

Registered number: 5607366

# **MDL Development Company Number 2 Limited**

Report and Financial Statements for  
the year ended  
31 March 2015

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## **MDL Development Company Number 2 Limited**

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Registered number: 5607366

### **Directors**

Hon E R Iliffe (Chairman)

A Boreham

E Feeney

### **Company Secretary**

C Fleming

### **Registered Office**

Outlook House

School Lane

Hamble

Southampton

SO31 4NB

### **Independent Auditors**

PricewaterhouseCoopers LLP

One Reading Central

23 Forbury Road

Reading

RG1 3JH



# **MDL Development Company Number 2 Limited**

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## **Directors' report (continued)**

Registered number: 5607366

### **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 the financial statements for each financial year. Under that law the directors have prepared 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

### **Re-appointment of auditors**

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of PricewaterhouseCoopers LLP as auditor of the company.

### **Disclosure of information to the auditors**

The directors confirm that, as at the date this report was approved, as far as each director is aware, there is no relevant information of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of that information and to establish that the company's auditors are aware of that information.

Approved by the board and signed by order of the board



C Fleming  
Company Secretary

Dated: 24/7/15

# ***Independent auditors' report to the members of MDL Development Company Number 2 Limited***

## **Report on the financial statements**

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### **Our opinion**

In our opinion, MDL Development Company Number 2 Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 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.

### **What we have audited**

MDL Development Company Number 2 Limited's financial statements comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

## **Opinion on other matter prescribed by the Companies Act 2006**

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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.

## **Other matters on which we are required to report by exception**

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### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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## **Responsibilities for the financial statements and the audit**

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### **Our responsibilities and those of the directors**

As explained more fully in the Directors' responsibilities statement set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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### **What an audit of financial statements involves**

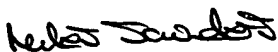
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Miles Saunders (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
24 July 2015

## MDL Development Company Number 2 Limited

### Profit and loss account

For the year ended 31 March 2015

		<i>For the year ended 31 March 2015 £000</i>	<i>For the 15 month period ended 31 March 2014 £000</i>
	<i>Notes</i>		
<b>Turnover</b>		-	-
Operating costs		-	-
<b>Operating result</b>	2	-	-
Other interest receivable and similar income	5	2,875	2,993
Profit on ordinary activities before taxation		2,875	2,993
Tax on profit on ordinary activities	6	(398)	(5,354)
<b>Profit/(loss) for the year/period</b>		<u>2,477</u>	<u>(2,361)</u>

The profit/(loss) for the year/period arises from continuing operations.

There are no other recognised gains or losses other than the profit/(loss) attributable to shareholders of the company of £2,477,000 (2014: loss of £2,361,000).

There is no material difference between the results reported in the profit and loss account and the result on an unmodified historical cost basis.

# MDL Development Company Number 2 Limited

Balance sheet  
As at 31 March 2015

Registered number: 5607366

		31 March 2015	31 March 2014
	Notes	£000	£000
<b>Fixed assets</b>			
Investments	7	-	-
<b>Current assets</b>			
Stocks	8	519	519
Debtors	9	129,543	126,668
		<u>130,062</u>	<u>127,187</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(7,629)</u>	<u>(7,231)</u>
<b>Net current assets</b>		<u>122,433</u>	<u>119,956</u>
<b>Net assets</b>		<u><u>122,433</u></u>	<u><u>119,956</u></u>
<b>Capital and reserves</b>			
Called up share capital	11	500	500
Share premium account	12	109,001	109,001
Profit and loss account	12	<u>12,932</u>	<u>10,455</u>
<b>Total shareholders' funds</b>	12	<u><u>122,433</u></u>	<u><u>119,956</u></u>

The financial statements on pages 6 to 11 were approved by the Board of Directors and signed on its behalf by;



Hon E R Iliffe  
Chairman

Dated: 24/7/15



# MDL Development Company Number 2 Limited

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Notes to the financial statements  
For the year ended 31 March 2015

## 1 Accounting Policies

### Basis of accounting

The financial statements are prepared on the going concern basis, under the historical cost convention, modified by the revaluation of investment properties and certain land and buildings, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The financial statements of MDL Development Company Number 2 Limited were approved for issue by the Board of Directors on the date shown on the Balance Sheet.

### Cash flow statement

The company has not prepared a cash flow statement as permitted by paragraph 5 of Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it is a wholly owned subsidiary of Yattendon Group plc and is included in the consolidated financial statements of Yattendon Group plc, which contain a cash flow statement and which are publicly available.

### Stocks

Long term developments are stated at cost plus attributable overheads incurred, less foreseeable losses.

