

MUCS Properties Limited

Unaudited Financial Statements

Year Ended

30 April 2023

Company Number 10573180

WEDNESDAY



ACIA2DUA

A14

13/12/2023

#67

COMPANIES HOUSE

MUCS Properties Limited

Company Information

Directors	M Rashford M E Maynard
Registered number	10573180
Registered office	Parkside House 41 Walsingham Road Enfield England EN2 6EY
Accountants	BDO LLP 3 Hardman Street Manchester M3 3AT

MUCS Properties Limited

Contents

	Page
Accountants' Report	
Statement of Financial Position	2 - 3
Notes to the Financial Statements	4 - 9

MUCS Properties Limited

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Financial Statements of MUCS Properties Limited for the Year Ended 30 April 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of MUCS Properties Limited for the year ended 30 April 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

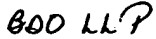
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that MUCS Properties Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and result of MUCS Properties Limited. You consider that MUCS Properties Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of MUCS Properties Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of MUCS Properties Limited, as a body, in accordance with the terms of our engagement letter dated 4 October 2022. Our work has been undertaken solely to prepare for your approval the accounts of MUCS Properties Limited and state those matters that we have agreed to state to the board of directors of MUCS Properties Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MUCS Properties Limited and its board of directors as a body for our work or for this report.

DocuSigned by:

6E132C470C5747C...

BDO LLP
Chartered Accountants
Manchester
United Kingdom
Date: 7/12/2023

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

MUCS Properties Limited

Registered number:10573180

Statement of Financial Position As at 30 April 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	1,096	1,614
Investment property	6	7,096,098	3,921,832
		<u>7,097,194</u>	<u>3,923,446</u>
Current assets			
Debtors: amounts falling due within one year	7	337,134	8,123
Cash at bank and in hand		914,774	3,253,603
		<u>1,251,908</u>	<u>3,261,726</u>
Creditors: amounts falling due within one year		<u>(4,826,948)</u>	<u>(4,779,127)</u>
Net current liabilities		(3,575,040)	(1,517,401)
Total assets less current liabilities		3,522,154	2,406,045
Creditors: amounts falling due after more than one year	8	(3,274,674)	(2,313,085)
Net assets		<u>247,480</u>	<u>92,960</u>

MUCS Properties Limited
Registered number:10573180

Statement of Financial Position (continued)
As at 30 April 2023

	Note	2023 £	2022 £
Capital and reserves			
Called up share capital		1	1
Profit and loss account		247,479	92,959
		<u>247,480</u>	<u>92,960</u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 statement of comprehensive income 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 29/11/2023

DocuSigned by:

Melanie Maynard

2D565F8C2FB14CB...
M E Maynard
Director

The notes on pages 4 to 9 form part of these financial statements.

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

1. General information

MUCS Properties Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the principal activity of the company is that of the rental and holding of residential properties for investment purposes.

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 judgment in applying the Company's accounting policies (see note 3).

The presentation currency is £ Sterling rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and continue to review their plans and forecasts. The Company has net assets. The directors have therefore concluded that the going concern basis is appropriate.

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:

2.4 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.

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

2. Accounting policies (continued)

2.5 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.

2.6 Taxation

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.

2.7 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:

Fixtures and fittings	-	25% Per annum
-----------------------	---	---------------

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.

2.8 Investment Property

Investment property is carried at fair value determined by the directors using comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. This is determined by the directors annually. No depreciation is provided.

2.9 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.

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

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

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

Investment properties values are determined by the directors using their knowledge of the current market. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only be reliably tested in the market itself.

4. Employees

The average monthly number of employees, including directors, during the year was 1 (2022 - 1).

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

5. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 May 2022	3,332
At 30 April 2023	<u>3,332</u>
Depreciation	
At 1 May 2022	1,717
Charge for the year on owned assets	519
At 30 April 2023	<u>2,236</u>
Net book value	
At 30 April 2023	<u>1,096</u>
At 30 April 2022	<u>1,614</u>

6. Investment property

	Freehold investment property £
Valuation	
At 1 May 2022 (as previously stated)	6,473,032
Prior year adjustment	(2,551,200)
At 1 May 2022 (as restated)	<u>3,921,832</u>
Additions at cost	3,174,266
At 30 April 2023	<u>7,096,098</u>

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

7. Debtors

	2023 £	2022 £
Amounts owed by related companies	13,374	-
Other debtors	323,760	1,639
Prepayments and accrued income	-	6,484
	<u>337,134</u>	<u>8,123</u>

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

	2023 £	2022 £
Bank loans	<u>3,274,674</u>	<u>2,313,085</u>

The bank loans are each secured on the individual investment properties.

9. Related party transactions

Included within amounts owed to related parties is an amount of £4,750,000 (2022 - £4,750,000) owed to MUCS Enterprises Limited, a company under common shareholders and director. There were no additional receipts made during the year (2022 - £3,000,000). The loan is interest free and repayable on demand.

Included in amounts owed by related parties is an amount of £13,374 (2022 - £61 owed to) owed by Melz & Co Limited, a company with a common director. The loan is interest free and repayable on demand. During the year, the company paid management fees to Melz & Co Ltd, amounting to £44,606 (2022 - £30,598).

Included within other debtors is an amount of £322,121 (2022 - £nil as restated) owed by M Rashford, director. During the year a receipt of a property with a value of £1,650,000 (2022 - £nil as restated) were received and £1,807,121 (2022 - £nil) was repaid. The loan is interest free and repayable on demand.

10. Prior year adjustment

During the year, the directors identified that a property addition in 2022 had been incorrectly included as a business purchase instead of a personal purchase. In 2022, this addition was introduced via Directors Loan Account with a value of £2,551,200.

In this financial year, a prior year adjustment has been made to reverse this transaction, reducing investment property by £2,551,200 from £6,473,032 to £3,921,832. The Directors Loan Account has also reduced by £2,551,200, from £2,551,200 to £Nil.

Overall, there has been no impact to the profit or net assets for the year ended 30 April 2022.

MUCS Properties Limited

Notes to the Financial Statements For the Year Ended 30 April 2023

11. Controlling party

The controlling party is M Rashford by way of majority shareholding.