

MAXEY MOVERLEY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

MAXEY MOVERLEY LIMITED
REGISTERED NUMBER:03279540

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Intangible assets	4	102,668	154,002
Tangible assets	5	111,779	137,131
		<u>214,447</u>	<u>291,133</u>
CURRENT ASSETS			
Stocks	6	209,003	278,120
Debtors: amounts falling due within one year	7	638,089	582,765
Cash at bank and in hand	8	29	408
		<u>847,121</u>	<u>861,293</u>
Creditors: amounts falling due within one year	9	(761,675)	(853,444)
NET CURRENT ASSETS		<u>85,446</u>	<u>7,849</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>299,893</u>	<u>298,982</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	10	(5,482)	(4,606)
		<u>(5,482)</u>	<u>(4,606)</u>
NET ASSETS		<u><u>294,411</u></u>	<u><u>294,376</u></u>
CAPITAL AND RESERVES			
Called up share capital		1,300	1,300
Profit and loss account		293,111	293,076
		<u>294,411</u>	<u>294,376</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the 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:

Andrew Beckett
Director

Date: 13 September 2019

MAXEY MOVERLEY LIMITED
REGISTERED NUMBER:03279540

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

Maxey Moverley Limited is a private company limited by shares incorporated in the UK and registered in England and Wales. The address of the registered office and trading address is 6 Broad Ground Road, Lakeside, Redditch, Worcestershire, B98 8YP.

These financial statements cover the individual entity only.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The directors have reviewed budgets and forecasts for a period of 12 months following the date of approval of the financial statements. Considering this and profits generated by the company as well as adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP

All amounts in the financial statements have been rounded to the nearest 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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (continued)**2.4 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.

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.

2.5 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.

2.6 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.

2.7 BORROWING COSTS

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (continued)**2.8 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 Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 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 reporting 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 Statement of financial position 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 reporting date.

2.10 INTANGIBLE ASSETS

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

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

The estimated useful lives range as follows:

Other intangible fixed assets	-	5	years
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (continued)

2.11 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 or straight line basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance
Fixtures and fittings	-	10% Straight line and 25% reducing balance

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.

2.12 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 reporting 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.

2.13 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.

2.14 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.

2.15 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 31 DECEMBER 2018**

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 Statement of financial position 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 Statement of financial position.

2.17 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.

2.18 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.

3. EMPLOYEES

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

	2018	2017
	No.	No.
	46	47
Employees	<u>46</u>	<u>47</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. INTANGIBLE ASSETS

	Goodwill £
COST	
At 1 January 2018	256,671
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At 31 December 2018	256,671
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AMORTISATION	
At 1 January 2018	102,669
Charge for the year	51,334
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At 31 December 2018	154,003
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NET BOOK VALUE	
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At 31 December 2018	102,668
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At 31 December 2017	154,002
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST				
At 1 January 2018	25,375	101,875	286,651	413,901
Additions	-	-	18,722	18,722
Disposals	-	(47,955)	-	(47,955)
At 31 December 2018	<u>25,375</u>	<u>53,920</u>	<u>305,373</u>	<u>384,668</u>
DEPRECIATION				
At 1 January 2018	12,489	68,528	195,753	276,770
Charge for the year on owned assets	3,222	6,779	22,982	32,983
Disposals	-	(36,864)	-	(36,864)
At 31 December 2018	<u>15,711</u>	<u>38,443</u>	<u>218,735</u>	<u>272,889</u>
NET BOOK VALUE				
At 31 December 2018	<u>9,664</u>	<u>15,477</u>	<u>86,638</u>	<u>111,779</u>
At 31 December 2017	<u>12,886</u>	<u>33,347</u>	<u>90,898</u>	<u>137,131</u>

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

	2018 £	2017 £
Hire Purchase	28,341	19,226
	<u>28,341</u>	<u>19,226</u>

MAXEY MOVERLEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. STOCKS

	2018 £	2017 £
Work in progress	764	2,291
Finished goods and goods for resale	208,239	275,829
	<u>209,003</u>	<u>278,120</u>

7. DEBTORS

	2018 £	2017 £
Trade debtors	540,445	510,888
Amounts owed by group undertakings	-	15,962
Other debtors	60,493	13,697
Prepayments and accrued income	37,151	35,023
Tax recoverable	-	7,195
	<u>638,089</u>	<u>582,765</u>

Included within other debtors due within one year are loans to directors, amounting to £60,484 (2017: £14,644 owed by the company).

8. CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	29	408
Less: bank overdrafts and bank loans	(463,509)	(461,460)
	<u>(463,480)</u>	<u>(461,052)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank overdrafts	463,509	461,460
Trade creditors	86,035	177,206
Corporation tax	14,880	-
Other taxation and social security	130,100	147,745
Obligations under finance lease and hire purchase contracts	18,710	19,226
Other creditors	20,629	18,795
Accruals and deferred income	27,812	29,012
	<u>761,675</u>	<u>853,444</u>

Securities

The bank overdrafts includes £409,051 (2017 - £403,352) drawn on a debt factor account. These amounts are secured against the company's trade debtors.

Finance lease and hire purchase creditors are secured on the assets concerned.

There is a customer debenture over all the assets of the company dated 19 July 2001.

10. DEFERRED TAXATION

	2018 £	2017 £
At beginning of year	(4,606)	(6,595)
Charged to profit or loss	(876)	1,989
AT END OF YEAR	<u>(5,482)</u>	<u>(4,606)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	5,482	9,648
Short term timing differences	-	(5,042)
	<u>5,482</u>	<u>4,606</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the pension 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 £11,875 (2017: £11,328). As at the year end £2,163 (2017: £1,094) was owed to the fund, and is included within creditors due within one year.

12. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	93,848	106,658
Later than 1 year and not later than 5 years	119,417	309,428
	<u>213,265</u>	<u>416,086</u>

13. RELATED PARTY TRANSACTIONS

	2018 £	2017 £
Purchases from companies with common ownership	35,159	-
Amounts (to)/owed from companies under common control	<u>(12,659)</u>	<u>15,962</u>

14. CONTROLLING PARTY

The directors do not consider there to be one sole controlling party.

15. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 17 September 2019 by Andrew Wood FCCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

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.