

The Marine & Property Group Ltd

Non Statutory Consolidated Financial Statements

Year Ended

31 December 2016



The Marine & Property Group Ltd

For the year ended 31st December 2016

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Results

The profit and loss account is set out on page 3 shows the profit for the year.

Principal activities

The company's principal activity is that of a parent company for:

- Cardiff Marine Services Limited,
- Aberystwyth Marina Limited
- Port Dinorwic Marina Limited
- The Marine Group Finance Limited
- CMG Power Limited and
- Cardiff Diesel Services Limited

The seven companies within The Marine & Property Group Ltd (The Marine & Property Group Ltd and subsidiaries; Cardiff Marine Services Limited, Aberystwyth Marina Limited, Port Dinorwic Marina Ltd, The Marine Group Finance Limited, Cardiff Diesel Services Limited and CMG Power Limited, together "the group"), continued to demonstrate growth in 2016. Over the coming three years, the directors are confident that the growth trends experienced for the group over the year will continue.

In addition the group benefits from a number of new commercial opportunities which when implemented will allow the group to grow beyond its present capacity in the future. The group plans to build further workshops and facilities at its various locations and further marinas will be added to the portfolio over the coming years.

The Marine & Property Group Ltd employs industry leading personnel with a genuine passion for quality and service and this is borne out in customer feedback whether from a berth holder in one of the company's facilities or a service customer.

During the year the company refinanced facilities of £6.9 million with Lloyds Banking Group providing the group with conservative terms.

The Marine & Property Group Ltd

Consolidated Profit and Loss account
for the year ended 31st December 2016

Directors

Kerry McDonald

Drew James McDonald

Christopher Odling-Smee

Secretary and Registered Office

Christopher Odling-Smee, Cardiff Marine Village, Penarth Road, Cardiff, United Kingdom,
CF11 8TU



The Marine & Property Group Ltd

Consolidated Profit and Loss account
for the year ended 31st December 2016

	Note	Year Ending Dec 2016 £	Year Ending Dec 2015 £
Turnover	2	£3,667,869	£2,666,913
Cost of Sales		£830,035	£800,091
Gross Profit		£2,837,833	£1,866,822
Distribution Costs		£21,598	£10,474
Administration Expenses		£1,770,515	£1,158,617
Operating Profit	3	£1,045,720	£697,731
Other interest receivable		-	-£1
Interest payable		£642,169	£555,587
Profit on ordinary activities before and after taxation for the financial year		£403,551	£142,145
		2016 £	2015 £
Statement of total recognised gains and losses			
Profit for the financial year		403,551	142,145
Prior year adjustments			-
Total recognised gains and losses for the financial year		403,551	142,145

The Marine & Property Group Ltd

Consolidated Balance Sheet at 31st December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed Assets					
Goodwill			130,000		140,000
Tangible Assets	6		17,149,561		13,393,843
Fixed Asset Investment	7		4,075,124		5,898,298
			<u>21,354,685</u>		<u>19,432,141</u>
Current Assets					
Stock		713,437		734,529	
Debtors	8	5,150,177		5,550,402	
Cash at bank and in hand		23,202		47,496	
		<u>5,886,816</u>		<u>6,332,427</u>	
Creditors: amounts falling due within one year	9		<u>3,684,233</u>		<u>3,625,683</u>
Net Current Assets			2,202,583		2,706,744
Total assets less current liabilities			23,557,268		22,138,885
Creditors: amounts falling due after more than one year	10		8,134,749		8,093,345
			<u>15,422,519</u>		<u>14,045,540</u>
Capital and Reserves					
Called up share Capital	11		113		113
Share Premium	12		412,489		412,489
Revaluation Reserve	12		10,362,328		9,371,342
Profit and Loss account	12		4,647,589		4,261,596
Shareholders' funds			<u>15,422,519</u>		<u>14,045,540</u>

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016

1. *Accounting policies*

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

Going Concern

The Marine & Property Group Ltd ("the company") enjoys a substantial element of residual income based on long-term tenant contracts at its Marine Village facility. In addition the company fully owns six subsidiary companies Cardiff Marine Services Limited, Aberystwyth Marina Limited, Port Dinorwic Marina Limited, The Marine Group Finance Limited, Cardiff Diesel Services Limited and CMG 'Power Limited (together, "the Group"). There is sufficient operating profit generated within the Group to support the seven companies. A management fee is paid to The Marine & Property Group Limited by its subsidiaries.

