

MARDAN (BEXHILL) LIMITED

Directors' report and financial statements

for the year ended 30 June 2014

TUESDAY



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COMPANIES HOUSE

MARDAN (BEXHILL) LIMITED

Company Information

Directors	D Tannen M I Tannen D A Tannen J M Miller
Company secretary	J M Miller
Registered number	5425190
Registered office	Sutherland House 70-78 West Hendon Broadway London NW9 7BT
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

MARDAN (BEXHILL) LIMITED

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MARDAN (BEXHILL) LIMITED

Directors' report for the year ended 30 June 2014

The directors present their report and the financial statements for the year ended 30 June 2014.

Results and dividends

The profit for the year, after taxation, amounted to £2,044,446 (2013 - loss £1,539,223).

The directors do not recommend the payment of a dividend (2013 - £Nil)

Principal activities

The principal activity of the company during the year continued to be that of property development.

There have been no events since the balance sheet date which materially affect the position of the company.

Directors

The directors who served during the year were:

D Tannen
M I Tannen
D A Tannen
J M Miller

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgments and 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 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.

MARDAN (BEXHILL) LIMITED

**Directors' report
for the year ended 30 June 2014**

Provision of information to auditor

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

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

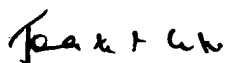
The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing the directors' report advantage has been taken of the small companies exemption under the Companies Act 2006, and of the exemption from preparing a strategic report.

This report was approved by the board on

30 MAR 2015

and signed on its behalf.



J M Miller
Secretary

MARDAN (BEXHILL) LIMITED

Independent auditor's report to the shareholders of Mardan (Bexhill) Limited

We have audited the financial statements of Mardan (Bexhill) Limited for the year ended 30 June 2014, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

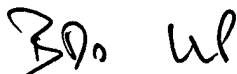
MARDAN (BEXHILL) LIMITED

Independent auditor's report to the shareholders of Mardan (Bexhill) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime and to the exemption from the requirement to prepare a strategic report.



Richard Levy (Senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

London
United Kingdom
Date:

30 MAR 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

MARDAN (BEXHILL) LIMITED

**Profit and loss account
for the year ended 30 June 2014**

	Note	2014 £	2013 £
Cost of sales		(326,000)	(1,416,000)
Gross loss		(326,000)	(1,416,000)
Administrative expenses		(28,103)	(32,411)
Bank loan reduction		2,416,000	-
Total administrative expenses		2,387,897	(32,411)
Other operating income	2	208,163	204,764
Other operating charges		(83,799)	(71,282)
Operating profit/(loss)	3	2,186,261	(1,314,929)
Interest payable and similar charges	4	(141,815)	(224,294)
Profit/(loss) on ordinary activities before taxation		2,044,446	(1,539,223)
Tax on profit/(loss) on ordinary activities	5	-	-
Profit/(loss) for the financial year	9	2,044,446	(1,539,223)

All amounts relate to continuing operations.

The notes on pages 8 to 11 form part of these financial statements.

MARDAN (BEXHILL) LIMITED

**Statement of total recognised gains and losses
for the year ended 30 June 2014**

	2014	2013
	£	£
Profit/(loss) for the financial year	2,044,446	(1,539,223)
Capital contribution by parent company	-	1,755,804
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	2,044,446	216,581
	<hr/>	<hr/>

The notes on pages 8 to 11 form part of these financial statements.

