

Company Registration No. 07033708 (England and Wales)

MCCANN HOMES (MK) LIMITED

**UNAUDITED GROUP CONSOLIDATED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2018

PAGES FOR FILING WITH REGISTRAR



MCCANN HOMES (MK) LIMITED

COMPANY INFORMATION

Directors

A R E Inchbald
E McCann
J C McCann

Company number

07033708

Registered office

Woodcote
Woodside
Aspley Guise
Milton Keynes
MK17 8EB

Accountants

Hills & Burgess
20 Bridge Street
Leighton Buzzard
Bedfordshire
LU7 1AL

MCCANN HOMES (MK) LIMITED

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MCCANN HOMES (MK) LIMITED

CONSOLIDATED AND COMPANY BALANCE SHEETS

		Group As at 31 December		Company As at 31 December	
	Notes	2018 £	2017 £	2018 £	2017 £
Fixed assets					
Tangible assets	3	106,334	13,290	106,334	13,290
Subsidiary undertaking	4	-	-	100	100
		<u>106,334</u>	<u>13,290</u>	<u>106,434</u>	<u>13,390</u>
Current assets					
Stocks		7,131,523	8,409,806	1,782,217	5,677,421
Debtors	5	267,784	407,622	1,694,965	858,366
Cash at bank and in hand		1,818,205	525,908	1,818,205	525,908
		<u>9,217,512</u>	<u>9,343,336</u>	<u>5,295,387</u>	<u>7,061,695</u>
Creditors: amounts falling due within one year	6	(6,059,740)	(7,227,094)	(3,271,177)	(5,703,643)
Net current assets		<u>3,157,772</u>	<u>2,116,242</u>	<u>2,024,210</u>	<u>1,358,052</u>
Total assets less current liabilities		<u>3,264,106</u>	<u>2,129,532</u>	<u>2,130,644</u>	<u>1,371,442</u>
Provisions for liabilities		(2,500)	(1,000)	(2,500)	(1,000)
Net assets		<u>3,261,606</u>	<u>2,128,532</u>	<u>2,128,144</u>	<u>1,370,442</u>
Capital and reserves					
Called up share capital	7	100	100	100	100
Profit and loss account		3,261,506	2,128,432	2,128,044	1,370,342
Shareholders' funds		<u>3,261,606</u>	<u>2,128,532</u>	<u>2,128,144</u>	<u>1,370,442</u>

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

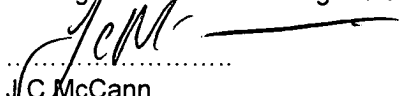
For the financial year ended 31 December 2018 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

These financial statements were approved by the board of directors and authorised for issue on 14 August 2019 and are signed on its behalf by


 J.C. McCann
 Director

Company Registration No. 07033708

MCCANN HOMES (MK) LIMITED

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

1 Accounting policies

Company information

McCann Homes (MK) Limited and its subsidiary operate as residential property developers. The company is a private company limited by shares incorporated in England and Wales. The registered office is Woodcote, Woodside, Aspley Guise, Milton Keynes, MK17 8EB.

1.1 Accounting convention

The Group and individual financial statements of McCann Homes (MK) Limited 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 £.

These consolidated and separate financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings together with the group's share of net assets.

The company has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual profit and loss account.

1.2 Turnover

Turnover represents the proceeds from the sale of properties sold together with consultancy income from property trading. Property sales and income from consultancy on property trading are recognised when completion takes place on the related sales.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Land and buildings freehold	- 2% straight line
Plant and machinery	- 33% straight line
Fixtures, fittings & equipment	- 20% straight line
Computer equipment	- 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

MCCANN HOMES (MK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (continued)

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MCCANN HOMES (MK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (continued)

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Interest payable

Interest payable is written off in the period in which it accrues and is not capitalised.

MCCANN HOMES (MK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

2 Employees

The average monthly number of persons (including directors) employed by the group and the company during the year was 10 (2017 - 9).

3 Tangible fixed assets Group and Company

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2018	-	27,639	27,639
Additions	88,931	13,692	102,623
Disposals	-	(5,586)	(5,586)
At 31 December 2018	88,931	35,745	124,676
Depreciation and impairment			
At 1 January 2018	-	14,349	14,349
Depreciation charged in the year	749	8,339	9,088
Eliminated in respect of disposals	-	(5,095)	(5,095)
At 31 December 2018	749	17,593	18,342
Carrying amount			
At 31 December 2018	88,182	18,152	106,334
At 31 December 2017	-	13,290	13,290

MCCANN HOMES (MK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Fixed asset investments Company

	2018 £	2017 £
Shares in subsidiary undertaking	<u>100</u>	<u>100</u>

	Shares in group undertakings £
Movement in fixed asset investments	
Cost	
At 1 January 2018 and at 31 December 2018	<u>100</u>
Carrying amount	
At 31 December 2018	<u>100</u>
At 31 December 2017	<u>100</u>

Name	Country of Incorporation	Nature of Business	Interest
McCann Homes (Edlesborough) Limited	England and Wales	Property Development	100% Ordinary £1 shares

The above 100% subsidiary is included in the consolidation.

5 Debtors	Group		Company	
Amounts falling due within one year	2018 £	2017 £	2018 £	2017 £
Trade debtors	130,742	-	130,742	-
Amounts due from group undertakings	-	-	1,450,282	524,369
Other debtors	137,042	407,622	113,941	333,997
	<u>267,784</u>	<u>407,622</u>	<u>1,694,965</u>	<u>858,366</u>

MCCANN HOMES (MK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6	Creditors: amounts falling due within one year	Group		Company	
		2018 £	2017 £	2018 £	2017 £
	Bank loan (secured)	2,680,252	2,039,342	-	551,705
	Trade creditors	732,461	548,394	732,461	548,394
	Corporation tax	267,927	93,878	179,816	68,064
	Deposits held	2,500	68,000	2,500	68,000
	Other taxation and social security	41,832	35,707	41,832	35,707
	Directors loans	241,696	113,464	241,696	113,464
	Loans (secured)	2,006,944	4,206,944	2,006,944	4,206,944
	Other creditors	86,128	121,365	65,928	111,365
		<u>6,059,740</u>	<u>7,227,094</u>	<u>3,271,177</u>	<u>5,703,643</u>

The aggregate amount of debt which is secured amounts to:-

Group £4,687,196 (2017 - £6,246,286)

Company £2,006,944 (2017 - £4,758,649)

This debt is secured by a charge over stock.

7	Called up share capital Ordinary share capital Issued and fully paid 100 ordinary of £1 each	2018 £	2017 £
		<u>100</u>	<u>100</u>

8 Operating lease commitments

Lessee

At the reporting end date the group and company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018 £	2017 £
<u>4,280</u>	<u>-</u>

9 Transactions with directors

At the balance sheet date there were loans from the directors, J C McCann and E McCann, amounting to £241,696. These loans are unsecured, interest free and have no fixed date for repayment.