

Company Registration No. 02643978 (England and Wales)

M & N WHOLESALERS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
PAGES FOR FILING WITH REGISTRAR

M & N WHOLESALERS LIMITED

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M & N WHOLESALERS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		98		116
Investment properties	4		550,000		550,000
			<u>550,098</u>		<u>550,116</u>
Current assets					
Debtors	5	11,379		26,079	
Cash at bank and in hand		10,097		89	
		<u>21,476</u>		<u>26,168</u>	
Creditors: amounts falling due within one year	6	(363,588)		(355,970)	
Net current liabilities			<u>(342,112)</u>		<u>(329,802)</u>
Total assets less current liabilities			207,986		220,314
Creditors: amounts falling due after more than one year	7	(118,000)		(142,000)	
Net assets			<u>89,986</u>		<u>78,314</u>
Capital and reserves					
Called up share capital			2		2
Profit and loss reserves			89,984		78,312
Total equity			<u>89,986</u>		<u>78,314</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

M & N WHOLESALERS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2020

The financial statements were approved by the board of directors and authorised for issue on 25 February 2021 and are signed on its behalf by:

Mr M Finn
Director

Company Registration No. 02643978

M & N WHOLESALERS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2018	2	70,249	70,251
Year ended 30 June 2019:			
Profit and total comprehensive income for the year	-	8,063	8,063
Balance at 30 June 2019	2	78,312	78,314
Year ended 30 June 2020:			
Profit and total comprehensive income for the year	-	11,672	11,672
Balance at 30 June 2020	2	89,984	89,986

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

M & N Wholesalers Limited is a private company limited by shares incorporated in England and Wales. The registered office is No 4 Castle Court 2, Castlegate Way, Dudley, West Midlands, DY1 4RH.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention. The accounts have been prepared on the basis that the company is able to continue to trade. This is dependent on the continued support from a company under control which will pay any liabilities that it is unable to meet itself.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	2	2

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 July 2019 and 30 June 2020	18,905
Depreciation and impairment	
At 1 July 2019	18,789
Depreciation charged in the year	18
At 30 June 2020	18,807
Carrying amount	
At 30 June 2020	98
At 30 June 2019	116

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

4 Investment property

	2020 £
Fair value	
At 1 July 2019 and 30 June 2020	550,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 June 2020 by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by group undertakings and undertakings in which the company has a participating interest	11,379	26,079

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	24,001	24,001
Corporation tax	4,779	6,151
Other creditors	334,808	325,818
	363,588	355,970

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	118,000	142,000

Bank indebtedness is secured by a fixed and floating charge over the company's assets and a legal charge over the company's property. Bank loan repayments are set at £6,000 per quarter over the next 6 years. Interest is charged at 2.85% over LIBOR. Director's loans are repayable by agreement with the company.

Creditors which fall due after five years are as follows:	2020 £	2019 £
Payable by instalments	22,000	46,000

M & N WHOLESALERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

8 Related party transactions

During the year the company entered into the following transactions with related parties: Carjan Properties Limited is owned by T Rochelle and C Finn. Other debtors includes a loan to Carjan Properties Limited of £11,379 (2019 - £26,079). There are no specific terms to this loan with regard to interest or repayment.

M&T Stores & Properties Limited is owned by T Rochelle and C Finn. Other creditors includes a loan from M & T Stores and Properties Limited of £159,322 (2019 - £159,322). There are no specific terms to this loan with regard to interest or repayment.

9 Directors' transactions

M Finn and T Rochelle each have loan accounts with credit balances totalling £173,189 (2019 - £162,379). There are no specific terms to these loans with regard to repayment.

10 Control

The ultimate controlling party is the directors.

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.