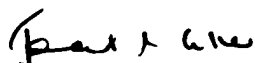
MARDAN (BEXHILL) LIMITED
Registered number: 5425190

Balance sheet
as at 30 June 2014

	Note	£	2014 £	2013 £
Current assets				
Stocks	6	3,174,000	3,500,000	
Cash at bank		10,487	-	
		<u>3,184,487</u>	<u>3,500,000</u>	
Creditors: amounts falling due within one year	7	<u>(3,334,967)</u>	<u>(5,694,926)</u>	
Net current liabilities			<u>(150,480)</u>	<u>(2,194,926)</u>
Total assets less current liabilities			<u>(150,480)</u>	<u>(2,194,926)</u>
Capital and reserves				
Called up share capital	8		1	1
Profit and loss account	9		<u>(150,481)</u>	<u>(2,194,927)</u>
Shareholders' deficit	10		<u>(150,480)</u>	<u>(2,194,926)</u>

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

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



J M Miller
Director

Date: **30 MAR 2015**

The notes on pages 8 to 11 form part of these financial statements.

MARDAN (BEXHILL) LIMITED

Notes to the financial statements for the year ended 30 June 2014

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 applicable accounting standards.

1.2 Going concern

The directors have prepared the financial statements on a going concern basis notwithstanding the fact that the company has net current liabilities.

The company has received a letter of financial support from The Tannen Group Limited, its ultimate parent company, confirming that it will provide financial support to the company for the foreseeable future to enable it to meet its obligations and liabilities as they fall due. On the basis of the above, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Stocks

Stocks include land and other property held for development and resale. They are stated at the lower of cost and net realisable value.

1.5 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2. Other operating income

	2014 £	2013 £
Other operating income	208,163	204,764

Other operating income represents gross rental income.

Other operating charges represents property expenses.

MARDAN (BEXHILL) LIMITED

Notes to the financial statements for the year ended 30 June 2014

3. Operating profit/(loss)

During the year, no director received any emoluments (2013 - £NIL).

The directors' emoluments are paid by another group company and an amount of £12,000 has been recharged to this company for the provision of their services. Auditors' remuneration is also paid by another group company and disclosed in its financial statements.

4. Interest payable

	2014 £	2013 £
On bank loans and overdrafts	91,635	224,294
On other loans	45,513	-
Loan arrangement fees	4,667	-
	<u>141,815</u>	<u>224,294</u>

5. Taxation

	2014 £	2013 £
UK corporation tax charge on profit/loss for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the average rate of corporation tax in the UK of 22.5% (2013 - 23.75%). The differences are explained below:

	2014 £	2013 £
Profit/(loss) on ordinary activities before tax	<u>2,044,446</u>	<u>(1,539,223)</u>
Profit/(loss) on ordinary activities multiplied by average rate of corporation tax in the UK of 22.5% (2013 - 23.75%)	460,000	(365,565)
Effects of:		
Utilisation of tax losses	(336,300)	336,300
Group relief	(123,700)	29,265
	<u>-</u>	<u>-</u>
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

6. Stocks

	2014 £	2013 £
Land and properties held for development and resale	<u>3,174,000</u>	<u>3,500,000</u>

The company's stock is charged as security against a bank loan made to the parent company.

MARDAN (BEXHILL) LIMITED

Notes to the financial statements for the year ended 30 June 2014

7. Creditors: Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	-	5,682,279
Amounts owed to group undertakings	3,319,799	-
Accruals and deferred income	15,168	12,647
	<u>3,334,967</u>	<u>5,694,926</u>

8. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

9. Reserves

	Profit and loss account £
At 1 July 2013	(2,194,927)
Profit for the financial year	2,044,446
	<u>(150,481)</u>
At 30 June 2014	

10. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Opening shareholders' deficit	(2,194,926)	(2,411,507)
Profit/(loss) for the financial year	2,044,446	(1,539,223)
Capital contribution by parent company	-	1,755,804
	<u>(150,480)</u>	<u>(2,194,926)</u>
Closing shareholders' deficit		

11. Ultimate parent undertaking and controlling party

The company's ultimate parent company is The Tannen Group Limited which is controlled by the Tannen family. Group accounts can be obtained from the Registrar of Companies.

MARDAN (BEXHILL) LIMITED

**Notes to the financial statements
for the year ended 30 June 2014**

12. Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with entities in which 100% of the voting rights are controlled within The Tannen Group Limited group.