

MOLYNEUX MANAGEMENT SERVICES  
LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
24 MARCH 2013

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# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

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# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D J Lewis H S Lewis B P Davis P Shasha
<b>Company secretary</b>	B P Davis
<b>Company number</b>	01136235
<b>Registered office</b>	Catherine House 76 Gloucester Place London W1U 6HJ
<b>Accountants</b>	Blick Rothenberg LLP Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH

# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 24 MARCH 2013**

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The directors present their report and the financial statements for the year ended 24 March 2013

### **Principal activity**

The principal activity of the company during the year was that of provision of management services and property lettings

### **Directors**

The directors who served during the year were

J N Davis (resigned 28 March 2012)

D J Lewis

H S Lewis

B P Davis

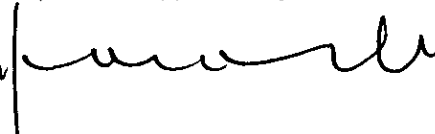
P Shasha

### **Political and charitable contributions**

During the year the company made charitable donations of £1,250 (2012 £1,250)

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



**H S Lewis**  
Director

Date 16.10.13

# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MOLYNEUX MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 24 MARCH 2013**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Molyneux Management Services Limited for the year ended 24 March 2013 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us

As a 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 [icaew.com/regulations](http://icaew.com/regulations)

This report is made solely to the board of directors of Molyneux Management Services Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Molyneux Management Services Limited and state those matters that we have agreed to state to them in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Molyneux Management Services Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Molyneux Management Services Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and loss. You consider that Molyneux Management Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Molyneux Management Services 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 financial statements.



**Blick Rothenberg LLP**

Chartered Accountants

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

25 October 2013

# MOLYNEUX MANAGEMENT SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 24 MARCH 2013

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	Note	2013 £	2012 £
Turnover	1	36,833	100,189
Cost of sales		<u>(30,000)</u>	<u>(30,000)</u>
Gross profit		6,833	70,189
Administrative expenses		<u>(1,033,589)</u>	<u>(1,159,791)</u>
Loss on ordinary activities before taxation		(1,026,756)	(1,089,602)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(1,026,756)</u></u>	<u><u>(1,089,602)</u></u>

The notes on pages 7 to 12 form part of these financial statements

# MOLYNEUX MANAGEMENT SERVICES LIMITED

REGISTERED NUMBER 01136235

## BALANCE SHEET AS AT 24 MARCH 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	5		37,884		62,168
<b>Current assets</b>					
Debtors	6	11,966		7,455	
Cash at bank and in hand		4,560		7,342	
		<u>16,526</u>		<u>14,797</u>	
<b>Creditors</b> amounts falling due within one year	7	(111,400)		(117,999)	
<b>Net current liabilities</b>			(94,874)		(103,202)
<b>Total assets less current liabilities</b>			(56,990)		(41,034)
<b>Creditors:</b> amounts falling due after more than one year	8		(14,230,188)		(13,219,388)
<b>Net liabilities</b>			<u>(14,287,178)</u>		<u>(13,260,422)</u>
<b>Capital and reserves</b>					
Called up share capital	11		400		400
Profit and loss account	12		(14,287,578)		(13,260,822)
<b>Shareholders' deficit</b>			<u>(14,287,178)</u>		<u>(13,260,422)</u>

# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

## **BALANCE SHEET (continued) AS AT 24 MARCH 2013**

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The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 24 March 2013 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**D J Lewis**  
Director

Date 16 10 13

The notes on pages 7 to 12 form part of these financial statements



# **MOLYNEUX MANAGEMENT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2013**

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### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency on shareholders' funds at the end of the year. The directors consider this basis to be appropriate as the company has received a letter of financial support from Marylebone Property Holdings Limited, a related party. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **1.3 Turnover**

Turnover comprises rental income, service charges and management charges, net of value added tax. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease. Management charges are recognised on an accruals basis in the period in which it is earned.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% p a straight line
Motor vehicles	-	25% p a reducing balance
Fixtures & fittings	-	10% p a straight line

#### **1.5 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### **1.6 Pensions**

Contribution to individuals' personal pension schemes are charged to the profit and loss account as they fall due.

**MOLYNEUX MANAGEMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 24 MARCH 2013**

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**1 Accounting policies (continued)**

**1.7 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated using the tax rates enacted or substantively enacted by the balance sheet date and which are expected to apply in the periods in which the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

**1.8 Financial instruments**

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 entity after deducting all of its financial liabilities

**2. Operating loss**

The loss is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	15,930	14,879
Auditor's remuneration	-	43,750
Pension costs	19,801	21,104
	<u>          </u>	<u>          </u>

**3 Directors' remuneration**

	2013 £	2012 £
Aggregate emoluments	281,660	392,609
	<u>          </u>	<u>          </u>

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes

# MOLYNEUX MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2013

### 4 Taxation

The company has estimated tax losses of £7,757,000 (2012 £7,252,000) available to carry forward against future trading profits. A deferred tax asset has not been recognised in respect of these losses in view of the uncertainty as to the level of future taxable profits. The deferred tax asset that is not recognised in the financial statements in relation to losses carried forward amounts to £1,784,000 (2012 £1,813,000).

