

Register (OP)

Registered number 1556329

MDL Developments Limited

Report and Financial Statements

31 December 2009

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COMPANIES HOUSE

MDL Developments Limited

Registered number: 1556329

Directors

Lord Iliffe (Chairman)

A J Keeler

B M Bettesworth

A M Chater

J Eads

S T Gray

C C Holmes

Hon E R Iliffe

S L Richards

Secretary

C C Holmes

Auditors

Ernst & Young LLP

No 1 Colmore Square

Birmingham

B4 6HQ

Registered Office

Outlook House

School Lane

Hamble Point

Southampton

SO31 4NB

MDL Developments Limited

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2009

Principal activity

The principal activity of the Company is that of property development

Results for the period

The results for the period are shown on page 7 The directors do not recommend payment of a dividend

Review of the business and future developments

The Directors consider the results for the year and prospects to be satisfactory

Principal risks and uncertainties

The management of the company business and the execution of the company's strategy are subject to a number of risks and uncertainties The company believes the key business risk relates to competition from other organisations

The company is part of a group which actively manages its financial risk and the group's key financial risk relates to interest rate movements The group reduces its exposure by converting a proportion of its debt from floating to pre-determined rates through the use of interest rate swap and cap financial instruments which are fully disclosed in the financial statements of the ultimate parent company

Key performance indicators

Management uses a range of performance measures to manage and monitor the performance of the company Certain of these are particularly important and are listed below as key performance indicators

£'000	2009	2008	% change in year
<i>Financial</i>			
Turnover	1,599	3,248	-50.8%
Profit before tax	35	2,249	-98.4%
(Loss)/Profit for the year	(229)	2,261	-110.1%
Gross assets	31,034	30,462	1.9%

Going concern

The company continues to participate in the UK Group's centralised funding arrangements provided by the parent company, Yattendon Investment Trust PLC and expects to continue generating positive cashflows before taxation for the foreseeable future

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about its ability to continue as a going concern The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The names of the current directors are listed on page 1, no other director served during the year

MDL Developments Limited

Directors' Report

Directors' liability insurance

During the year the company purchased and maintained liability insurance as permitted by section 233 of the Companies Act 2006

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 Ernst & Young LLP as auditor of the Company

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the board



C Holmes
Secretary

Date 10th May 2010

Registered number 1556329

MDL Developments Limited

Statement of directors' responsibilities

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 and loss for that period. In preparing those 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, and
- 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 proper 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.

Independent auditors' report to the members of MDL Developments Limited

We have audited the financial statements of MDL Developments Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors Responsibilities set out on page 4, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's (APB'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 directors, and the overall presentation of the financial statements.

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 2009 and of its loss 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 matters 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.

Independent auditors' report to the members of MDL Developments 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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company financial statements are not in agreement with the accounting records, 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



*Bruce Morton (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham, UK*

Date

11/5/19

MDL Developments Limited

Profit and loss account

For the year ended 31 December 2009

		<i>2009</i> <i>£000</i>	<i>2008</i> <i>£000</i>
Turnover	1	1,599	3,248
Operating costs		<u>(2,037)</u>	<u>(2,313)</u>
Operating (loss)/profit	2	(438)	935
Interest receivable	5	<u>473</u>	<u>1,314</u>
Profit on ordinary activities before taxation		35	2,249
Taxation	6	<u>(264)</u>	<u>12</u>
(Loss)/profit for the year	15	<u><u>(229)</u></u>	<u><u>2,261</u></u>

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

There are no recognised gains or losses other than the loss attributable to shareholders of the company of £229,000 (2008 profit £2,261,000)

