

The Marine & Property Group Ltd

Non-Statutory Consolidated Financial Statements

Year Ended

31 December 2019



The Marine & Property Group Ltd

For the year ended 31st December 2019

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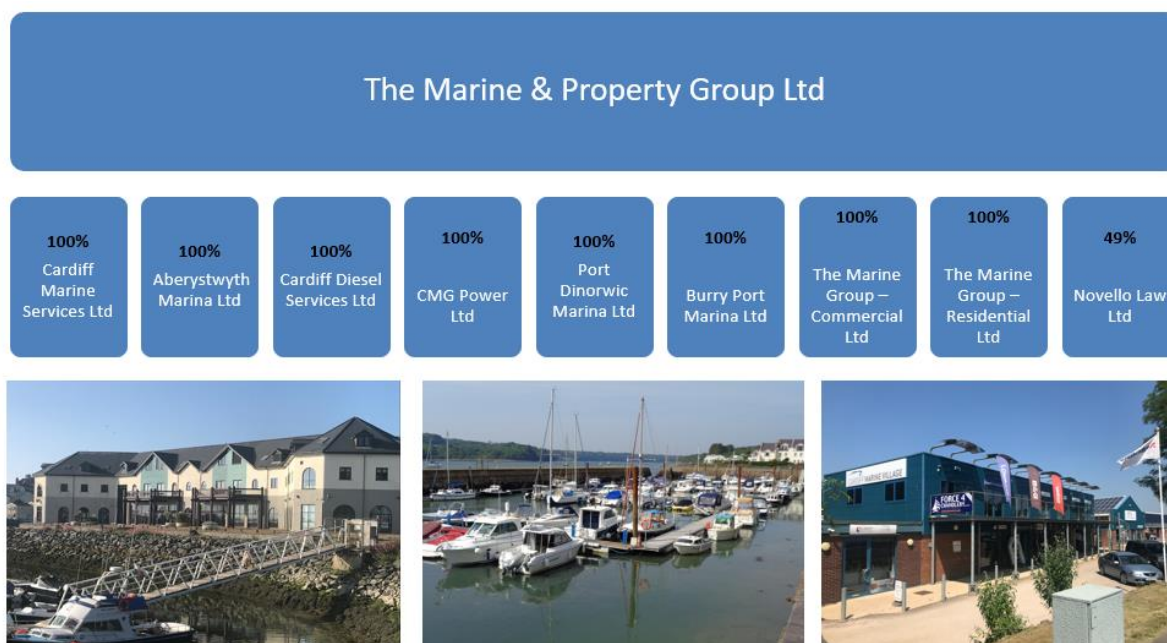
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Results

The profit and loss account is set out on page 5 shows the profit for the year.

Group Structure

The Marine & Property Group Ltd is the holding company of a group of ten companies. The company files statutory accounts for the companies on an individual basis. These consolidated accounts for the group include all businesses in the group where the shareholding is over fifty percent. The group structure is as follows:



Group Financial Highlights

	December 2016	December 2017	December 2018	December 2019
Fixed Assets	£21'354'685	£23'989'527	£26'741'495	£29'486'389
Current Assets	£5'886'816	£4'884'342	£8'183'329	£11'243'113
Creditors < 1 Year	(£3'684'233)	(£3'200'249)	(£3'922'442)	(£4'108'429)
Net Current Assets	£2'202'583	£1'684'093	£4'260'887	£7'134'684
Total Assets (Equity)	£15'422'519	£18'976'034	£22'206'243	£19'972'206

	December 2016	December 2017	December 2018	December 2019
Group Turnover	£3'667'869	£4'298'694	£5'181'152	£4'840'672
Gross Profit	£2'837'833	£3'124'908	£3'310'235	£2'669'451
EBITDA	£1'495'850	£1'730'048	£1'981'046	£1'267'746

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	Burry Port Marina Limited
CMG Power Limited and	Cardiff Diesel Services Limited
The Marine Group – Commercial Ltd	The Marine Group – Residential Ltd


The ten 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, Burry Port Marina Limited, Cardiff Diesel Services Limited, CMG Power Limited, The Marine Group - Commercial Ltd and The Marine Group – Residential Ltd together "the group"), continued to perform per plan in 2019. The management team have incepted a 5-year business plan based upon rational and realistic commercial assumptions and supported by the business unit managers. The 5-year business plan has been developed to monitor the organic growth of the core business today as well as various acquisition and growth projects in support of the core and new business plan model. The directors note that the 5-year business plan has been reviewed by Colliers CRE in their recent enterprise valuation and that the plan represents an important monitoring tool of the business' developing profitability and balance sheet strength. The management team will review the group's adherence to the 5-year plan monthly and as part of the published management information pack.

