

All amounts relate to continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Statement of Financial Position as at 31 December 2020
Company number 08473329

	<i>Note</i>	2020 £'000	2019 £'000
Current assets			
Debtors	7	18,132	17,528
Cash at bank and in hand		2,581	276
		<u>20,713</u>	<u>17,804</u>
Creditors: amounts falling due within one year	8	<u>(19,113)</u>	<u>(16,329)</u>
Net current assets and total assets less current liabilities		<u>1,600</u>	<u>1,475</u>
Net assets		<u><u>1,600</u></u>	<u><u>1,475</u></u>
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account		1,600	1,475
		<u>1,600</u>	<u>1,475</u>
Shareholder's funds		<u><u>1,600</u></u>	<u><u>1,475</u></u>

The notes on pages 10 to 15 form part of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 30 June 2021.

Ewan Anderson
Director



MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Statement of Changes in Equity as at 31 December 2020 and 31 December 2019

	Share capital	Profit and loss account	Total equity
	£'000	£'000	£'000
At 1 January 2019	-	918	918
Comprehensive income for the year			
Profit for the year	-	557	557
Total comprehensive income for the year	-	557	557
Contributions by and distributions to owners	-	-	-
At 31 December 2019	-	1,475	1,475
At 1 January 2020	-	1,475	1,475
Comprehensive Income for the year			
Profit for the year	-	125	125
Total comprehensive income for the year	-	125	125
Contributions by and distributions to owners	-	-	-
At 31 December 2020	-	1,600	1,600

The notes on pages 10 to 15 form part of these financial statements.

1 Accounting policies

1.1 Basis of preparation of financial statements

The address of the company's registered office and principal activities of the company are set out on the contents page and in the Directors' report on page 2 respectively.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling (£) which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 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); and
- the requirements of Section 33 Related Party Transactions.

1.3 Turnover

Turnover represents income from development management services provided to group and joint venture undertakings. These fees are recognised on a percentage of completion basis or otherwise according to milestones set out in the underlying contracts, net of value added tax, and are also included within turnover.

1.4 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.

1.5 Cash and cash equivalents

Cash is represented by cash in hand.

1.6 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.

1.7 Financial instruments

Financial assets

Financial assets are initially measured at the transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

1 Accounting policies (continued)

1.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 Balance Sheet date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

1.9 Reserves

The company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Profit and loss account represent cumulative profits or losses, net of dividends paid and other adjustments.

1.10 Going concern

In determining the appropriate basis of preparation of the financial statements the directors are required to consider whether the company can continue in operational existence for the foreseeable future. The directors have conducted a rigorous assessment of the company's ability to continue to operate for the foreseeable future. In making this assessment consideration has been given to the inherent uncertainty in future financial forecasts and, where applicable, severe but plausible sensitivities have been applied to key factors affecting the expected financial performance and liquidity of the company – taking into account the factors and continuing impact on the business caused by the outbreak of COVID-19.

This assessment has considered downside case forecasts where significant delays, and revenue reduction are experienced. Stress test sensitivities have been applied to these forecasts to model the impact of a second extended period of tighter government restrictions, and a significant fall in fee income.

Analysis of the companies balance sheet has been undertaken to understand the exposure in respect of these sensitivities. This included assessment of the intra-group debtors and creditors and the ability of related companies to make payments when due, as well as the company's ability to meet its liabilities when due.

The company's existing cash resource has grown during the year to 31 December 2020, following the receipt of significant fee income early in 2020. The Directors have therefore prepared the financial statements on a going concern basis.

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED

Notes to the financial statements for the year ended 31 December 2020 (*continued*)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- (a) **Revenue recognition**
Considerations are made in relation to the company's development contracts that necessary planning and legal conditions have been satisfied, and hence whether the Company's revenue recognition criteria has been satisfied. Cash is received in respect of revenue based on agreed timescales with the group's joint ventures. Where there are multiple criteria to be satisfied in respect of the necessary planning and legal conditions, judgement may be used to determine the level of revenue to be recognised on achieving those conditions.
- (b) **Going Concern**
Given the COVID-19 pandemic, enhanced judgement is required in respect of the company's ability to continue as a Going Concern and the assumptions considered, see Note 1.10 for detail.

3 Turnover

Turnover in the current and prior year was attributable to project and development management services provided in the year. All turnover arose within the United Kingdom.

4 Employee information

The company had no employees in the year (2019: none) and the directors did not receive any remuneration (2019: £nil).

