

Marcol Limited

Registered number: 01533505

Information for filing with the registrar

For the year ended 30 June 2019



MARCOL LIMITED
REGISTERED NUMBER: 01533505

BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	57,305	48,955
Tangible assets	5	17,831,466	16,900,902
Investments	6	293,291	293,291
		<u>18,182,062</u>	<u>17,243,148</u>
Current assets			
Stocks	7	71,710	73,406
Debtors	8	1,489,181	1,437,109
Current asset investments	9	5,487	5,487
Cash at bank and in hand	10	16,809	25,416
		<u>1,583,187</u>	<u>1,541,418</u>
Creditors: amounts falling due within one year	11	(6,914,411)	(6,345,648)
Net current liabilities		<u>(5,331,224)</u>	<u>(4,804,230)</u>
Total assets less current liabilities		<u>12,850,838</u>	<u>12,438,918</u>
Creditors: amounts falling due after more than one year	12	(8,533,325)	(8,950,206)
Provisions for liabilities			
Deferred tax	13	(365,705)	(398,352)
Net assets		<u>3,951,808</u>	<u>3,090,360</u>
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account		<u>3,951,708</u>	<u>3,090,260</u>
		<u>3,951,808</u>	<u>3,090,360</u>

MARCOL LIMITED
REGISTERED NUMBER: 01533505

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2019

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

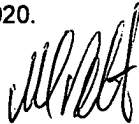
The Company has opted not to file the profit and loss account in accordance with the provisions applicable to companies subject to the small companies' regime.

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

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 February 2020.

M S Betts
Director



The notes on pages 3 to 12 form part of these financial statements.

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

1. General information

Marcol Limited is a private company, limited by shares, incorporated in England. The Company's registered number is 01533505. The address of its registered office is Wolds Garage, Melton Road, Burton On The Wolds, Loughborough, Leicestershire, LE12 5AG.

The principal activity of the Company continued to be the that of contract hire fleet, as well as rentals and leases of commerical vehicles.

The financial statements have been presented in Pounds Sterling (£).

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover includes contract maintenance income, fleet management income, operating lease income, vehicle disposal income and goods including petrol and consumables

Contract maintenance income is deferred to the extent that is relates to future maintenance expenditure that was anticipated at the outset of the agreement.

Operating lease income is credited to the profit and loss account on a straight line basis over the period of the lease.

Vehicle disposal income and goods sold at the store are accounted for at the time goods are sold.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer Software	-	5	years
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2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Plant & machinery	- 20% on cost
Motor vehicles	- over the term of the hire purchase contract in place

2.5 Investments

Investments held as fixed assets are shown at valuation less provision for impairment.

2.6 Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and are depreciated over their useful lives. Hire purchase contracts are those where substantially all the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in trade 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.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Current and deferred taxation

Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the profit and loss account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.14 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

2.16 Fleet maintenance costs

Maintenance costs incurred during a rental contract are charged to the profit and loss account as they are incurred.

3. Employees

The average monthly number of employees, including directors, during the year was 20 (2018 - 20).

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

4. Intangible assets

	Computer software £
Cost	
At 1 July 2018	67,000
Additions	24,000
At 30 June 2019	<u>91,000</u>
Amortisation	
At 1 July 2018	18,045
Charge for the year	15,650
At 30 June 2019	<u>33,695</u>
Net book value	
At 30 June 2019	<u>57,305</u>
At 30 June 2018	<u>48,955</u>

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

5. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Total £
Cost			
At 1 July 2018	275,492	27,236,475	27,511,967
Additions	-	5,687,683	5,687,683
Disposals	-	(2,250,858)	(2,250,858)
At 30 June 2019	<u>275,492</u>	<u>30,673,300</u>	<u>30,948,792</u>
Depreciation			
At 1 July 2018	252,304	10,358,761	10,611,065
Charge for the year	8,818	4,187,099	4,195,917
Disposals	-	(1,689,656)	(1,689,656)
At 30 June 2019	<u>261,122</u>	<u>12,856,204</u>	<u>13,117,326</u>
Net book value			
At 30 June 2019	<u>14,370</u>	<u>17,817,096</u>	<u>17,831,466</u>
At 30 June 2018	<u>23,188</u>	<u>16,877,714</u>	<u>16,900,902</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	<u>17,592,294</u>	<u>15,778,024</u>
	<u>17,592,294</u>	<u>15,778,024</u>

The depreciation charge in respect of such assets amounted to £4,062,239 (2018 - £2,675,202).