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 facilities at its various locations and further marinas and harbours 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. Revenue streams are residual and diverse.

BUSINESS INCOME STREAMS

The value of The Marine & Property Group (TMPG) is derived from its robust existing income streams, its reversionary potential and its real estate development opportunities.

 MARINA BERTHING	 BOATYARD SERVICES	 BOAT MAINTENANCE & REPAIR	 MECHANICAL ENGINEERING	 PROPERTY INCOME	 OTHER INCOME
<ul style="list-style-type: none"> Berthing is sold as a pay annually or pay monthly product and is priced at a competitive average of £275 per metre per annum across the 4 marinas. TMPG also offers visitor berthing on a per night basis. Significant reversionary potential via occupancy growth as UK GDP continues upward trajectory 	<ul style="list-style-type: none"> TMPG owns and operates the boat lifting, launching, storage ashore and dry stack at all of its marinas. TMPG offers the boat lifting and launching services to berth holders, visitors and commercial businesses operating on its sites. Storage ashore and dry stack allows TMPG to generate revenue from its land, especially in winter months. Dry stack increases site utilisation. 	<ul style="list-style-type: none"> TMPG offers a comprehensive range of boatyard services. Highly qualified, accredited boat builders and engineers. Specialist undercover workshops with state of the art equipment and tools. Wales' leading boat maintenance and repair centre with over 35 years of dedicated professional service. Appointed Insurance Repair Centre. 	<ul style="list-style-type: none"> TMPG supports industrial, marine and power generation segments. A highly qualified and experienced team of engineers provide a complete power solution covering hire, sales, servicing, repairs, maintenance and parts to support all leading brand power systems. Mobile engineers offer 360 degree coverage of Wales with bases in Cardiff, Swansea, Aberystwyth and Port Dinorwic. 	<ul style="list-style-type: none"> Tenants are essential to the overall marina offering and provide complementary services such as: marine chandlery, cafes, restaurants, bars and shops. Ongoing property asset management initiatives will lead to increased recurring income. 	<ul style="list-style-type: none"> Dredging for third party commercial contracts. Harbour Management & Consultancy income. Asset Management & Development Management income. Legal Services for third party commercial contracts. Establishing Novello Law has converted a cost centre to a profit centre. Commercial vessel work and skippering. Boat sales & Brokerage Fuel sales Chandlery

OWNERS & OPERATORS OF A VALUABLE PORTFOLIO OF MARINAS, LAND AND PROPERTY



CARDIFF

Berths : 460 berths
Land : 12 Acres
Property: c35,000 sqft



BURRY PORT

Berths : 420 berths
Land : 15 Acres
Property: c3,000 sqft



ABERYSTWYTH

Berths : 165 berths
Land : 7 Acres
Property: c15,000 sqft



PORT DINORWIC

Berths : 180 berths
Land : 9 Acres
Property: c8,000 sqft



CARDIFF - BURRY PORT - ABERYSTWYTH - PORT DINORWIC

The company is banked by Thin Cats and Shawbrook Bank providing the group with flexible and conservative terms.