5 Operating profit

Operating profit is stated after audit fees of £5,200 (2019: £4,500).

6 Tax on profit on ordinary activities

	2020 £'000	2019 £'000
<i>UK corporation tax</i>		
Current year tax charge on profit for the year	-	2
Adjustments in respect of prior periods	(2)	(14)
Total current tax	(2)	(12)
 Taxation on profit on ordinary activities	 (2)	 (12)

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK. This is explained below:

	2020 £'000	2019 £'000
<i>UK corporation tax</i>		
Profit on ordinary activities before taxation	123	545
 Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	 23	 104
Adjustments in respect of prior periods	(2)	(14)
Group relief claimed	(23)	(102)
 Current tax charge for the year	 (2)	 (12)

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED**Notes to the financial statements for the year ended 31 December 2020 (continued)****7 Debtors**

	2020 £'000	2019 £'000
Amounts owed by group undertakings	14,901	9,901
Amounts owed by associated undertakings - see note 11	2,729	7,627
Other debtors	500	-
Corporation tax	2	-
	<u>18,132</u>	<u>17,528</u>

All amounts fall due for repayment within one year. Amounts owed by group and associated undertakings are repayable on demand.

8 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed to group undertakings	17,702	15,534
Amounts owed to associated undertakings	678	678
Accruals	9	7
Other taxation and social security	634	110
Other creditors	90	-
	<u>19,113</u>	<u>16,329</u>

All amounts fall due for payment within one year. Amounts owed to group and associated undertakings are payable on demand.

9 Financial instruments

All financial assets and financial liabilities are measured at amortised cost.

Financial assets measured at amortised cost comprise trade receivables, short term receivables owing by group undertakings and other associated undertakings.

Financial liabilities measured at amortised cost comprise short term payables owing to group undertakings and parent undertakings.

10 Share capital

	2020 £	2019 £
<i>Authorised</i>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u> </u>	<u> </u>

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED**Notes to the financial statements for the year ended 31 December 2020 (continued)****11 Related party transactions**

The company has taken advantage of the exception conferred by FRS 102 Section 33, "Related party disclosures" not to disclose transactions with entities that are part of Mount Anvil Group Limited.

Mount Anvil Development Management Limited has provided management services during the year as follows, all of whom are companies in which Mount Anvil New Holdings Limited has a joint venture interest.

Company	2020 £'000	2019 £'000
Keybridge House LLP	243	793
Mount Anvil (Kidderpore) Limited	-	217
New Cross Gate Phase 1 LLP	-	6,914
Western Gateway 2 LLP	2,183	3,667
Keybridge House 2 LLP	377	347
Stepney Way 1 LLP	409	1,080
Stepney Way 2 LLP	1,500	-
Gillender 2 LLP	1,022	680
Friary Park 1 LLP	951	2,378
Eagle House Developments Ltd	-	(678)
	6,685	15,398

At 31 December 2020 the company was owed from/ (owed to):

Company	2020 £'000	2019 £'000
Keybridge House LLP	-	4,957
Keybridge House 2 LLP	17	272
Gillender 2 LLP	44	249
Eagle House Developments Ltd	(678)	(678)
Western Gateway 2 LLP	2,668	766
New Cross Gate Phase 1 LLP	-	1,383
	2,051	6,949

MOUNT ANVIL (DEVELOPMENT MANAGEMENT) LIMITED**Notes to the financial statements for the year ended 31 December 2020 (continued)****11 Related party transactions (continued)**

The highest amounts owed in the year were as follows:

Company	2020 £'000	2019 £'000
Keybridge House LLP	5,127	5,024
Keybridge House 2 LLP	272	271
Stepney Way 1 LLP	183	-
Gillender 2 LLP	283	249
New Cross Gate Phase 1 LLP	1,383	1,383
Western Gateway 2 LLP	2,668	725
Eagle House Developments Ltd	(678)	-
	9,238	7,652

12 Ultimate controlling company

At 31 December 2020 and 31 December 2019 the company's immediate parent company was Mount Anvil New Holdings Limited, and the company's ultimate parent undertaking was Mount Anvil Group Limited. At 31 December 2020 and 31 December 2019 the company's ultimate controlling party was C K Hurley.

Copies of the consolidated financial statements of Mount Anvil New Holdings Limited and Mount Anvil Group Limited are available from 140 Aldersgate Street, London, EC1A 4HY.