## 2 Operating result

This has been stated after charging:

	<i>For the year ended 31 March 2015</i>	<i>For the 15 month period ended 31 March 2014</i>
	<i>£000</i>	<i>£000</i>

The operating result for the year was arrived at after charging:

Auditors' remuneration

	-	-
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The audit fee of £3,000 was borne by the immediate parent undertaking, MDL Marinas Group Limited.

## 3 Directors' emoluments

No emoluments were paid to the directors through Marina Developments Limited. Emoluments of the directors of the company are shown in the financial statements of the parent company, MDL Marinas Group Limited. It is not possible to determine an allocation for services rendered to this company.

# MDL Development Company Number 2 Limited

## Notes to the financial statements For the year ended 31 March 2015

### 4 Staff

No staff were employed by the company during the year and no remuneration paid (2014: £nil).

### 5 Other interest receivable and similar income

	<i>For the year ended 31 March 2015</i>	<i>For the 15 month period ended 31 March 2014</i>
Loans from group undertakings	<u>2,875</u>	<u>2,993</u>

### 6 Tax on profit on ordinary activities

<b>a) Tax on profit on ordinary activities</b>	<i>For the year ended 31 March 2015 £000</i>	<i>For the 15 month period ended 31 March 2014 £000</i>
Adjustments in respect of prior periods	(206)	4,660
Payments for group relief	<u>604</u>	<u>694</u>
Current tax charge for the year/period	<u>398</u>	<u>5,354</u>

#### b) Factors affecting tax charge for the year/period

The tax assessed for the year is lower (2014: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2015 of 21% (2014: 23%). The differences are explained below:

	<i>For the year ended 31 March 2015 £000</i>	<i>For the 15 month period ended 31 March 2014 £000</i>
Profit on ordinary activities before taxation	<u>2,875</u>	<u>2,993</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014: 23.2%)	<u>604</u>	<u>694</u>
Effects of:		
Adjustments in respect of prior years	<u>(206)</u>	<u>4,660</u>
Current tax charge for the year/period (note 6(a))	<u>398</u>	<u>5,354</u>

#### c) Factors that may affect future tax charges

The main rate of corporation tax was reduced from 26% to 24% from 1st April 2012 and to 23% from 1st April 2013. Further reductions to reduce the rate to 21% from 1st April 2014 and to 20% by 1st April 2015 were substantially enacted in the Finance Act 2013 on 2nd July 2013 and have been reflected in these financial statements.

d) Included in the corporation tax creditor (Note 10) at the balance sheet date is an estimate of payments due which have not yet been agreed relating to a tax position entered into more than ten years ago.

# MDL Development Company Number 2 Limited

Notes to the financial statements  
For the year ended 31 March 2015

## 7 Investments

Joint Venture  
£000

1st April 2014 and 31st March 2015

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The investments relates to a £50 (50%) holding in Port Penlee Waterside Developments Limited, a company incorporated in England. The companys share of the net assets of the company is £50.

The directors believe that the carrying value of the investments are supported by their underlying net assets.

## 8 Stocks

31 March 2015                      31 March 2014  
£000                                      £000

Long term developments

519

519

## 9 Debtors

31 March 2015                      31 March 2014  
£000                                      £000

Amounts owed by group undertakings

129,543

126,668

Amounts owed by group undertakings represent loans to various companies in the corporate structure. These loans are unsecured, bearing interest calculated on an arms length basis and payable upon demand.

## 10 Creditors: amounts falling due within one year

31 March 2015                      31 March 2014  
£000                                      £000

Corporation tax

4,759

4,660

Group relief payable

2,870

2,571

7,629

7,231

## 11 Called up share capital

31 March 2015                      31 March 2014  
£000                                      £000

Allotted, called up and fully paid:

500,000 (2014: 500,000) Ordinary shares of £1 each

500

500

# MDL Development Company Number 2 Limited

Notes to the financial statements  
For the year ended 31 March 2015

## 12 Reconciliation of movement in shareholders' funds

	<i>Called up share capital</i>	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total Shareholders' Funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 31 March 2014	500	109,001	10,455	119,956
Profit for the year	-	-	2,477	2,477
At 31 March 2015	500	109,001	12,932	122,433

## 13 Related party transactions

The company has taken advantage of the exemption in paragraph 3c of Financial Reporting Standard 8 from disclosing transactions with Yattendon Group PLC and wholly owned subsidiaries within the group headed by that company. There were no other material related party transactions during the year.

## 14 Ultimate parent undertaking

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is MDL Marinas Group Limited registered in England and Wales.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Yattendon Group Plc registered in England and Wales. This Company is also regarded as the ultimate parent company and controlling party.

The financial statements of MDL Marinas Group Limited and Yattendon Group Plc can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.