

## **Morgan Clark Limited**

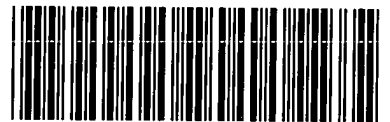
Unaudited Financial Statements

Year Ended

30 November 2019

Company Number 03823246

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**Morgan Clark Limited**  
Registered number: 03823246

**Balance sheet**  
**as at 30 November 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets		8,912	-
Tangible assets	5	18,839	36,455
		<u>27,751</u>	<u>36,455</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	269,179	485,528
Cash at bank and in hand	7	1,097,941	572,875
		<u>1,367,120</u>	<u>1,058,403</u>
Creditors: amounts falling due within one year	8	(875,150)	(549,393)
<b>Net current assets</b>		<u>491,970</u>	<u>509,010</u>
<b>Total assets less current liabilities</b>		<u>519,721</u>	<u>545,465</u>
<b>Net assets</b>		<u><u>519,721</u></u>	<u><u>545,465</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	92	95
Undistributable reserves		8	5
Profit and loss account		519,621	545,365
		<u>519,721</u>	<u>545,465</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 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 comprehensive income 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 on

**Morgan Clark Limited**  
Registered number: 03823246

**Balance sheet (continued)**  
**as at 30 November 2019**

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**T M P Clark**  
Director

The notes on pages 4 to 10 form part of these financial statements.

# Morgan Clark Limited

## Statement of changes in equity for the year ended 30 November 2019

	Called up share capital	Undistributable reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 December 2018	95	5	545,365	545,465
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	295,202	295,202
<b>Total comprehensive income for the year</b>	-	-	295,202	295,202
Dividends: Equity capital	-	-	(272,946)	(272,946)
Purchase of own shares	-	3	(48,000)	(47,997)
Shares redeemed during the year	(3)	-	-	(3)
<b>Total transactions with owners</b>	(3)	3	(320,946)	(320,946)
<b>At 30 November 2019</b>	<b>92</b>	<b>8</b>	<b>519,621</b>	<b>519,721</b>

The notes on pages 4 to 10 form part of these financial statements.

## Statement of changes in equity for the year ended 30 November 2018

	Called up share capital	Undistributable reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 December 2017	98	2	630,108	630,208
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	267,252	267,252
<b>Total comprehensive income for the year</b>	-	-	267,252	267,252
Dividends: Equity capital	-	-	(303,995)	(303,995)
Purchase of own shares	-	3	(48,000)	(47,997)
Shares redeemed during the year	(3)	-	-	(3)
<b>Total transactions with owners</b>	(3)	3	(351,995)	(351,995)
<b>At 30 November 2018</b>	<b>95</b>	<b>5</b>	<b>545,365</b>	<b>545,465</b>

The notes on pages 4 to 10 form part of these financial statements.

# **Morgan Clark Limited**

## **Notes to the financial statements for the year ended 30 November 2019**

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### **1. General information**

Morgan Clark Limited is a private company incorporated in England and Wales under the Companies Act. It is a company limited by shares. The address of the registered office is 55 Baker Street, London, W1U 7EU.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The directors of the Company are currently assessing the impact of COVID-19. The situation is evolving rapidly and it is not possible at this stage to determine with any certainty the impact on the Company, its customers, employees and suppliers. The directors are continually reviewing their plans and forecasts and the directors believe that the going concern basis is appropriate in the short term, however depending on the severity and length of the crisis there is a risk that the Company could require further funding or support. On this basis there is considered to be a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

#### **2.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Fees are recognised as the work progresses and the right to consideration arises.

#### **2.4 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.

# Morgan Clark Limited

## Notes to the financial statements for the year ended 30 November 2019

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as shown below.

Depreciation is provided on the following basis:

Buildings	- 33% reducing balance
Plant and machinery	- 33% straight line
Fixtures and fittings	- 33% straight line
Office equipment	- 50% straight line

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 comprehensive income.

#### 2.5 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.

#### 2.6 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.

#### 2.7 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 and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference

# **Morgan Clark Limited**

## **Notes to the financial statements for the year ended 30 November 2019**

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

#### **2.7 Financial instruments (continued)**

between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **2.8 Taxation**

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

#### **2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **2.10 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.

#### **2.11 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

#### **2.12 Pensions**

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 comprehensive income when they fall due. Amounts not paid are shown in the accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

# Morgan Clark Limited

## Notes to the financial statements for the year ended 30 November 2019

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### 2. Accounting policies (continued)

#### 2.13 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

#### 2.14 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.

### 3. Employees

The average monthly number of employees, including directors, during the year was 36 (2018 - 37).

### 4. Intangible assets

	Software development £
<b>Cost</b>	
Additions	13,800
At 30 November 2019	13,800
<b>Amortisation</b>	
Charge for the year	4,888
At 30 November 2019	4,888
<b>Net book value</b>	
At 30 November 2019	8,912
At 30 November 2018	-



# Morgan Clark Limited

## Notes to the financial statements for the year ended 30 November 2019

### 5. Tangible fixed assets

	Buildings £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 December 2018	16,539	47,264	40,989	112,376	217,168
At 30 November 2019	16,539	47,264	40,989	112,376	217,168
<b>Depreciation</b>					
At 1 December 2018	16,539	26,384	30,721	107,069	180,713
Charge for the year on owned assets	-	7,369	5,765	4,482	17,616
At 30 November 2019	16,539	33,753	36,486	111,551	198,329
<b>Net book value</b>					
At 30 November 2019	-	13,511	4,503	825	18,839
At 30 November 2018	-	20,879	10,268	5,308	36,455

### 6. Debtors

	2019 £	2018 £
Trade debtors	(1,164)	2,445
Amounts owed by associated undertakings	-	33,067
Other debtors	2,066	102,163
Prepayments and accrued income	268,277	347,853
	269,179	485,528

# Morgan Clark Limited

## Notes to the financial statements for the year ended 30 November 2019

### 7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,097,941</u>	<u>572,875</u>

### 8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	6,384	18,431
Amounts owed to associates	161,386	-
Corporation tax	121,938	47,113
Other taxation and social security	211,301	205,295
Other creditors	143,753	7,066
Accruals and deferred income	230,388	271,488
	<u>875,150</u>	<u>549,393</u>

# Morgan Clark Limited

## Notes to the financial statements for the year ended 30 November 2019

### 9. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
200 (2018 - 800) Ordinary A shares of £0.10 each	20	80
24 (2018 - 48) Ordinary B shares of £0.10 each	2	5
100 (2018 - 100) Ordinary C shares of £0.10 each	10	10
200 (2018 - 0) Ordinary D shares of £0.10 each	20	-
200 (2018 - 0) Ordinary E shares of £0.10 each	20	-
200 (2018 - 0) Ordinary F shares of £0.10 each	20	-
	<u>92</u>	<u>95</u>

On 2 January 2019, the company repurchased and cancelled 24 Ordinary 'B' shares of £0.10 each for a total consideration of £48,000.

### 10. Related party transactions

At the balance sheet date the company owed £93,113 to the directors (2018: £39,264 was owed by the directors, £40,062 within other debtors and £798 within other creditors).

During the year dividends totaling £190,222 (2018: £158,286) were paid to the directors and their families.