

MAXEY MOVERLEY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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MAXEY MOVERLEY LIMITED
REGISTERED NUMBER:03279540

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Intangible assets	4	154,002	205,336
Tangible assets	5	137,131	164,537
		<u>291,133</u>	<u>369,873</u>
CURRENT ASSETS			
Stocks	6	278,120	290,046
Debtors: amounts falling due within one year	7	582,765	496,874
Cash at bank and in hand		408	732
		<u>861,293</u>	<u>787,652</u>
Creditors: amounts falling due within one year	8	(853,444)	(858,553)
NET CURRENT ASSETS/(LIABILITIES)		<u>7,849</u>	<u>(70,901)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>298,982</u>	<u>298,972</u>
Creditors: amounts falling due after more than one year	9	-	(12,214)
PROVISIONS FOR LIABILITIES			
Deferred tax	12	(4,606)	(6,595)
NET ASSETS		<u><u>294,376</u></u>	<u><u>280,163</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	1,300	1,300
Profit and loss account		293,076	278,863
		<u><u>294,376</u></u>	<u><u>280,163</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:



Andrew Beckett
Director

Date: 01/06/2018

The notes on pages 2 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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.

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 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.4 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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2.5 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.

2.6 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.

2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

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 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.

2.10 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.

2.11 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'.

2.12 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.13 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.14 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.15 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.16 BORROWING COSTS

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

2.17 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.18 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.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 47 (2016:47).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. INTANGIBLE ASSETS

	Other intangible assets £
COST	
At 1 January 2017	256,671
At 31 December 2017	<u>256,671</u>
AMORTISATION	
At 1 January 2017	51,335
Charge for the year	51,334
At 31 December 2017	<u>102,669</u>
NET BOOK VALUE	
At 31 December 2017	<u>154,002</u>
At 31 December 2016	<u>205,336</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST				
At 1 January 2017	25,375	112,125	276,901	414,401
Additions	-	-	9,750	9,750
Disposals	-	(10,250)	-	(10,250)
At 31 December 2017	25,375	101,875	286,651	413,901
DEPRECIATION				
At 1 January 2017	8,193	67,278	174,393	249,864
Charge for the year on owned assets	4,296	11,140	21,360	36,796
Disposals	-	(9,890)	-	(9,890)
At 31 December 2017	12,489	68,528	195,753	276,770
NET BOOK VALUE				
At 31 December 2017	12,886	33,347	90,898	137,131
At 31 December 2016	17,182	44,847	102,508	164,537

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

	2017 £	2016 £
Motor vehicles	22,139	29,519
	22,139	29,519

6. STOCKS

	2017 £	2016 £
Work in progress	2,291	5,668
Finished goods and goods for resale	275,829	284,378
	278,120	290,046

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. DEBTORS

	2017 £	2016 £
Trade debtors	510,888	445,863
Amounts owed by group undertakings	15,962	-
Other debtors	13,697	1,612
Prepayments and accrued income	35,023	35,778
Tax recoverable	7,195	13,621
	<u>582,765</u>	<u>496,874</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Bank overdrafts and bank loans	461,460	356,173
Trade creditors	177,206	197,829
Amounts owed to group undertakings	-	79,030
Other taxation and social security	147,745	172,393
Obligations under finance lease and hire purchase contracts	19,226	14,061
Other creditors	18,795	4,567
Accruals and deferred income	29,012	34,500
	<u>853,444</u>	<u>858,553</u>

Secured loans

The Bank loans and overdrafts includes £403,352 (2016 - £301,842) 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.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	-	12,214
	<u>-</u>	<u>12,214</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**
10. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	19,226	14,061
Between 1-2 years	-	12,214
	<u>19,226</u>	<u>26,275</u>

11. FINANCIAL INSTRUMENTS

	2017 £	2016 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	408	732
	<u>408</u>	<u>732</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

12. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	(6,595)	(16,793)
Charged to profit or loss	1,989	10,198
AT END OF YEAR	<u>(4,606)</u>	<u>(6,595)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	9,648	11,288
Short term timing differences	(5,042)	(4,693)
	<u>4,606</u>	<u>6,595</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**
13. SHARE CAPITAL

	2017 £	2016 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,000 Ordinary shares of £1 each	1,000	1,000
100 Ordinary non-voting shares of £1 each	100	100
200 Ordinary 'A' non-voting shares of £1 each	200	200
	<u>1,300</u>	<u>1,300</u>

14. 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 £11,328 (2016: £12,424). As at the year end £1,094 (2016: £2,422) was owed to the fund, and is included within creditors due within one year.

15. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	106,658	103,090
Later than 1 year and not later than 5 years	309,428	408,355
	<u>416,086</u>	<u>511,445</u>

16. RELATED PARTY TRANSACTIONS

	2017 £	2016 £
	-	-
	-	-
Purchases from companies with common ownership	-	254,356
Amounts (to)/owed from companies under common control	15,962	(79,030)

17. CONTROLLING PARTY

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

18. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 December 2017 was unqualified.

The audit report was signed on by Roger Pimblett BA FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.