

REGISTERED NUMBER: 08291018 (England and Wales)

REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
M L REAL ESTATE LTD

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FOR THE YEAR ENDED 31 DECEMBER 2016

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M L REAL ESTATE LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTOR: C B Tuinenburg

REGISTERED OFFICE: Kiln Way
Woodville
Swadlincote
Derbyshire
DE11 8ED

REGISTERED NUMBER: 08291018 (England and Wales)

INDEPENDENT AUDITORS: AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The company's principal activity during the year was the renting of commercial property.

DIRECTOR

C B Tuinenburg held office during the whole of the period from 1 January 2016 to the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The director confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

The auditors, AGK Partners, have signified their willingness to continue in office as auditors.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

C B Tuinenburg - Director

9 August 2017

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the accounts unless he is 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 accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the accounts comply with the Companies Act 2006. He is 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
M L REAL ESTATE LTD

We have audited the financial statements of M L Real Estate Ltd for the year ended 31 December 2016 on pages five to fifteen. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director 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.

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 31 December 2016 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, based on the work undertaken in the course of our audit, the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Michael David Marcus (Senior Statutory Auditor)
for and on behalf of AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

10 August 2017

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER		190,000	190,000
Administrative expenses		<u>112,474</u>	<u>109,962</u>
OPERATING PROFIT	3	77,526	80,038
Interest receivable and similar income		<u>1,012</u>	<u>1,036</u>
PROFIT BEFORE TAXATION		78,538	81,074
Tax on profit		<u>15,708</u>	-
PROFIT FOR THE FINANCIAL YEAR		<u>62,830</u>	<u>81,074</u>

The notes form part of these financial statements

M L REAL ESTATE LTD (REGISTERED NUMBER: 08291018)

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		62,830	81,074
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>62,830</u>	<u>81,074</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION**31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Investment property	4		1,211,700		1,211,700
CURRENT ASSETS					
Debtors	5	243,511		27,366	
Cash at bank		<u>121,968</u>		<u>290,529</u>	
		365,479		317,895	
CREDITORS					
Amounts falling due within one year	6	<u>24,608</u>		<u>39,854</u>	
NET CURRENT ASSETS			<u>340,871</u>		<u>278,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,552,571</u>		<u>1,489,741</u>
CAPITAL AND RESERVES					
Called up share capital	7		1,200,000		1,200,000
Retained earnings	8		<u>352,571</u>		<u>289,741</u>
SHAREHOLDERS' FUNDS			<u>1,552,571</u>		<u>1,489,741</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 9 August 2017 and were signed by:

C B Tuinenburg - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	50,000	208,667	258,667
Changes in equity			
Issue of share capital	1,150,000	-	1,150,000
Total comprehensive income	-	81,074	81,074
Balance at 31 December 2015	<u>1,200,000</u>	<u>289,741</u>	<u>1,489,741</u>
Changes in equity			
Total comprehensive income	-	62,830	62,830
Balance at 31 December 2016	<u>1,200,000</u>	<u>352,571</u>	<u>1,552,571</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. STATUTORY INFORMATION

M L Real Estate Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The functional and presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis as the directors are satisfied that the company will have adequate resources to meet its liabilities to third parties as they fall due.

The company's principal activity during the period under review continued to be that of renting of commercial property.

Significant judgements and estimates

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant judgements or estimates involved in the preparation of the financial statements.

Turnover

Turnover represents the value of rental income chargeable in respect of the company's commercial property.

Turnover is recognised evenly over the period of the rental agreement.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment property is included at fair value. Any gains or losses arising from changes in fair value is recognised in profit or loss. Deferred taxation is provided on these gains or losses at the rate expected to apply when the property is sold.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES - continued

First year adoption

The Company's date of transition is 1 January 2015 from UK GAAP to FRS 102 (Section 1A). The transition has resulted in reclassification of property previously shown as freehold property to investment property and the cost of the property at the date of transition is shown as deemed fair value of the property on transition. Deferred tax has been recognised on the reclassification on transition. For further details refer to reconciliation of equity pages following the notes of the financial statements.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand, short term deposits with an original maturity date of one month. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES - continued

