

# REGISTRAR

Registered number: 02518921

**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



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## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **Introduction**

The Director presents the Strategic Report of Julius A Meller Management Services Ltd ("the Company") for the year ended 31 December 2019.

#### **Business review**

The principal activity of the Company is the provision of management services, which it re-charges to other group companies.

The Company's Director considers the Company's financial position and the business performance to be satisfactory. The Company has kept close control over costs and the Director will continue to monitor cost levels to ensure an adequate return is achieved in the current economic climate.

Turnover increased by 12% to £3.6 million (2018 - £3.2 million), resulting in an operating profit of £0.2 million (2018 -loss £0.1 million).

#### **Objectives of the Company**

The Company's main objectives are to provide support and direction to group companies.

#### **Internal cost monitoring**

The Company has a clear focus on efficient cost management and has a long-term efficiency program in place to effectively manage cost. Where appropriate the Company has improved sourcing and made internal cost savings to reduce costs.

#### **Principal risks and uncertainties**

##### **Covid -19**

The UK has suffered a Pandemic during 2020. The Company has successfully adapted its ways of working in order to keep its staff safe whilst continuing to provide the highest level of Customer service.

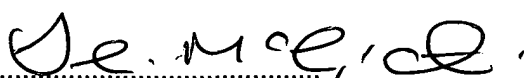
#### **Financial key performance indicators**

Turnover increased by 12% to £3.6 million (2018 - £3.2 million), resulting in an operating profit of £174k (2018 - operating loss of £119k).

#### **Other key performance indicators**

Staff turnover in the year was nil (2018 - nil) as the Company continues to focus on retaining key staff with relevant expertise and experience to support its activities.

This report was approved by the board and signed on its behalf.

  
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J C McGrath  
Director

Date: 2 September 2020

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**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**  
**REGISTERED NUMBER: 02518921**

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**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

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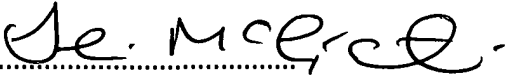
	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	4,633,461	4,511,097
Cash at bank and in hand	6	126,240	-
		<u>4,759,701</u>	<u>4,511,097</u>
Creditors: amounts falling due within one year	7	(4,137,202)	(4,028,030)
<b>Net current assets</b>		<u>622,499</u>	<u>483,067</u>
<b>Total assets less current liabilities</b>		<u>622,499</u>	<u>483,067</u>
<b>Net assets</b>		<u><u>622,499</u></u>	<u><u>483,067</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Profit and loss account	9	621,499	482,067
		<u><u>622,499</u></u>	<u><u>483,067</u></u>

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:

  
.....  
J C McGrath  
Director

Date: 2 September 2020

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

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## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1. General information**

Julius A Meller Management Services Limited is a private company limited by shares, incorporated in England.

The registered address and principal place of business is Unit H, Bedford Business Centre, Mile Road, Bedford, MK42 9TW and the registered company number is 02518921.

The financial statements are presented in GBP and are rounded to the nearest whole pound.

The principal activity of the Company continued to be that of the provision of management services to other group companies.

#### **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 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:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.3 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.

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**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.4 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 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.5 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.6 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 33% per annum
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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.

**2.7 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.

**2.8 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.

**2.9 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.

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## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **2. Accounting policies (continued)**

##### **2.10 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.

##### **2.11 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 ordinary shares.

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 Statement of Income and Retained Earnings.

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.

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.

##### **2.12 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.



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## JULIUS A MELLER MANAGEMENT SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.13 Going concern

In response to the COVID-19 pandemic, the Director has performed a robust analysis of forecast future cash flows taking into account the potential impact on the Company 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.

To mitigate the effects of the Coronavirus Pandemic, as far as possible, the company has implemented the following measures:

Safeguarding the welfare of staff and other stakeholders remains the number one priority. The company has successfully adapted its ways of working in order to keep its staff safe while continuing to provide the highest level of Customer service.

IT infrastructure is such that where possible the workforce was relocated to work from home, and the company continues to be fully operational.

The Pandemic has had a notable effect on the Retail environment and demand is forecast to be down in 2020.

Supply chain disruption is being managed by maintaining multiple sources for all goods and services.