The directors have prepared and reviewed trading forecasts for the period to December 2018 which show a period of strong growth for the Group going forwards.

Cashflow forecasts prepared to December 2018 include the receipt of a substantial cash balance which is due from a commonly controlled company.

Funding is negotiated and reviewed on a Group basis. The directors have a good relationship with their finance providers who are supportive of the business.

Taking the above into account the directors are confident that the company and Group will both continue to grow and represents a going concern.

As a result of the expected improvements in trade, receipts due from commonly controlled companies and support from both the existing shareholders and the finance providers, the directors have adopted the going concern basis for these financial statements.

Turnover

Turnover comprises revenue by the group during the year in respect of rents due for property owned, moorings, storage of boats, and related marine services, consultancy services, and the sales of goods, net of value added tax and trade discounts.

Turnover is recognised at the point of service or point of despatch.

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation charges. Depreciation on tangible fixed assets is provided at rates to write off the cost of those assets or valuation, less their estimated residual values, over their expected useful lives on the following basis:

Land & buildings	-	2% straight line
Marina infrastructure: non-land	-	5% straight line
Marina infrastructure: Land	-	Not depreciated
Plant and machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Office Equipment	-	25% reducing balance
Loose Tools	-	25% reducing balance

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving stocks.

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Deferred Taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be more suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax balances are not discounted.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where sustainability all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

2 Turnover

Turnover arises solely within the United Kingdom

3 Operating Profit/(Loss)

	2015	2014
	£	£
This is arrived after charging:		
Amortisation of goodwill	10,000	10,000
Depreciation of tangible fixed assets	197,776	116,200
Auditors Remuneration	-	-
Bank Charges including refinancing charges	-	-

During the year, no director received remuneration (2014: Nil)

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

4 Group profit & Loss and EBIDA reconciliation for 2016

Group View

	<u>TMG</u>	<u>CMS</u>	<u>CMGP</u>	<u>CDS</u>	<u>Aber</u>	<u>Group</u>
	£	£	£	£	£	£
Turnover	800,863	1,910,591	37,394	443,181	615,954	3,667,869
Cost of sales	-	(343,263)	(28,292)	(372,542)	(188,315)	(830,035)
Gross profit	800,863	1,567,328	9,101	70,639	427,639	2,837,833
Distribution costs	-	(17,836)	-	-	(3,762)	(21,598)
Administrative expenses	(332,641)	(1,234,394)	(44,922)	(101,816)	(88,587)	(1,770,515)
Other operating income	-	-	-	-	-	-
Operating profit	468,222	315,098	(35,821)	(31,177)	335,290	1,045,720
Profit on disposal of fixed assets	-	-	-	-	-	-
Profit on ordinary activities before interest and other income	468,222	315,098	(35,821)	(31,177)	335,290	1,045,720
Interest receivable	-	-	-	-	-	-
Interest payable	(411,025)	(149,160)	(207)	-	(81,777)	(642,169)
Loss on ordinary activities before and after tax	57,197	165,938	(36,028)	(31,177)	253,513	403,551
	<u>TMG</u>	<u>CMS</u>	<u>CMGP</u>	<u>CDS</u>	<u>Aber</u>	<u>Group</u>
PBT per Statutory Accounts	57,197	165,938	(36,028)	(31,177)	253,513	403,551
add						
Amortisation & Exceptional items	242,355		10,000			252,355
Depreciation	60,210	99,624	-	4,976	32,965	197,775
Interest paid	411,025	149,160	207	-	81,777	642,169
EBITDA	770,787	414,722	(25,821)	(26,201)	368,255	1,495,850

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

5 Taxation on profit/(Loss) on ordinary activities:

No Corporation tax is payable on the profit for the year due to the utilisation of group tax losses