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

6. Fixed asset investments

	Unlisted investments £
Cost	
At 1 July 2018	293,291
At 30 June 2019	<u>293,291</u>
Net book value	
At 30 June 2019	<u>293,291</u>
At 30 June 2018	<u>293,291</u>

The directors consider current market valuation is not materially different to cost.

7. Stocks

	2019 £	2018 £
Finished goods and goods for resale	71,710	73,406
	<u>71,710</u>	<u>73,406</u>

8. Debtors

	2019 £	2018 £
Trade debtors	1,086,163	960,914
Other debtors	403,018	476,195
	<u>1,489,181</u>	<u>1,437,109</u>

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

9. Current asset investments

	2019 £	2018 £
Unlisted investments	5,487	5,487
	<u>5,487</u>	<u>5,487</u>

The directors consider current market valuation is not materially different to cost.

10. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	16,809	25,416
Less: bank overdrafts	(193,825)	(501,660)
	<u>(177,016)</u>	<u>(476,244)</u>

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	193,825	501,660
Trade creditors	515,648	473,552
Corporation tax	394,313	340,186
Other taxation and social security	175,432	12,271
Obligations under finance lease and hire purchase contracts	5,493,206	4,831,806
Other creditors	78,325	137,328
Accruals and deferred income	63,662	48,845
	<u>6,914,411</u>	<u>6,345,648</u>

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the company and a personal guarantee totalling £400,000 from M S Betts and K A Betts.

Obligations under hire purchase contracts are secured on the assets to which they relate.

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

12. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	-	8,769
Net obligations under finance leases and hire purchase contracts	8,533,325	8,941,437
	<u>8,533,325</u>	<u>8,950,206</u>

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the company and a personal guarantee totalling £400,000 from M S Betts and K A Betts.

Obligations under hire purchase contracts are secured on the assets to which they relate.

13. Deferred taxation

	2019 £	2018 £
At beginning of year	(398,352)	(378,655)
Charged to profit or loss	32,647	(19,697)
At end of year	<u>(365,705)</u>	<u>(398,352)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(365,705)	(398,352)
	<u>(365,705)</u>	<u>(398,352)</u>

14. Share capital

	2019 £	2018 £
Authorised, allotted, called up and fully paid		
42,750 (2018 - 42,750) Ordinary A shares of £0.001 each	43	43
57,250 (2018 - 57,250) Ordinary B shares of £0.001 each	57	57
	<u>100</u>	<u>100</u>

The above shares rank pari passu in all respects.

MARCOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

15. Contingent liabilities

The company has received a HMRC assessment in respect of certain tax arrangements previously adopted which amount to £159,392. Having taken advice the company is challenging the assessment, and has appealed against the determination. Based on this advice, the directors are confident the tribunal will find in favour of the company. As a result no provision for the tax being claimed by HMRC has been made in these accounts.

16. Commitments under operating leases

At 30 June 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	36,000	36,000
Later than 1 year and not later than 5 years	-	36,000
	<u>36,000</u>	<u>72,000</u>

17. Related party transactions

M S Betts, N Rowell and M O Ward are all directors of the company. At the year end the company was owed £NIL from M S Betts (2018 - The company owed £49,466 to M S Betts), £NIL (2018 - £4,700) to N Rowell and £NIL (2018 - £NIL) from M O Ward.

18. Auditor's information

The auditor's report on the financial statements for the year ended 30 June 2019 was unqualified.

The audit report was signed on 11 February 2020 by Paul Johnson (senior statutory auditor) on behalf of Mazars LLP.