

Company registration number 02420515 (England and Wales)

MELBOURNE DEVELOPMENTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

MELBOURNE DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	Mr E A D Prime Mrs K E Prime
Secretary	Mrs K E Prime
Company number	02420515
Registered office	18 St Christopher's Way Pride Park Derby DE24 8JY
Accountants	HSKSG 18 St Christopher's Way Pride Park Derby DE24 8JY
Business address	Ockbrook Lodge Church Street Ockbrook Derbyshire DE72 3SL

MELBOURNE DEVELOPMENTS LIMITED

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MELBOURNE DEVELOPMENTS LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MELBOURNE DEVELOPMENTS LIMITED FOR THE YEAR ENDED 31 MARCH 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Melbourne Developments Limited for the year ended 31 March 2022 which comprise, the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>

This report is made solely to the Board of Directors of Melbourne Developments Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Melbourne Developments Limited and state those matters that we have agreed to state to the Board of Directors of Melbourne Developments Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Melbourne Developments Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Melbourne Developments Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Melbourne Developments Limited. You consider that Melbourne Developments Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Melbourne Developments Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

HSKSG

Chartered Accountants

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18 St Christopher's Way
Pride Park
Derby
DE24 8JY

MELBOURNE DEVELOPMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		20,640		26,425
Investment properties	5		1,487,500		1,487,500
			<u>1,508,140</u>		<u>1,513,925</u>
Current assets					
Stocks		2,039,840		2,064,843	
Debtors		1,118,745		598,129	
Cash at bank and in hand		206,187		826,093	
		<u>3,364,772</u>		<u>3,489,065</u>	
Creditors: amounts falling due within one year		<u>(444,969)</u>		<u>(497,525)</u>	
Net current assets			<u>2,919,803</u>		<u>2,991,540</u>
Total assets less current liabilities			<u>4,427,943</u>		<u>4,505,465</u>
Provisions for liabilities			<u>(170,339)</u>		<u>(135,408)</u>
Net assets			<u><u>4,257,604</u></u>		<u><u>4,370,057</u></u>
Capital and reserves					
Called up share capital	7		4,000		4,000
Revaluation reserve	8		662,770		697,863
Capital redemption reserve			8,000		8,000
Profit and loss reserves			<u>3,582,834</u>		<u>3,660,194</u>
Total equity			<u><u>4,257,604</u></u>		<u><u>4,370,057</u></u>

In accordance with section 444 of the Companies Act 2006, all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (SI 2008/409)(b).

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

MELBOURNE DEVELOPMENTS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2022

The financial statements were approved by the board of directors and authorised for issue on 21 December 2022 and are signed on its behalf by:

Mrs K E Prime
Director

Company Registration No. 02420515

MELBOURNE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Melbourne Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is 18 St Christopher's Way, Pride Park, Derby, DE24 8JY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, . The principal accounting policies adopted are set out below.

Throughout the period under review, the COVID-19 pandemic has continued to be an ongoing risk to the global economy.

The directors continue to monitor the impact on the business on an ongoing basis.

At the time of approving the financial statements, the directors do not consider COVID-19 to impact upon the company's ability to continue as a going concern, and the consider the balance sheet to be appropriately valued.

1.2 Turnover

Turnover represents rent receivable from Investment Properties and properties held for sale that are currently rented out in Work in progress.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	33% on cost and 20% reducing balance
Computers	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

MELBOURNE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

MELBOURNE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

Classification of financial liabilities

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

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

MELBOURNE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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 considered to be 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	5	5

4 Tangible fixed assets

	Total £
Cost	
At 1 April 2021 and 31 March 2022	216,560
Depreciation and impairment	
At 1 April 2021	190,135
Depreciation charged in the year	5,785
At 31 March 2022	195,920
Carrying amount	
At 31 March 2022	20,640
At 31 March 2021	26,425

MELBOURNE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Investment property

2022
£

Fair value

At 1 April 2021 and 31 March 2022

1,487,500

Investment property comprises £1,487,500. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors of the company at the year end.

6 Secured debts

There is a charge listed as follows for the company:

Trustees of the Prime Group Directors Self-Administered Pension plan - A charge over the freehold property situated and known as land adjoining St Peter's and St Paul's church, Rectory road, Duckmanton, Chesterfield, S44 5JH.

7 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary A of £1 each	3,000	3,000	3,000	3,000
Ordinary B of £1 each	600	600	600	600
Ordinary C of £1 each	400	400	400	400
	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>

8 Revaluation reserve

	2022 £	2021 £
At the beginning of the year	697,863	693,247
Deferred tax on revaluation of tangible assets	(35,093)	4,616
At the end of the year	<u>662,770</u>	<u>697,863</u>

9 Related party transactions

The following amounts were outstanding at the reporting end date:

At the year end, there was an amount owed by companies that two of the shareholders were directors of. The amounts owed from two separate companies was as follows:

£899,090 (2021: £32,278)

£179,887 (2021: £315,327)

The amounts outstanding were unsecured, had interest charged at 2.5% above base rate and 3% respectively and were repayable on demand.

There was an amount owing to the Prime Group Directors Self-Administered Pension plan of £125,000 (2021: £Nil). The amount outstanding was unsecured, interest free and was repayable on demand.

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.