
MCPHILLIPS (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

MCPHILLIPS (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	A C Dunham R P Inions S MacKenzie D C Wauchope
Company secretary	D C Wauchope
Registered number	05025340
Registered office	Horton House Hortonwood 50 Telford Shropshire TF1 7FG
Independent auditors	WR Partners Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

MCPHILLIPS (HOLDINGS) LIMITED

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MCPHILLIPS (HOLDINGS) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Introduction

The Directors present their Strategic Report for the year ended 30 September 2022.

Business review

Following the management buyout in February 2017 the Company has been consolidating its position.

Cash flow has remained strong throughout the year, and the Company balance sheet remain positive across the group.

Principal risks and uncertainties

The principal risks and uncertainties are the demand within the various sectors in which the company operates and the prevailing weather conditions.

Financial key performance indicators

The Directors consider that the key financial performance indicators are those that demonstrate the activity, financial performance and position of the Company, being net assets and cash position. An analysis of the performance of the Company during the year and its position at the year end is provided in the business review above.

Other key performance indicators

The Company uses a range of other performance indicators to monitor and measure performance within the industry on a regular basis.

This report was approved by the Board and signed on its behalf.

.....
D C Wauchope

Director

Date: 6 March 2023

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The Directors present their report and the financial statements for the year ended 30 September 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, 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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £118,391 (2021 - £2,118,436).

Dividends totalling £nil have been paid during the year (2021: £1,500,000).

Directors

The Directors who served during the year were:

A C Dunham
R P Inions
S MacKenzie
D C Wauchope

Future developments

There are no future developments to report.

MCPHILLIPS (HOLDINGS) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, WR Partners, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

.....
D C Wauchope

Director

Date: 6 March 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MCPHILLIPS (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of McPhillips (Holdings) Limited (the 'Company') for the year ended 30 September 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MCPHILLIPS (HOLDINGS) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MCPHILLIPS (HOLDINGS) LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Company are complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MCPHILLIPS (HOLDINGS) LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date: 9 March 2023

MCPHILLIPS (HOLDINGS) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	1,074,697	896,597
Cost of sales		(955,108)	(734,767)
Gross profit		119,589	161,830
Administrative expenses		(9,978)	(15,613)
Operating profit	5	109,611	146,217
Income from shares in group undertakings		-	2,000,000
Interest receivable and similar income	7	8,780	-
Profit before taxation		118,391	2,146,217
Tax on profit	8	-	(27,781)
Profit for the financial year		118,391	2,118,436

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 12 to 23 form part of these financial statements.

MCPHILLIPS (HOLDINGS) LIMITED
REGISTERED NUMBER: 05025340

BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	2,000,000	2,000,000
Investments	11	5,000	5,000
Investment property	12	-	625,000
		<u>2,005,000</u>	<u>2,630,000</u>
Current assets			
Stocks	13	916,028	1,752,202
Debtors: amounts falling due within one year	14	3,934,521	3,931,090
Cash at bank and in hand	15	1,823,899	361,164
		<u>6,674,448</u>	<u>6,044,456</u>
Creditors: amounts falling due within one year	16	(39,506)	(152,905)
Net current assets		<u>6,634,942</u>	<u>5,891,551</u>
Total assets less current liabilities		<u>8,639,942</u>	<u>8,521,551</u>
Net assets		<u><u>8,639,942</u></u>	<u><u>8,521,551</u></u>

MCPHILLIPS (HOLDINGS) LIMITED
REGISTERED NUMBER: 05025340

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Capital and reserves			
Called up share capital	17	5,000	5,000
Profit and loss account brought forward		8,516,551	7,898,115
Profit for the year		118,391	2,118,436
Other changes in the profit and loss account		-	(1,500,000)
		<u>8,634,942</u>	<u>8,516,551</u>
Profit and loss account carried forward		<u>8,639,942</u>	<u>8,521,551</u>

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

.....
D C Wauchope
Director

Date: 6 March 2023

The notes on pages 12 to 23 form part of these financial statements.

MCPHILLIPS (HOLDINGS) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 October 2020	5,000	7,898,115	7,903,115
Comprehensive income for the year			
Profit for the year	-	2,118,436	2,118,436
Total comprehensive income for the year	-	2,118,436	2,118,436
Contributions by and distributions to owners			
Dividends: Equity capital	-	(1,500,000)	(1,500,000)
Total transactions with owners	-	(1,500,000)	(1,500,000)
At 1 October 2021	5,000	8,516,551	8,521,551
Comprehensive income for the year			
Profit for the year	-	118,391	118,391
Total comprehensive income for the year	-	118,391	118,391
Total transactions with owners	-	-	-
At 30 September 2022	<u>5,000</u>	<u>8,634,942</u>	<u>8,639,942</u>

The notes on pages 12 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. General information

McPhillips (Holdings) Limited is a private company limited by shares and is incorporated and domiciled in England.

The registered office and principal place of business is Horton House, Hortonwood 50, Telford, Shropshire, TF1 7FG.

The principal activity of McPhillips (Holdings) Limited is that of a holding company.

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 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 following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.1(a).

This information is included in the consolidated financial statements of McPhillips 2016 Limited as at 30 September 2022 and these financial statements may be obtained from Companies House or its registered office at Horton House, Hortonwood 50, Telford, Shropshire, England, TF1 7FG.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.4 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.5 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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue 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:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 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.