6 Tangible Fixed Assets

Group

	Land & Buildings	Marina Infrastructure	Plant and Machinery	Motor Vehicles	Office Equipment	Loose Tools	Total
	£	£	£	£	£	£	£
Cost or Valuation							
At 1st January 2016	3,604,858	10,470,385	2,722,511	78,081	72,332	47,429	16,995,596
Additions	-	1,082,137	362,017	-	2,542	2,755	1,449,451
Disposal	-	-	-	-	-	-	-
At 31st December 2016	<u>3,604,858</u>	<u>11,552,522</u>	<u>3,084,528</u>	<u>78,081</u>	<u>74,874</u>	<u>50,184</u>	<u>18,445,047</u>
Depreciation							
At 1st January 2016	433,408	347,883	202,127	24,065	55,615	34,611	997,709
Provided for the year	60,210	59,007	53,058	16,621	4,371	4,509	197,776
At 31st December 2016	<u>493,618</u>	<u>406,890</u>	<u>255,185</u>	<u>40,686</u>	<u>59,986</u>	<u>39,120</u>	<u>1,195,485</u>
Net Book Value							
At 31st December 2016	<u>3,111,240</u>	<u>11,145,632</u>	<u>2,829,343</u>	<u>37,395</u>	<u>14,888</u>	<u>11,064</u>	<u>17,149,561</u>

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

7 Fixed Asset Investments

<u>Company</u>	Shares in group undertakings and participating interests £
<i>Cost or Valuation</i>	
At 31st December 2016	4,075,124

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the period end is 20% or more are as follows:

<u>Subsidiary undertakings</u>	Class of share capital held	Proportion of share capital held	Nature of Business
Cardiff Marine Services Ltd	Ordinary	100%	Provision of dockside facilities
CMG Power Limited	Ordinary	100%	Operation of a Multi branded Engine Parts and Engine Service Centre
Cardiff Diesel Services (CDS) Ltd	Ordinary	100%	Provision of industrial engine services and the support of the group's engineering department.
Aberystwyth Marina Limited	Ordinary	100%	Operation of Marina and provision of dockside facilities

Port Dinorwic Marina Limited (from March 2017)	Ordinary	100%	Operation of Marina and provision of dockside facilities
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The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

8 Debtors

	Group 2016 £	Group 2015 £
Trade Debtors	3,166,347	3,082,843
Amounts owed by companies under common control	1,555,223	1,960,901
Other Debtors	332,607	410,658
Prepayments and accrued income	90,000	90,000
Deferred Taxation	6,000	6,000
	<u>5,150,177</u>	<u>5,550,402</u>

Deferred
Tax
£

At 1st January and 31st December 2016 6,000

<i>Deferred Taxation</i>	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
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*The amount of deferred taxation is
as follows:*

Accelerated Capital allowances	6,000	6,000	-	-
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The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

9 Creditors: amounts falling due within one year

	Group 2016	Group 2015
	£	£
Bank Loans and Overdrafts (Secured)	339,272	57,636
Other Loans	1,072,702	507,804
Trade Creditors	581,100	792,975
Amounts owed to companies under common control	-	74,579
Other taxation and social security	762,560	809,314
Obligations under finance lease and hire purchase contracts	-	-
Other Creditors	928,599	1,383,375
	<u>3,684,233</u>	<u>3,625,683</u>

10 Creditors: amounts falling due after more than one year

	Group 2016	Group 2015
	£	£
Bank Loans (Secured)	6,846,678	5,200,738
Other Loans (Secured)	321,319	2,892,607
Amounts owed to companies under common control	966,752	
	<u>8,134,749</u>	<u>8,093,345</u>

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2016 (continued)

11 Share Capital

	2016	2015
	£	£
<i>allotted, called up and fully paid</i>		
113 ordinary shares at £1 each	113	113

12 Reserves

	Share Premium	Revaluation Reserve	Profit & Loss Account
	£	£	£
Group			
At 1st January 2016	412,489	10,362,328	4,261,596
Revaluation addition		-	
Shares issued	-	-	-
Profit for the year			403,551
At 31st December 2016	<u>412,489</u>	<u>10,362,328</u>	<u>4,665,147</u>