

Hi-Level Mezzanines Limited

Annual Report and Financial Statements
for the Year Ended 30 April 2018

MMO Limited
Chartered Accountants and Statutory Auditors
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Hi-Level Mezzanines Limited

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Hi-Level Mezzanines Limited

Company Information

Directors	Mr J Davis Mr C P Baxter Mr P M Alexander Mr D L J Quail
Company secretary	Mr P M Alexander
Registered office	Unit 6 Petersfield Business Park Bedford Road Petersfield Hampshire GU32 3QA
Auditors	MMO Limited Chartered Accountants and Statutory Auditors Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN

Hi-Level Mezzanines Limited

Strategic Report for the Year Ended 30 April 2018

The directors present their strategic report for the year ended 30 April 2018.

Principal activity

The principal activity of the company is manufacture and sale of mezzanine flooring

Fair review of the business

The company has seen a substantial increase in turnover. Even given that market conditions were considered more favourable than for some considerable time. The company has maintained its vigilance with regard to risk and customer profiles. This reflects in the improvement in turnover.

The position of the company remains satisfactory, as reflected in the year end balance sheet.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2018	2017
Turnover	£	10,940,941	9,343,660
Turnover growth	%	17	25
Gross profit margin	%	31	32
Profit before tax	£	609,566	530,776

Principal risks and uncertainties

The principle risks and uncertainties remain as the levels of demand in a recovering economy. In the capital goods sector our product range tends to be dependent on the availability of finance, and as such the quantity of new business seen has affected the level of demand in a positive way.

The company is exploring new market places to balance these risks, into the medium term.

The price of core materials remains weak, leading to better buying and margin retention.

The company has entered into a collaborative agreement with a leading academic institution. This is a medium term project engaging advances in technology.

Approved by the Board on 28 January 2019 and signed on its behalf by:

.....
Mr P M Alexander
Company secretary and director

Hi-Level Mezzanines Limited

Directors' Report for the Year Ended 30 April 2018

The directors present their report and the financial statements for the year ended 30 April 2018.

Directors of the company

The directors who held office during the year were as follows:

Mr J Davis

Mr C P Baxter

Mr P M Alexander - Company secretary and director

Mr D L J Quail

Financial instruments

Objectives and policies

The company's main objective is to re-establish revenues in existing, new and related markets and increasing the turnover from ancillary products to the mezzanine flooring such as the installation of partitioning and flooring.

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that it achieves a competitive rate of interest. The business makes use of the money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

The trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 28 January 2019 and signed on its behalf by:

.....
Mr P M Alexander
Company secretary and director

Hi-Level Mezzanines Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Hi-Level Mezzanines Limited

Independent Auditor's Report to the Members of Hi-Level Mezzanines Limited

Opinion

We have audited the financial statements of Hi-Level Mezzanines Limited (the 'company') for the year ended 30 April 2018, which comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Hi-Level Mezzanines Limited

Independent Auditor's Report to the Members of Hi-Level Mezzanines Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Hi-Level Mezzanines Limited

Independent Auditor's Report to the Members of Hi-Level Mezzanines Limited

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

.....

Gillian McIntosh (Senior Statutory Auditor)

For and on behalf of MMO Limited, Statutory Auditor

Wellesley House

204 London Road

Waterlooville

Hampshire

PO7 7AN

29 January 2019

Hi-Level Mezzanines Limited

Profit and Loss Account for the Year Ended 30 April 2018

	Note	2018 £	2017 £
Turnover	<u>3</u>	10,940,941	9,343,660
Cost of sales		<u>(7,547,652)</u>	<u>(6,349,640)</u>
Gross profit		3,393,289	2,994,020
Administrative expenses		<u>(2,790,808)</u>	<u>(2,474,848)</u>
Operating profit	<u>5</u>	<u>602,481</u>	<u>519,172</u>
Other interest receivable and similar income	<u>6</u>	7,565	11,604
Interest payable and similar expenses	<u>7</u>	<u>(480)</u>	<u>-</u>
		<u>7,085</u>	<u>11,604</u>
Profit before tax		609,566	530,776
Taxation	<u>11</u>	<u>(115,668)</u>	<u>(105,686)</u>
Profit for the financial year		<u><u>493,898</u></u>	<u><u>425,090</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 11 to 21 form an integral part of these financial statements.