Based on these assessments and having regard to the resources available to the Company, the Director has concluded that there is no material uncertainty arising from the COVID-19 pandemic and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

#### 3. Employees

The average monthly number of employees, including the director, during the year was as follows:

	2019 No.	2018 No.
Office and Management	4	4

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**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**4. Tangible fixed assets**

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 January 2019	<b>5,731</b>
At 31 December 2019	<b>5,731</b>
<b>Depreciation</b>	
At 1 January 2019	<b>5,731</b>
At 31 December 2019	<b>5,731</b>
<b>Net book value</b>	
At 31 December 2019	<b>-</b>
At 31 December 2018	<b>-</b>

**5. Debtors**

	<b>2019 £</b>	<b>2018 £</b>
Amounts owed by group undertakings	<b>4,599,441</b>	4,490,618
Other debtors	<b>22,610</b>	18,398
Prepayments and accrued income	<b>8,542</b>	-
Deferred taxation	<b>2,868</b>	2,081
	<b>4,633,461</b>	4,511,097

**6. Cash and cash equivalents**

	<b>2019 £</b>	<b>2018 £</b>
Cash at bank and in hand	<b>126,240</b>	-
Less: bank overdrafts	-	(228,951)
	<b>126,240</b>	(228,951)

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**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**7. Creditors: Amounts falling due within one year**

	2019 £	£
Bank overdrafts	-	228,951
Amounts owed to group undertakings	3,608,835	854,264
Corporation tax	34,583	402
Other taxation and social security	130,885	122,022
Other creditors	60,000	59,200
Accruals and deferred income	302,899	2,763,191
	<u>4,137,202</u>	<u>4,028,030</u>

**8. Deferred taxation**

	2019 £	2018 £
At beginning of year	2,081	1,332
Credited to profit or loss	787	749
<b>At end of year</b>	<u><b>2,868</b></u>	<u><b>2,081</b></u>

The deferred tax asset is made up as follows:

	2019 £	2018 £
Pension creditor	<u>2,868</u>	<u>2,081</u>

**9. Reserves****Profit and loss account**

This reserve represents the cumulative profits and losses of the Company after the payment of dividends.

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## **JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **10. Contingent liabilities**

The Company has guaranteed the borrowings of its parent company and other subsidiaries as part of group banking arrangements. This guarantee is secured by a fixed and floating charge over the assets of the companies involved. At 31 December 2019 the contingent liability in respect of this guarantee was £2,913,183 (2018 - £1,800,000).

The Company is included in a group registration for VAT purposes with its parent and other fellow subsidiary companies. All members of the VAT group are jointly and severally liable for the total amount of VAT due and at 31 December 2019 the contingent liability of the group registration was £70,400 (2018 - £226,330).

#### **11. 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. The pension cost charge represents contributions payable by the Company to the fund and amounted to £17,683 (2018 - £15,737). Contributions totalling £16,872 (2018 - £12,242) were payable to the fund at the balance sheet date are included in creditors.

#### **12. Related party transactions**

At the Balance Sheet date an amount of £60,000 (2018 - £59,200) is included within other creditors and which was due to J Curtis FCA, Company Secretary and shareholder in the ultimate parent undertaking. Interest of £1,500 has been accrued and paid (2018 - £nil). There is no set date for repayment.

At the Balance Sheet date £2,860 (2018 - £210) was owed to the Company by D Meller, a shareholder in the ultimate parent undertaking and is included in other debtors. No interest is accruing and there are no set terms for repayment.

At the Balance Sheet date £211 (2018 - £769) was owed to the Company by M Meller, a shareholder in the ultimate parent undertaking and is included in other debtors. No interest is accruing and there are no set terms for repayment.

Pension contributions are paid into a fund owned and operated by the ultimate beneficial owners.

#### **13. Controlling party**

The Company's parent undertaking is Meller Group Limited located at Unit H Bedford Business Centre, Mile Road, Bedford, MK42 9TW, incorporated in England, which heads the smallest and largest group in which the results of the Company are consolidated.

Copies of the Group financial statements of Meller Group Limited are available from Companies House.

The Company's ultimate parent undertaking and controlling party is CS Holdings Limited located at: Unit H Bedford Business Centre, Mile Road, Bedford, MK42 9TW, a Company incorporated in Jersey.

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**JULIUS A MELLER MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**14. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 2 September 2020 by Steven Moore BA ACA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.