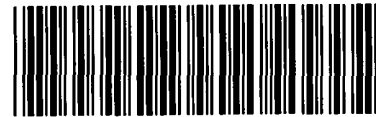


Company Registration No. 02052021 (England and Wales)

MMI PROPERTIES (HALE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017
PAGES FOR FILING WITH REGISTRAR

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MMI PROPERTIES (HALE) LIMITED

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MMI PROPERTIES (HALE) LIMITED

BALANCE SHEET

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	4		1,490,530		1,517,223
Current assets					
Debtors	5	73,703		47,588	
Creditors: amounts falling due within one year	6	(1,537,462)		(1,536,455)	
Net current liabilities			(1,463,759)		(1,488,867)
Total assets less current liabilities			26,771		28,356
Provisions for liabilities			(10,327)		(12,065)
Net assets			16,444		16,291
Capital and reserves					
Called up share capital	8		2		2
Profit and loss reserves			16,442		16,289
Total equity			16,444		16,291

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 14 February 2018 and are signed on its behalf by:

M J Bracegirdle
Director

Company Registration No. 02052021

MMI PROPERTIES (HALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

MMI Properties (Hale) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Courtyard Lodge, Ashley Road, Hale, Altrincham, WA14 3NG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 May 2017 are the first financial statements of MMI Properties (Hale) Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 10.

1.2 Going concern

Whilst the company remains profitable, the financial statements indicate net current liabilities at the year end and therefore the company requires the continued support of its parent company. The directors of the company have obtained suitable assurances from the parent company that this support will continue and therefore, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable from commercial lettings. Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account. Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MMI PROPERTIES (HALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

MMI PROPERTIES (HALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

The company's investment properties are measured at fair value for financial reporting purposes. The board of directors of the Company have determined the appropriate valuation techniques and inputs to fair value measurement. The estimated fair value of the investment property is based on open market value and has been determined by the directors at the period end using available property market data, monitoring changes in property markets, the leases attached to the properties and considering the opportunities for property development. The investment property held at estimated fair value amounted to £1,490,530 (2016 - £1,517,223). No independent third party valuation has been obtained in the period.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2016 – 2).

4 Investment property

	2017 £
Fair value	
At 1 June 2016	1,517,223
Disposals	(82,833)
Revaluations	56,140
At 31 May 2017	1,490,530

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by group undertakings	72,362	42,163
Other debtors	1,341	5,425
	73,703	47,588

MMI PROPERTIES (HALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	14,277	12,732
Amounts due to group undertakings	1,485,524	1,493,023
Corporation tax	32,815	19,473
Other taxation and social security	1,780	4,928
Other creditors	3,066	6,299
	<u>1,537,462</u>	<u>1,536,455</u>

7 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	<u>10,327</u>	<u>12,065</u>

8 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Kevin Blakemore.

The auditor was UHY Hacker Young Manchester LLP.

10 Reconciliations on adoption of FRS 102

MMI PROPERTIES (HALE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

10 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

	Notes	1 June 2015 £	31 May 2016 £
Equity as reported under previous UK GAAP		12,331	28,356
Adjustments arising from transition to FRS 102:			
Deferred tax on investment property	1	(11,954)	(12,065)
Equity reported under FRS 102		<u>377</u>	<u>16,291</u>

Notes to reconciliations on adoption of FRS 102

1 - Deferred tax on investment property

Following the transition to FRS102, the company has restated the prior period to recognise potential deferred tax on timing differences relating to the investment property.