Hi-Level Mezzanines Limited
(Registration number: 02595852)
Balance Sheet as at 30 April 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>12</u>	522,002	470,562
Investment property	<u>13</u>	339,374	-
		<u>861,376</u>	<u>470,562</u>
Current assets			
Stocks	<u>15</u>	30,756	37,338
Debtors	<u>16</u>	4,148,252	5,263,954
Cash at bank and in hand		2,287,319	2,107,662
		6,466,327	7,408,954
Creditors: Amounts falling due within one year	<u>18</u>	(1,540,327)	(2,654,031)
Net current assets		<u>4,926,000</u>	<u>4,754,923</u>
Total assets less current liabilities		5,787,376	5,225,485
Creditors: Amounts falling due after more than one year	<u>18</u>	(56,546)	-
Provisions for liabilities	<u>19</u>	(14,694)	(3,248)
Net assets		<u>5,716,136</u>	<u>5,222,237</u>
Capital and reserves			
Called up share capital	<u>21</u>	225	225
Profit and loss account		5,715,911	5,222,012
Total equity		<u>5,716,136</u>	<u>5,222,237</u>

Approved and authorised by the Board on 28 January 2019 and signed on its behalf by:

.....

Mr P M Alexander
Company secretary and director

The notes on pages 11 to 21 form an integral part of these financial statements.
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Hi-Level Mezzanines Limited

Statement of Cash Flows for the Year Ended 30 April 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit for the year		493,898	425,090
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	71,833	72,257
Loss on disposal of tangible assets	<u>4</u>	6,875	3,702
Finance income	<u>6</u>	(7,565)	(11,604)
Finance costs	<u>7</u>	480	-
Income tax expense	<u>11</u>	115,668	105,686
		<u>681,189</u>	<u>595,131</u>
Working capital adjustments			
Decrease/(increase) in stocks	<u>15</u>	6,582	(27,370)
Decrease/(increase) in trade debtors	<u>16</u>	1,115,702	(1,523,850)
(Decrease)/increase in trade creditors	<u>18</u>	(1,044,512)	571,324
Cash generated from operations		<u>758,961</u>	<u>(384,765)</u>
Income taxes paid	<u>11</u>	(179,765)	(186,177)
Net cash flow from operating activities		<u>579,196</u>	<u>(570,942)</u>
Cash flows from investing activities			
Interest received	<u>6</u>	7,566	11,605
Acquisitions of tangible assets		(114,650)	(111,360)
Proceeds from sale of tangible assets		51,000	14,243
Acquisition of investment properties		(339,374)	-
Net cash flows from investing activities		<u>(395,458)</u>	<u>(85,512)</u>
Cash flows from financing activities			
Payments to finance lease creditors		(4,081)	-
Net increase/(decrease) in cash and cash equivalents		<u>179,657</u>	<u>(656,454)</u>
Cash and cash equivalents at 1 May		<u>2,107,662</u>	<u>2,764,116</u>
Cash and cash equivalents at 30 April		<u><u>2,287,319</u></u>	<u><u>2,107,662</u></u>

The notes on pages 11 to 21 form an integral part of these financial statements.

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Unit 6
Petersfield Business Park
Bedford Road
Petersfield
Hampshire
GU32 3QA
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% reducing balance
Office equipment	25% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the company's turnover for the year by market is as follows:

	2018 £	2017 £
UK	10,940,941	9,343,660

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2018 £	2017 £
Gain (loss) on disposal of property, plant and equipment	(6,875)	(3,702)

5 Operating profit

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	71,833	72,257
Operating lease expense - plant and machinery	64,908	68,007
Loss on disposal of property, plant and equipment	6,875	3,702

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

6 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	7,565	11,604

7 Interest payable and similar expenses

	2018 £	2017 £
Interest on obligations under finance leases and hire purchase contracts	480	-

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	1,014,912	995,758
Social security costs	124,361	120,462
Pension costs, defined contribution scheme	6,873	8,057
	1,146,146	1,124,277

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Administration and support	31	30

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	238,074	220,080
Contributions paid to money purchase schemes	626	6,067
	<u>238,700</u>	<u>226,147</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2018 No.	2017 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

In respect of the highest paid director:

	2018 £	2017 £
Remuneration	<u>111,852</u>	<u>115,096</u>

10 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	<u>10,995</u>	<u>7,046</u>