The Marine & Property Group Ltd

Consolidated Profit and Loss account
for the year ended 31st December 2019

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



7th December 2020

The Marine & Property Group Ltd

Consolidated Profit and Loss account
for the year ended 31st December 2019

	Note	Year Ending Dec 2019 £	Year Ending Dec 2018 £
Turnover	2	£4,840,672	£5,181,152
Cost of Sales		<u>£2,171,221</u>	<u>£1,870,917</u>
Gross Profit		£2669,451	£3,310,235
Distribution Costs		£33,284	£40,342
Administration Expenses		£1,764,459	£1,619,111
Operating Profit	3	<u>£871,708</u>	<u>£1,650,782</u>
Other interest receivable		-	-
Interest payable		-£1,573,554	£393,855
Profit on ordinary activities before and after taxation for the financial year		<u><u>-£701,846</u></u>	<u><u>£1,256,927</u></u>
		2019 £	2018 £
Statement of total recognised gains and losses			
Profit for the financial year		-701,846	1,256,927
Prior year adjustments			-
Total recognised gains and losses for the financial year		<u><u>-701,846</u></u>	<u><u>1,256,927</u></u>

The Marine & Property Group Ltd

Consolidated Balance Sheet at 31st December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed Assets					
Goodwill	6		100,000		110,000
Tangible Assets	6		24,668,532		21,913,637
Fixed Asset Investment	6,7		<u>4,717,857</u>		<u>4,717,858</u>
	6		29,486,389		26,741,495
Current Assets					
Stock		106,883		715,910	
Debtors	8	15,805,930		7,945,603	
Cash at bank and in hand		<u>38,787</u>		<u>-478,186</u>	
		15,951,600		8,183,327	
Creditors: amounts falling due within one year					
	9		<u>5,503,105</u>		<u>3,922,441</u>
Net Current Assets					
			10,448,495		4,260,886
Total assets less current liabilities					
			39,934,884		31,002,381
Creditors: amounts falling due after more than one year					
	10		<u>19,962,678</u>		<u>8,796,138</u>
			<u>19,972,206</u>		<u>22,206,243</u>
Capital and Reserves					
Called up share Capital	11		6,171		113
Share Premium	12		2,199,489		3,632,798
Revaluation Reserve	12		12,312,328		11,949,328
Profit and Loss account	12		5,454,218		6,624,004
Shareholders' funds					
			<u>19,972,206</u>		<u>22,206,243</u>



Christopher Odling-Smee

Director

7th December 2020

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2018

1. *Accounting policies*

The financial statement 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 across it's commercial property portfolio. In addition the company fully owns nine subsidiary companies Cardiff Marine Services Limited, Aberystwyth Marina Limited, Port Dinorwic Marina Limited, Burry Port Marina Limited, Cardiff Diesel Services Limited, CMG 'Power Limited, The Marine Group – Commercial Ltd and The Marine Group – Residential Ltd (together, "the Group"). There is sufficient operating profit generated within the Group to support the ten 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 2022 which show a period of strong growth for the Group going forwards.

Funding is negotiated and reviewed on a Group and individual company 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.

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 2019 (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	-	2.5% 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 2019 (continued)

2 Turnover

Turnover arises solely within the United Kingdom

3 Operating Profit/(Loss)

	2019	2018
	£	£
This is arrived after charging:		
Amortisation of goodwill	10,000	10,000
Depreciation of tangible fixed assets	393,390	545,804
Auditors Remuneration	-	-
Bank Charges including refinancing charges	-	-

During the year, no director received remuneration (2018: Nil)