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

MDL Developments Limited

Balance sheet

At 31 December 2009

	Notes	2009 £000	2008 £000
Fixed assets			
Tangible assets	7	21	26
Investments in subsidiary	8	<u>2,018</u>	<u>2,018</u>
		2,039	2,044
Current assets			
Stocks	9	4,005	4,887
Debtors	10	24,890	23,432
Cash at bank and in hand		<u>100</u>	<u>99</u>
		28,995	28,418
Creditors: amounts falling due within one year	11	<u>(9,674)</u>	<u>(8,873)</u>
Net current assets		<u>19,321</u>	<u>19,545</u>
Total assets less current liabilities		<u>21,360</u>	<u>21,589</u>
Creditors: amounts falling due after more than one year	12	<u>(13,571)</u>	<u>(13,571)</u>
		<u>7,789</u>	<u>8,018</u>
Capital and reserves			
Share capital	14	15	15
Share premium	15	958	958
Special reserve	15	-	379
Capital redemption reserve fund	15	1,000	1,000
Profit and loss account	15	<u>5,816</u>	<u>5,666</u>
Shareholders funds		<u>7,789</u>	<u>8,018</u>

Lord Iliffe
Chairman



Directors

A J Keeler
Managing Director
Dated


10th May 2010

MDL Developments Limited

Notes to the financial statements
31 December 2009

1 Accounting Policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements of MDL Developments Limited were approved for issue by the Board of Directors on the date shown on the Balance Sheet

Cash flow

The company has not prepared a cashflow statement as permitted by paragraph 5 of Financial Reporting Standard No 1 (Revised 1996)

Turnover

Turnover represents the amounts derived from rents and the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax Turnover all arises from continuing business operations in the United Kingdom

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost

With the exception of land and work under construction, which are not depreciated, depreciation of fixed assets is on a straight line basis calculated at annual rates estimated to write off each asset over the term of its useful life

Freehold and long leasehold buildings	over 15 - 50 years
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Plant and machinery	over 5 - 10 years
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The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date, that will result in an obligation to pay more, or a right to pay less or to receive more, tax with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Capitalisation of finance costs

Interest charges incurred on loans specifically attributable to assets in the course of development are capitalised gross of tax up to the date of practical completion All other interest costs are charged to revenue

Stocks

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

Investments

Investments are recorded at cost less provision for permanent diminutions in value

MDL Developments Limited

Notes to the financial statements
31 December 2009

2 Operating (loss)/profit

This has been stated after charging	2009 £000	2008 £000
The operating (loss)/profit for the year was arrived at after charging		
Auditors' remuneration	5	5
Depreciation of tangible fixed assets - owned	<u>3</u>	<u>8</u>
and after crediting		
Rents receivable (included in turnover)	<u>139</u>	<u>114</u>

The Company's individual accounts do not disclose fees for other services required by Regulation 4 (1) (b) of the Companies (Disclosure of Auditor Remuneration) Regulations 2005 because the Yattendon Investment Trust PLC statements comply with and include the disclosures required by regulation 4 (1) (b)

3 Directors' emoluments

Emoluments of the directors of the company are shown in the accounts of the group company through which they were paid

4 Staff

No staff were employed by the company during the year and no remuneration paid (2008 £nil)

5 Interest receivable and similar income

	2009 £000	2008 £000
Loans to group undertakings	<u>473</u>	<u>1,314</u>

6 Taxation

a) Taxation on profit on ordinary activities

	2009 £000	2008 £000
UK Corporation tax on profits for the year	1	144
Adjustments in respect of prior years	<u>263</u>	<u>-</u>
Current tax charge for the year	264	144
Deferred taxation - adjustments in respect of prior years	<u>-</u>	<u>(156)</u>
	<u>264</u>	<u>(12)</u>

b) Factors affecting tax charge for the year

	2009 £000	2008 £000
Profit on ordinary activities before tax	<u>35</u>	<u>2,249</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28.5%)	10	641
Effects of		
Disallowed expenses and non-taxable income	1	2
Adjustments to tax charge in respect of prior years	263	(156)
Utilisation of brought forward tax losses	<u>(10)</u>	<u>(499)</u>
	<u>264</u>	<u>(12)</u>

There are losses carried forward amounting to £5,015,000 (2008 £4,050,000) available for relief against suitable taxable profits in future accounting periods