11 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
Current taxation		
UK corporation tax	104,222	113,713
Deferred taxation		
Arising from origination and reversal of timing differences	<u>11,446</u>	<u>(8,027)</u>
Tax expense in the income statement	<u>115,668</u>	<u>105,686</u>

Deferred tax

Deferred tax assets and liabilities

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

12 Tangible assets

	Land and buildings £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 May 2017	253,820	227,195	208,824	689,839
Additions	-	168,768	12,381	181,149
Disposals	-	(74,509)	(20,069)	(94,578)
At 30 April 2018	253,820	321,454	201,136	776,410
Depreciation				
At 1 May 2017	-	83,771	135,506	219,277
Charge for the year	-	50,899	20,934	71,833
Eliminated on disposal	-	(18,628)	(18,074)	(36,702)
At 30 April 2018	-	116,042	138,366	254,408
Carrying amount				
At 30 April 2018	253,820	205,412	62,770	522,002
At 30 April 2017	253,820	143,424	73,318	470,562

Included within the net book value of land and buildings above is £253,820 (2017 - £253,820) in respect of freehold land and buildings.

13 Investment properties

	2018 £
Additions	339,374

There has been no valuation of investment property by an independent valuer.

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

14 Investments in subsidiaries, joint ventures and associates

	2018 £	2017 £
Subsidiaries		
Cost or valuation		
Provision		
Carrying amount		
At 30 April 2018		

15 Stocks

	2018 £	2017 £
Raw materials and consumables	30,756	37,338

16 Debtors

	Note	2018 £	2017 £
Trade debtors		1,008,783	2,310,952
Amounts owed by related parties	24	3,073,970	2,899,476
Prepayments		65,499	53,526
Total current trade and other debtors		4,148,252	5,263,954

17 Cash and cash equivalents

	2018 £	2017 £
Cash at bank	10,000	63,825
Short-term deposits	2,277,319	2,043,837
	2,287,319	2,107,662

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

18 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	<u>22</u>	6,351	-
Trade creditors		1,244,454	2,006,963
Social security and other taxes		97,264	239,762
Outstanding defined contribution pension costs		2,384	895
Other payables		123,742	176,533
Accrued expenses		27,962	116,165
Corporation tax liability	<u>11</u>	38,170	113,713
		<u>1,540,327</u>	<u>2,654,031</u>
Due after one year			
Loans and borrowings	<u>22</u>	<u>56,546</u>	<u>-</u>

There is an intercompany guarantee in place between Hi-Level Mezzanines Limited, The Mezzanine Floor Group Limited, Hi-Level Holdings Limited and Hi-Level Designs Limited, supported by a debenture, secured by a fixed and floating charge over the assets of the company.

19 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 May 2017	3,248	3,248
Increase (decrease) in existing provisions	<u>11,446</u>	<u>11,446</u>
At 30 April 2018	<u>14,694</u>	<u>14,694</u>

20 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £6,873 (2017 - £8,057).

Contributions totalling £2,384 (2017 - £895) were payable to the scheme at the end of the year and are included in creditors.

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

21 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	225	225	225	225

22 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Finance lease liabilities	56,546	-
Current loans and borrowings		
Finance lease liabilities	6,351	-

23 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	53,363	53,325
Later than one year and not later than five years	31,947	52,200
	85,310	105,525

The amount of non-cancellable operating lease payments recognised as an expense during the year was £64,908 (2017 - £68,007).

24 Related party transactions

Summary of transactions with parent

The Mezzanine Floor Group Limited

During the year management charges of £1,235,000 (2017: £972,275) were charged by The Mezzanine Floor Group Limited, the ultimate parent company. At the year end The Mezzanine Floor Group Limited owed the company £2,944,685 (2017: £2,770,192).

Hi-Level Mezzanines Limited

Notes to the Financial Statements for the Year Ended 30 April 2018

Summary of transactions with subsidiaries

Hi-Level Design Limited

At the year end Hi-Level Design Limited owed the company £129,283 (2017: £129,283)

25 Parent and ultimate parent undertaking

The company's immediate parent is Hi-Level Holdings Limited , incorporated in England .

The ultimate parent is The Mezzanine Floor Group Limited , incorporated in England .

These financial statements are available upon request from Unit 6, Petersfield Business Park, Petersfield, Hampshire, GU32 3QA

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