2.8 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 balance sheet date in the countries where the Company operates and generates income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.9 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, on either a straight line or reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- Nil
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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.

2.10 Investment property

Investment property is carried at fair value reviewed annually by either external qualified valuers or the Directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 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.

2.14 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.

2.15 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

2.17 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the directors there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Rental income	238,137	240,597
Property development	836,560	656,000
	<u>1,074,697</u>	<u>896,597</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>3,200</u>	<u>2,900</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

6. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL).

MCPHILLIPS (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

7. Interest receivable

	2022	2021
	£	£
Other interest receivable	8,780	-
	<u>8,780</u>	<u>-</u>

8. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	-	27,781
	<u>-</u>	<u>27,781</u>
	<u>-</u>	<u>27,781</u>
Total current tax	<u>-</u>	<u>27,781</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£	£
Profit on ordinary activities before tax	<u>118,391</u>	<u>2,146,217</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	22,494	407,781
Effects of:		
Non-taxable income	-	(380,000)
Book profit on chargeable assets	(14,546)	-
Group relief	(7,948)	-
	<u>-</u>	<u>27,781</u>
Total tax charge for the year	<u>-</u>	<u>27,781</u>

MCPHILLIPS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. Taxation (continued)

Factors that may affect future tax charges

From 1 April 2023, the main rate of corporation tax is due to increase from 19% to 25% for companies with profits exceeding £250,000.

9. Dividends

	2022 £	2021 £
Amounts paid on ordinary share capital	-	1,500,000
	<u>-</u>	<u>1,500,000</u>

10. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 October 2021	2,000,000
At 30 September 2022	<u>2,000,000</u>
Net book value	
At 30 September 2022	<u>2,000,000</u>
At 30 September 2021	<u>2,000,000</u>

MCPHILLIPS (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

10. Tangible fixed assets (continued)

The freehold property was valued by BNP Paribas Real Estate UK on 22 November 2016 on an open market existing use basis. The Directors confirm that this valuation is still appropriate.

The net book value of land and buildings may be further analysed as follows:

	2022	2021
	£	£
Freehold	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

The Company has chosen to adopt the FRS102 triennial review 2017 amendments, and measure the investment property rented out to another group entity in accordance with Section 17 Property, Plant and equipment. The date of transition was 1 October 2019.

11. Fixed asset investments

	Investments in Subsidiary Companies
	£
Cost or valuation	
At 1 October 2021	5,000
	<u>5,000</u>
At 30 September 2022	<u>5,000</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
McPhillips Wellington Limited	Horton House, Hortonwood 50, Telford, Shropshire, TF1 7FG	Ordinary	100 %

MCPHILLIPS (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

12. Investment property

	Freehold investment property £
At 1 October 2021	625,000
Disposals	(625,000)
	<u> </u>
At 30 September 2022	<u> </u> -

The brought forward valuations were made by Bruton Knowles LLP on 28 January 2021, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2022 £	2021 £
Historic cost	-	475,000
	<u> </u>	<u> </u>
	<u> </u> -	<u> </u> 475,000

13. Stocks

	2022 £	2021 £
Development stock	916,028	1,752,202
	<u> </u>	<u> </u>
	<u> </u> 916,028	<u> </u> 1,752,202

The carrying value of stocks are stated net of impairment losses totalling £194,601 (2021 - £194,601). Impairment losses totalling £nil (2021 - £nil) were recognised in profit and loss.

MCPHILLIPS (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

14. Debtors

	2022	2021
	£	£
Trade debtors	13,805	7,655
Amounts owed by group undertakings	3,920,716	3,923,435
	<u>3,934,521</u>	<u>3,931,090</u>

15. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	1,823,899	361,164
	<u>1,823,899</u>	<u>361,164</u>

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	16,112	16,688
Corporation tax	-	27,781
Other taxation and social security	966	86,008
Accruals and deferred income	22,428	22,428
	<u>39,506</u>	<u>152,905</u>

There is a fixed and floating charge over all present freehold and leasehold property within McPhillips (Holdings) Limited, securing loans made from previous directors to group companies.

MCPHILLIPS (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

17. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
5,000 (2021 - 5,000) Ordinary shares of £1.00 each	<u>5,000</u>	<u>5,000</u>

18. Reserves

Profit & loss account

The movement in the reserves comprises total company profits, less dividends.

19. Contingent liabilities

The Company is part of a Composite Company Limited Multilateral Guarantee dated 6 February 2017 given by McPhillips 2016 Limited, McPhillips (Holdings) Limited and McPhillips (Wellington) Limited.

Due to the nature of this contingent liability, it is impracticable to estimate the potential financial effect, timing or any uncertainties relating to this.

20. Related party transactions

The Company has taken advantage of the exemption conferred by FRS102 not to disclose transactions with McPhillips (Wellington) Limited, its 100% owned subsidiary, and McPhillips 2016 Limited, its parent company.

21. Controlling party

The Company is controlled by the McPhillips 2016 Limited, a company incorporated in England, who own 100% of the issued share capital. Copies of the McPhillips 2016 Limited Group accounts can be obtained from Companies House or its registered office at Horton House, Hortonwood 50, Telford, Shropshire. England, TF1 7FG.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.