
CMMCO HOLDINGS LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MAY 2018

FRIDAY



A27 *A7JTTU7R* #279
30/11/2018
COMPANIES HOUSE

CMMCO HOLDINGS LIMITED

COMPANY INFORMATION

Directors	M Gilmartin C Lee M Roberts
Registered number	09050564
Registered office	102 Bowen Court St Asaph Business Park St Asaph Denbighshire LL17 0JE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	HSBC 4 Hardman Square Spinningfields Manchester M3 3EB

CMMCO HOLDINGS LIMITED

CONTENTS

	Page
Statement of financial position	1
Statement of changes in equity	2
Notes to the financial statements	3 - 9

CMMCO HOLDINGS LIMITED
REGISTERED NUMBER:09050564

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2018

	Note	2018 £	2017 £
Fixed assets			
Investments		6,246,900	6,246,900
		<u>6,246,900</u>	<u>6,246,900</u>
Current assets			
Debtors	4	77,095	1,000
Cash at bank and in hand	5	37,196	795
		<u>114,291</u>	<u>1,795</u>
Creditors: amounts falling due within one year	6	(2,725,273)	(2,809,447)
Net current liabilities		(2,610,982)	(2,807,652)
Total assets less current liabilities		<u>3,635,918</u>	<u>3,439,248</u>
Creditors: amounts falling due after more than one year	7	(2,235,594)	(1,814,123)
Net assets		<u><u>1,400,324</u></u>	<u><u>1,625,125</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		1,399,324	1,624,125
		<u><u>1,400,324</u></u>	<u><u>1,625,125</u></u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement or Directors' Report in accordance with 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 on
28/11/18



M Gilmartin
Director

The notes on pages 3 to 9 form part of these financial statements.

CMMCO HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2018**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 June 2016	1,000	2,124,927	2,125,927
Comprehensive income for the year			
Loss for the year	-	(157,141)	(157,141)
Total comprehensive income for the year	-	(157,141)	(157,141)
Dividends: Equity capital	-	(343,661)	(343,661)
Total transactions with owners	-	(343,661)	(343,661)
At 1 June 2017	1,000	1,624,125	1,625,125
Comprehensive income for the year			
Profit for the year	-	18,654	18,654
Total comprehensive income for the year	-	18,654	18,654
Dividends: Equity capital	-	(243,455)	(243,455)
At 31 May 2018	1,000	1,399,324	1,400,324

The notes on pages 3 to 9 form part of these financial statements.

CMMCO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. Accounting policies

1.1 Company information

CMMCO Holdings Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act 2006. Registered number: 09050564 and its registered office is 102 Bowen Court, St Asaph Business Park, St Asaph, Denbighshire, LL17 0JE.

CMMCO Holdings Limited is the parent company of Beech Developments (NW) Limited and Beech Commercial Properties Limited.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 section 1A - The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland for smaller entities ('FRS 102 1A') and with the Companies Act 2006.

The group to which CMMCO Holdings Limited is ultimate parent qualifies as small under SI2015/980 and therefore the exemption has been taken from the requirement to prepare consolidated group accounts.

The financial statements are presented in Sterling (£). The Company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The financial statements have been prepared on the going concern basis, which principally assumed that the company will be able to meet its liabilities as they fall due for the foreseeable future. The company receives income via dividends from its trading subsidiary Beech Developments (NW) Limited and therefore it is the trading forecasts and cash flow forecasts for the subsidiary which are most relevant.

The directors have prepared cash flow forecasts for the period ended May 2018 and May 2019 for the group with reference to sites currently under development and sites which are in the sales pipeline. The timing of when developments will start to generate positive cash flows is often dependant on planning permission, but despite delays on some of the sites, the directors are confident that the company will remain profitable with positive cash flows for the foreseeable future.

In light of this, the directors are satisfied that sufficient income will be generated in the subsidiary to allow CMMCO Holdings Limited to continue to meet its loan repayments and interest costs, and Beech Developments (NW) Limited has provided a letter of support to confirm its ongoing support of CMMCO Holdings Limited.

1.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

1. Accounting policies (continued)

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.6 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.

1.7 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 non-puttable 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 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 Profit or Loss.

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.

1.8 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.

CMMCO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. Accounting policies (continued)

1.9 Finance costs

Finance costs are charged to the 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.

Where an effective interest rate has been applied to financial instruments, the rate is derived with reference to the prevailing interest rates on external loans held by the group.

1.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends are shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.11 Borrowing costs

All borrowing costs are recognised in the Profit or Loss in the year in which they are incurred.

1.12 Taxation

Tax is recognised in the 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.

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

Preparation of the financial statements requires management to make significant judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Management consider that the key area of judgement to be in respect of the carrying value of the investment. This is based on forecasts of future profitability of the subsidiary company, Beech Developments (NW) Limited which are based on the director's knowledge of the business but may be influenced by external market conditions which the directors are unable to foresee.

The loan notes held by the company carry no interest and in line with FRS102 these are therefore held at the present value of future payments discounted at a market rate of interest. Management have determined the market rate of interest by reference to prevailing market conditions and the rate of interest charged on other loans held by the company's subsidiary, Beech Developments (NW) Limited.

During the year, management have renegotiated with the loan note holders with the result being a revised payment profile in respect of the loan notes. Management have determined that this represents a significant modification under the definition of FRS102 and as such the previous instrument has been extinguished with a revised financial instrument recognised for the loan notes under the revised terms.

CMMCO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2017: £Nil).

CMMCO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

4. Debtors

	2018	2017
	£	£
Other debtors	77,095	1,000

5. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	37,196	795

6. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Loan notes (note 12)	120,606	1,181,254
Amounts owed to group undertakings	2,542,192	1,628,193
Other creditors	62,475	-
	2,725,273	2,809,447

7. Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Loan notes (note 12)	2,235,594	1,814,123

CMMCO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

8. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Loan notes	120,606	1,181,254
Amounts falling due 1-2 years		
Loan notes	30,594	1,226,320
Amounts falling due 2-5 years		
Loan notes	2,205,000	587,803
	<u>2,356,200</u>	<u>2,995,377</u>

The loan notes detailed above bear no interest and are therefore recognised at the present value of future payments discounted at a market rate of interest. Interest has been recognised on the loan notes using the effective interest rate method.

During the year, CMMCO Holdings Limited has renegotiated the terms of the loan notes, resulting in a change to the repayment profile of the loan notes. This is considered to represent a significant modification to the loan notes and has been accounted for as such within the financial statements.

The loan notes are secured by way of a fixed and floating charge over all property and assets of the company.

9. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at amortised cost	<u>114,291</u>	<u>1,795</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(4,960,867)</u>	<u>4,466,710</u>

Financial assets measured at amortised cost comprise cash at bank and in hand and other debtors.

Financial liabilities measured at amortised cost comprise loan notes, other creditors and amounts due to group undertakings.

CMMCO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

10. Auditor's information

The auditor's report on the financial statements for the year ended 31 May 2018 was unqualified.

The audit report was signed on 28/11/18 by Jennifer Woods (Senior statutory auditor) on behalf of Grant Thornton UK LLP.