

Miller Cromdale (Old Ford Road) Limited

Registered number: SC192082

Directors' report and unaudited financial statements

For the year ended 31 December 2016



MILLER CROMDALE (OLD FORD ROAD) LIMITED

COMPANY INFORMATION

Directors

Andrew Sutherland
Euan J E Haggerty (resigned 30 June 2017)
Martin Callan
Malcolm S Grigor
Shiela E Ritchie

Registered number

SC192082

Registered office

Miller House
2 Lochside View
Edinburgh Park
Edinburgh
Midlothian
EH12 9DH

MILLER CROMDALE (OLD FORD ROAD) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 judgments 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;
- 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Principal activity

The principal activity of the Company is that of property development.

Results and dividends

The profit for the year, after taxation, amounted to £222,434 (2015 - £107,920).

A dividend of £107,000 was paid out during the year (2015 - £422,793).

Directors

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

Andrew Sutherland
Euan J E Haggerty (resigned 30 June 2017)
Martin Callan
Malcolm S Grigor
Shiela E Ritchie

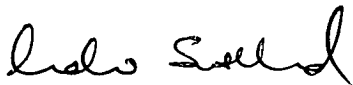
MILLER CROMDALE (OLD FORD ROAD) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

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 by:



**Andrew Sutherland
Director**

Date: 13 SEPTEMBER 2017

MILLER CROMDALE (OLD FORD ROAD) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover		-	552,701
Cost of sales	2	283,198	(327,236)
Gross profit		283,198	225,465
Administrative expenses		(5,394)	(3,578)
Operating profit		277,804	221,887
Interest receivable and similar income		239	708
Profit before tax		278,043	222,595
Tax on profit	5	(55,609)	(114,675)
Profit for the year		222,434	107,920

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 6 to 11 form part of these financial statements.

MILLER CROMDALE (OLD FORD ROAD) LIMITED
REGISTERED NUMBER: SC192082

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Current assets			
Debtors: amounts falling due within one year	6	909	92,330
Cash at bank and in hand		339,042	242,452
		<u>339,951</u>	<u>334,782</u>
Creditors: amounts falling due within one year	7	(59,334)	(169,599)
Net current assets		<u>280,617</u>	<u>165,183</u>
Net assets		<u>280,617</u>	<u>165,183</u>
Capital and reserves			
Called up share capital	8	6	6
Share premium account	9	87,799	87,799
Profit and loss account	9	192,812	77,378
		<u>280,617</u>	<u>165,183</u>

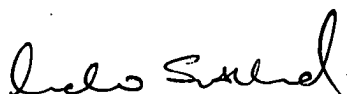
The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of 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 were approved and authorised for issue by the board and were signed on its behalf by:



Andrew Sutherland
Director



Martin Callan
Director

Date: 13 SEPTEMBER 2017

Date: 13 SEPTEMBER 2017

The notes on pages 6 to 11 form part of these financial statements.

MILLER CROMDALE (OLD FORD ROAD) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2015	6	87,799	392,251	480,056
Comprehensive income for the year				
Profit for the year	-	-	107,920	107,920
Dividends	-	-	(422,793)	(422,793)
At 1 January 2016	6	87,799	77,378	165,183
Comprehensive income for the year				
Profit for the year	-	-	222,434	222,434
Dividends	-	-	(107,000)	(107,000)
At 31 December 2016	6	87,799	192,812	280,617

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies

1.1 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.

The following principal accounting policies have been applied:

1.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate.

In relation to the Company's short term working capital requirements, the directors have prepared cash flow forecasts which indicate that the Company should continue to have sufficient resources available to it to enable it to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least twelve months from the date of approval of these financial statements.

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue represents the value of the sales of property developments, rents receivable, management fees and other property income.

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 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.

1.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of

MILLER CROMDALE (OLD FORD ROAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

1.6 Financial instruments (continued)

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 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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

1.7 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.

1.8 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.

1.9 Interest income

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

MILLER CROMDALE (OLD FORD ROAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies (continued)**1.10 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Cost of sales

Included within cost of sales is £15,164 relating to the release of provisions and £267,910 relating to the return of escrow funds.

3. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	-	2,050

4. Employees

The average monthly number of employees during the year was 0 (2015 - 0).

MILLER CROMDALE (OLD FORD ROAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	55,609	45,075
Adjustments in respect of previous periods	-	69,600
Total current tax	<u>55,609</u>	<u>114,675</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>278,043</u>	<u>222,595</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	55,609	45,075
Effects of:		
Adjustments to tax charge in respect of prior periods	-	69,600
Total tax charge for the year	<u>55,609</u>	<u>114,675</u>

Factors that may affect future tax charges

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Company's future current tax charge accordingly.

6. Debtors

	2016 £	2015 £
Other debtors	783	91,922
VAT	126	408
	<u>909</u>	<u>92,330</u>

MILLER CROMDALE (OLD FORD ROAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	2,442
Corporation tax	55,609	45,075
Accruals	3,725	122,082
	<u>59,334</u>	<u>169,599</u>

8. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
3 ordinary A shares of £1 each	3	3
3 ordinary B shares of £1 each	3	3
	<u>6</u>	<u>6</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

9. Reserves**Share premium account**

Share premium includes all current and prior period premiums paid on shares.

Profit & loss account

Profit and loss includes all current and prior period retained profits and losses.

10. Related party transactions

During the year, Cromdale Limited recharged £4,800 (2015: £nil) of development costs relating to consultancy fees to the LLP.

MILLER CROMDALE (OLD FORD ROAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Controlling party and parent undertaking

In the opinion of the directors there is no ultimate controlling party.

As at the 31 December 2016 the Company was a joint venture between Miller Developments Holdings Limited, a company incorporated and domiciled in the United Kingdom and Cromdale Limited, a company incorporated and domiciled in the United Kingdom.

As at 31 December 2016, Miller Developments Holdings Limited's ultimate parent company was MDL Holdings Limited. MDL Holdings Limited is incorporated and domiciled in the United Kingdom.

As at 31 December 2016, Cromdale Ltd was controlled by the directors who direct the financial and operating policies.