#### Factors that may affect future tax charges

During the year, as a result of reductions in the UK corporation tax rate to 24%, which was substantively enacted on 26 March 2012 and was effective from 1 April 2012, and to 23%, which was substantively enacted on 3 July 2012 and was effective from 1 April 2013, the relevant deferred tax balances have been re-measured.

Announcements were made in the March 2013 Budget that legislation will be introduced in Finance Bill 2013 to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. Since these changes had not been substantively enacted at the balance sheet date they are not recognised in these financial statements.

### 5. Tangible fixed assets

	Leasehold property £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost</b>				
At 25 March 2012	500	120,962	217,419	338,881
Additions	-	-	1,952	1,952
Disposals	(500)	(43,340)	-	(43,840)
At 24 March 2013	-	77,622	219,371	296,993
<b>Depreciation</b>				
At 25 March 2012	500	92,999	183,214	276,713
Charge for the year	-	4,605	11,325	15,930
On disposals	(500)	(33,034)	-	(33,534)
At 24 March 2013	-	64,570	194,539	259,109
<b>Net book value</b>				
At 24 March 2013	-	13,052	24,832	37,884
At 24 March 2012	-	27,963	34,205	62,168

# MOLYNEUX MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2013

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### 6. Debtors

	2013 £	2012 £
Trade debtors	1,800	-
Other debtors	10,166	7,455
	<u>11,966</u>	<u>7,455</u>

### 7. Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	34,624	1,636
Social security and other taxes	37,776	57,363
Other creditors	39,000	59,000
	<u>111,400</u>	<u>117,999</u>

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

	2013 £	2012 £
Amounts owed to group undertakings	<u>14,230,188</u>	<u>13,219,388</u>

The amounts owed to group undertakings are interest free, secured by a floating charge over the company's assets and have no fixed repayment date

# MOLYNEUX MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2013

### 9 Related party transactions

The company has taken advantage of the exemption from disclosing transactions with entities that are a wholly owned part of the group

Transactions with other related parties are as follows

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2013 £	2012 £	2013 £	2012 £
Ledale Investment Holdings Limited (Common Influence)	Expenses recharged	39,260	113,800	-	-
Molyneux Securities (Gloucester Place) Limited (Fellow subsidiary undertaking)	Management fees receivable	22,280	94,850	-	-
	Rent payable	100,000	93,952	-	-
Leavesden Securities (Holdings) Limited (Common influence)	Expenses recharged	227,600	-	-	-
Marylebone Property Investments Limited (Fellow subsidiary undertaking)	Expenses recharged	113,800	398,300	-	-
Marylebone Property Company Limited (Common influence)	Expenses recharged	147,940	102,420	-	-
Marylebone Property Holdings Limited (Fellow subsidiary)	Loan received	1,609,436	1,848,891	13,250,721	12,239,921
Ledale Securities Limited (Common influence)	Rent payable	6,000	6,000	-	-
Devonshire Property Investment Limited (Common influence)	Management fee payable	30,000	30,000	-	-
V Davis*	Legal fees	2,600	31,200	-	-
J N Davis*	Consultancy fees	24,000	-	-	-

\*V Davis and J N Davis are related parties by virtue of the fact that they are close family members of B P Davis

# MOLYNEUX MANAGEMENT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2013

### 10 Operating lease commitments

At 24 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	2013 £	2012 £
<b>Expiry date:</b>		
Within 1 year	1,432	-
Between 2 and 5 years	-	1,596

### 11. Share capital

	2013 £	2012 £
<b>Allotted, called up and fully paid</b>		
400 Ordinary shares of £1 each	400	400

### 12 Reserves

	<b>Profit and loss account £</b>
At 25 March 2012	(13,260,822)
Loss for the year	(1,026,756)
At 24 March 2013	(14,287,578)

### 13. Ultimate parent undertaking and controlling party

The parent undertaking of the smallest group of undertakings of which the company is a member is Molyneux Securities Limited, a company incorporated in England. Group financial statements are not prepared.

The parent undertaking of the largest group of undertakings of which the company is a member is Marylebone Property Corporation Limited, a company incorporated in England. Group financial statements are not prepared.

The immediate controlling party is Molyneux Securities Limited, a company incorporated in England.

The ultimate controlling party is Mrs H Lewis.