MDL Developments Limited

Notes to the financial statements
31 December 2009

7 Tangible fixed assets

	<i>Land and buildings £000</i>	<i>Plant and machinery £000</i>	<i>Total £000</i>
Cost			
1 January 2009	2	43	45
Additions	-	-	-
Disposals	(2)	-	(2)
31 December 2009	<u>-</u>	<u>43</u>	<u>43</u>
Depreciation			
1 January 2009	-	19	19
Provided in the period	-	3	3
Disposals	-	-	-
31 December 2009	<u>-</u>	<u>22</u>	<u>22</u>
Net Book Value at 31 December 2009	<u>-</u>	<u>21</u>	<u>21</u>
Net Book Value at 31 December 2008	<u>2</u>	<u>24</u>	<u>26</u>

8 Investments

	<i>2009 £000</i>	<i>2008 £000</i>
Investments in subsidiary undertakings	<u>2,018</u>	<u>2,018</u>

The principal subsidiary undertakings are wholly owned and are detailed as follows

Name of company	Date acquired/ Incorporated	Country of Incorporation	Principal activity
Ocean Village Resorts Limited	21 December 2004	Great Britain	Property construction & operation
Port Penlee Limited	26 September 2008	Great Britain	Property construction & operation

Group financial statements have not been prepared as the company is itself a subsidiary of MDL Marinas Group plc Which prepares group financial statements The company has therefore claimed the exemption conferred by section 400 of the Companies Act 2006

9 Stocks

	<i>2009 £000</i>	<i>2008 £000</i>
Long term developments	<u>4,005</u>	<u>4,887</u>

MDL Developments Limited

Notes to the financial statements
31 December 2009

10 Debtors

	2009 £000	2008 £000
Trade Debtors	34	9
Amounts owed by group undertakings	19,572	22,541
Amounts owed by ultimate parent undertakings	4,427	-
Prepayments and accrued income	857	882
	<u>24,890</u>	<u>23,432</u>

11 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Bank Overdraft	677	42
Trade creditors	52	148
Corporation Tax	407	144
Amounts owed to group undertakings	7,911	7,852
Other Creditors	573	573
Accruals and deferred income	54	114
	<u>9,674</u>	<u>8,873</u>

12 Creditors: amounts falling due after more than one year

	2009 £000	2008 £000
Accruals and deferred income	500	500
Amounts owed to group undertakings	13,071	13,071
	<u>13,571</u>	<u>13,571</u>

13 Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows

	<i>Provided</i>		<i>Not provided</i>	
	2009 £000	2008 £000	2009 £000	2008 £000
Tax losses carried forward	<u>-</u>	<u>-</u>	<u>(1,404)</u>	<u>(1,143)</u>

MDL Developments Limited

Notes to the financial statements
31 December 2009

14 Called up share capital

	2009 £000	2008 £000
Allotted, called up and fully paid		
15,000 Ordinary shares of £1 each	15	15
9,000 Ordinary "A" shares of £1 each, issued partly paid	-	-
	<u>15</u>	<u>15</u>

15 Reconciliation of shareholders funds and movement on reserves

	Share Capital £000	Share Premium £000	Special Reserve £000	Capital Redemption Reserve £000	Profit and loss account £000	Total Shareholders Funds £000
At 31 December 2008	15	958	379	1,000	5,666	8,018
Transfer	-	-	(379)	-	379	-
Loss for the year	-	-	-	-	(229)	(229)
At 31 December 2009	<u>15</u>	<u>958</u>	<u>-</u>	<u>1,000</u>	<u>5,816</u>	<u>7,789</u>

Under the terms of a Court Order dated 25th June 2003, the special reserve has been transferred to the profit and loss reserve as all creditors outstanding as at 25 June 2003 have been settled

16 Contingent liability

The assets of the company, together with those of other subsidiary undertakings, are pledged as security under fixed and floating charges given in respect of bank loans of the parent company, Yattendon Investment Trust PLC of up to £123,000,000 (2008 £130,000,000)

17 Related party transactions

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

18 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 Mannas Group Plc 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 Investment Trust PLC registered in England and Wales. This Company is also regarded as the ultimate holding company.

The financial statements of MDL Mannas Group Plc and Yattendon Investment Trust PLC can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.