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

4 Group Profit & Loss EBITDA reconciliation for 2019

<u>Group View</u>	<u>TMPG</u>	<u>TMG - Commercial</u>	<u>CMS</u>	<u>CMGP</u>	<u>CDS</u>	<u>ABER</u>	<u>Port Dinorwic</u>	<u>Burry Port</u>	<u>Group</u>
	£	£	£	£	£	£	£	£	£
Turnover	470,930	22,500	3,191,571	-	331,396	316,092	401,266	106,917	4,840,672
Cost of sales	(190,841)	(15,644)	(1,072,460)	(261)	(490,338)	(112,404)	(191,337)	(97,936)	(2,171,221)
Gross profit	280,089	6,856	2,119,111	(261)	(158,942)	203,688	209,929	8,981	2,669,451
Distribution costs	-	-	(21,443)	-	-	-	(6,066)	(5,775)	(33,284)
Administrative expenses	7,216	-	(1,245,829)	(16,515)	(109,039)	(119,313)	(145,149)	(135,830)	(1,764,459)
Other operating income	-	-	-	-	-	-	-	-	-
Operating profit	287,305	6,856	851,839	(16,776)	(267,981)	84,375	58,714	(132,624)	871,708
Profit on disposal of fixed assets	-	-	-	-	-	-	-	-	-
Profit on ordinary activities before interest and other income	287,305	6,856	851,839	(16,776)	(267,981)	84,375	58,714	(132,624)	871,708
Interest receivable	-	-	-	-	-	-	-	-	-
Interest payable	(821,959)	(62,849)	(453,319)	-	-	(87,216)	(88,661)	(59,550)	(1,573,554)
Profit on ordinary activities before and after tax	(534,654)	(55,993)	398,520	(16,776)	(267,981)	(2,841)	(29,947)	(192,174)	(701,846)
	<u>TMPG</u>	<u>TMG - Commercial</u>	<u>CMS</u>	<u>CMGP</u>	<u>CDS</u>	<u>ABER</u>	<u>Port Dinorwic</u>	<u>Burry Port</u>	<u>Group</u>
	£	£	£	£	£	£	£	£	£
PBT per Statutory Accounts	(534,654)	(55,993)	398,520	(16,776)	(267,981)	(2,841)	(29,947)	(192,174)	(701,846)
add									
Amortisation & Exceptional items				-					
Depreciation	(59,158)		(191,253)		(36,538)	(60,847)		(45,594)	(393,390)
Interest Paid	(814,743)	(62,849)	(453,319)	(10,000)	(108)	(87,216)	(88,661)	(59,306)	(1,576,202)
EBITDA	339,247	6,856	1,043,092	(6,776)	(231,335)	145,222	58,714	(87,274)	1,267,746

The Marine & Property Group Ltd

**Notes forming part of the financial statements
for the year ended 31st December 2019 (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

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

7 Fixed Asset Investments

<u>Company</u>	Shares in group undertakings and participating interests £
<i>Cost or Valuation</i>	
At 31st December 2019	4,717,857

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:

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

	Class of share capital held	Proportion of share capital held	Nature of Business
<u>Subsidiary undertakings</u>			
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	Ordinary	100%	Operation of Marina and provision of dockside facilities
Burry Port Marina Limited	Ordinary	100%	Operation of Marina and provision of dockside facilities

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

8 Debtors

	Group 2019 £	Group 2018 £
Trade Debtors	6,767,123	4,594,285
Amounts owed by companies under common control	4,563,444	2,504,885
Other Debtors	4,469,363	840,433
Prepayments and accrued income	-	-
Deferred Taxation	6,000	6,000
	15,805,930	7,945,603

	Deferred Tax £
At 1st January and 31st December 2019	6,000

<i>Deferred Taxation</i>	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
<i>The amount of deferred taxation is as follows:</i>				
Accelerated Capital allowances	6,000	6,000	-	-

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

9 Creditors: amounts falling due within one year

	Group 2019	Group 2018
	£	£
Bank Loans and Overdrafts (Secured)	-	288
Other Loans	236,787	1,074,362
Trade Creditors	618,477	388,076
Amounts owed to companies under common control	772,378	-
Other taxation and social security	1,615,181	1,372,670
Obligations under finance lease and hire purchase contracts	-	-
Other Creditors	2,260,282	1,087,045
	<u>5,503,105</u>	<u>3,922,441</u>

10 Creditors: amounts falling due after more than one year

	Group 2019	Group 2018
	£	£
Bank Loans (Secured)	13,093,129	6,916,374
Other Loans/Creditors	3,078,484	1,879,764
Amounts owed to companies under common control	3,791,065	-
	<u>19,962,678</u>	<u>8,796,138</u>

The Marine & Property Group Ltd

Notes forming part of the financial statements
for the year ended 31st December 2019 (continued)

11 Share Capital

	2019	2018
	£	£
<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
<u>Group</u>	£	£	£
At 1st January 2019	2,199,489	12,312,328	6,156,064
Revaluation addition	-	-	-
Shares issued	-	-	-
Profit for the year	-	-	-701,846
At 31st December 2019	<u>2,199,489</u>	<u>12,318,386</u>	<u>5,454,218</u>