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	2,500	2,500
Other non- audit services	<u>1,004</u>	<u>500</u>

4. INVESTMENT PROPERTY

FAIR VALUE

At 1 January 2016
and 31 December 2016

NET BOOK VALUE

At 31 December 2016
At 31 December 2015

Total
£

<u>1,211,700</u>
<u>1,211,700</u>
<u>1,211,700</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Amounts owed by group undertakings	226,068	9,982
Prepayments and accrued income	17,443	17,384
	<u>243,511</u>	<u>27,366</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Amounts owed to group undertakings	-	22,960
Tax	15,708	-
VAT	5,900	14,398
Accruals and deferred income	3,000	2,496
	<u>24,608</u>	<u>39,854</u>

The company has entered into a cross guarantee to the company's bankers with its fellow subsidiaries. The company has provided the companies banker with a debenture on all its assets. The company has provided the debt factor with a charge on all its assets.

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
1,200,000	Ordinary	1	<u>1,200,000</u>	<u>1,200,000</u>

8. RESERVES

	Retained earnings £
At 1 January 2016	289,741
Profit for the year	62,830
At 31 December 2016	<u>352,571</u>

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of FRS 102, Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

10. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the director, C B Tuinenburg by virtue of his 100% ownership of the issued share capital of the parent company.

11. ULTIMATE PARENT COMPANY

Midland Lead Holdings Limited is regarded by the directors as being the company's ultimate parent company. The results of the company is consolidated in the parent company's financial statement and consolidated financial statements can be found at the registered address of the parent company.

RECONCILIATION OF EQUITY
1 JANUARY 2015
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		1,090,906	(1,090,906)	-
Investments		-	1,200,000	1,200,000
		<u>1,090,906</u>	<u>109,094</u>	<u>1,200,000</u>
CURRENT ASSETS				
Debtors		66,491	-	66,491
Prepayments and accrued income		15,426	-	15,426
Cash at bank		142,930	-	142,930
		<u>224,847</u>	<u>-</u>	<u>224,847</u>
CREDITORS				
Amounts falling due within one year		(26,161)	-	(26,161)
NET CURRENT ASSETS		<u>198,686</u>	<u>-</u>	<u>198,686</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,289,592	109,094	1,398,686
CREDITORS				
Amounts falling due after more than one year		(1,140,018)	-	(1,140,018)
NET ASSETS		<u>149,574</u>	<u>109,094</u>	<u>258,668</u>
CAPITAL AND RESERVES				
Called up share capital		50,000	-	50,000
Retained earnings		99,574	109,094	208,668
SHAREHOLDERS' FUNDS		<u>149,574</u>	<u>109,094</u>	<u>258,668</u>

RECONCILIATION OF EQUITY - continued
31 DECEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		1,047,816	(1,047,816)	-
Investment property		-	1,211,700	1,211,700
		<u>1,047,816</u>	<u>163,884</u>	<u>1,211,700</u>
CURRENT ASSETS				
Debtors		27,366	-	27,366
Cash at bank		290,529	-	290,529
		<u>317,895</u>	<u>-</u>	<u>317,895</u>
CREDITORS				
Amounts falling due within one year		(39,854)	-	(39,854)
NET CURRENT ASSETS		<u>278,041</u>	<u>-</u>	<u>278,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,325,857</u>	<u>163,884</u>	<u>1,489,741</u>
NET ASSETS		<u>1,325,857</u>	<u>163,884</u>	<u>1,489,741</u>
CAPITAL AND RESERVES				
Called up share capital		1,200,000	-	1,200,000
Retained earnings		125,857	163,884	289,741
SHAREHOLDERS' FUNDS		<u>1,325,857</u>	<u>163,884</u>	<u>1,489,741</u>

The notes form part of these financial statements

RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 31 DECEMBER 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	190,000	-	190,000
Administrative expenses	(164,753)	54,791	(109,962)
OPERATING PROFIT	25,247	54,791	80,038
Interest receivable and similar income and	1,036	-	1,036
PROFIT BEFORE TAXATION	26,283	54,791	81,074
Tax on profit	-	-	-
PROFIT FOR THE FINANCIAL YEAR	<u>26,283</u>	<u>54,791</u>	<u>81,074</u>

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.