

THE MATADOR COMPANY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2020

BALANCE SHEET
AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	25,072	24,828
Investments	5	12,349	-
		<u>37,421</u>	<u>24,828</u>
Current assets			
Stocks	6	486,329	585,310
Debtors: amounts falling due within one year	7	1,104,902	1,430,906
Cash at bank and in hand	8	33,236	6,009
		<u>1,624,467</u>	<u>2,022,225</u>
Creditors: amounts falling due within one year	9	(306,013)	(1,090,080)
Net current assets		<u>1,318,454</u>	<u>932,145</u>
Total assets less current liabilities		<u>1,355,875</u>	<u>956,973</u>
Creditors: amounts falling due after more than one year	10	(269,444)	-
Provisions for liabilities			
Deferred tax	12	(4,280)	(3,693)
		<u>(4,280)</u>	<u>(3,693)</u>
Net assets		<u><u>1,082,151</u></u>	<u><u>953,280</u></u>

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital	17	20,003	20,003
Profit and loss account	13	1,062,148	933,277
		<u>1,082,151</u>	<u>953,280</u>

The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared 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 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 statement of income and retained earnings 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 by:

.....
D M Ryde
Director

Date: 27 August 2021

The notes on pages 3 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. General information

The Matador Company Limited is a private limited company incorporated by shares in England. The company registration number is 01794948.

The Company's registered office and principal place of business is Unit 6, Top Angel, Buckingham Industrial Park, Buckingham, MK18 1TH.

The Company's principal activity is that of design, development and manufacture of high quality windshield wiper and washer systems for use on cars, buses and trains.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

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, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations.

In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%	
			per annum
Motor vehicles	-	25%	
			per annum
Fixtures and fittings	-	25%	
			per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.6 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

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

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 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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.11 Creditors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 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 at an annual general meeting.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.15 Pensions

Defined contribution pension plan

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 Statement of Income and Retained Earnings 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

2.18 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

2. Accounting policies (continued)

2.19 Discounted trade debtors

The Company has entered into an invoice factoring arrangement with a finance company. In accordance with the Financial Reporting Standard 102 this is in the nature of a secured loan and accordingly the debtors are recorded as current assets and the advances against debtors are shown within creditors due within one year.

2.20 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

3. Employees

The average monthly number of employees, including directors, during the year was 18 (2019 - 22).

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 December 2019	534,258	10,250	97,952	642,460
Additions	-	-	6,691	6,691
At 30 November 2020	534,258	10,250	104,643	649,151
Depreciation				
At 1 December 2019	512,530	9,480	95,622	617,632
Charge for the year on owned assets	5,432	192	823	6,447
At 30 November 2020	517,962	9,672	96,445	624,079
Net book value				
At 30 November 2020	16,296	578	8,198	25,072
At 30 November 2019	21,728	770	2,330	24,828

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

5. Fixed asset investments

	Investments in associates £
Cost	
Additions	12,349
At 30 November 2020	<u>12,349</u>

6. Stocks

	2020 £	2019 £
WIP and finished goods	<u>486,329</u>	<u>585,310</u>

7. Debtors

	2020 £	2019 £
Trade debtors	355,595	550,134
Amounts owed by group undertakings	699,475	854,475
Other debtors	46,114	22,485
Prepayments and accrued income	3,718	3,812
	<u>1,104,902</u>	<u>1,430,906</u>

8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>33,236</u>	<u>6,009</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	120,556	310,412
Trade creditors	164,538	272,818
Corporation tax	3,113	9,683
Other taxation and social security	13,369	6,255
Other creditors	-	486,475
Accruals and deferred income	4,437	4,437
	<u>306,013</u>	<u>1,090,080</u>

Included in bank loans is an amount totalling £nil (2019: £226,247) which is secured against the assets of the company.

Included in other creditors is an amount totalling £nil (2019: £480,926) which is secured against the trade debtors of the company.

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

	2020 £	2019 £
Bank loans	<u>269,444</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

11. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	120,556	310,412
	<u>120,556</u>	<u>310,412</u>
Amounts falling due 1-2 years		
Bank loans	91,667	-
	<u>91,667</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	177,777	-
	<u>177,777</u>	<u>-</u>
	<u>390,000</u>	<u>310,412</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

12. Deferred taxation

	2020 £	2019 £
At beginning of year	3,693	4,695
Charged to profit or loss	587	(1,002)
At end of year	4,280	3,693

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	4,280	3,693
	4,280	3,693

13. Reserves

Profit and loss account

The profit and loss account reserve includes all current and prior period retained profit and losses.

14. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. There were no contributions outstanding at the year end (2019 - £nil).

15. Commitments under operating leases

At 30 November 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	55,000	56,417
Later than 1 year and not later than 5 years	-	55,000
	55,000	111,417

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

16. Related party transactions

Rent totalling £20,520 (2019 - £20,520) was paid by the Company to K D C Ryde and M Ryde, both former directors of the company.

As at 30 November 2020, the Company owes D M Ryde, a Director, £nil (2019: £5,549). The loan is repayable on demand. During the year D M Ryde charged the company interest totalling £nil (2019: £2,189).

17. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
20,000 (2019 - 20,000) Ordinary shares of £1 each	20,000	20,000
3 (2019 - 3) Ordinary Class A shares of £1 each	3	3
	<hr/>	<hr/>
	20,003	20,003
	<hr/>	<hr/>

The "A" shares carry a right to dividends but have no voting rights. The Ordinary and Ordinary Class A shares rank pari passu in the case of a winding up.

18. Controlling party

At the year end, the parent undertaking was Matador Holdings Limited. D M Ryde, director, was deemed the ultimate controlling party by virtue of his 100% shareholding of Matador Holdings Limited.

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.