

COMPANY REGISTRATION NUMBER: 04115565

Moonway Services Limited

Filleted Unaudited Financial Statements

For the year ended

31 March 2020

Moonway Services Limited

Statement of Financial Position

31 March 2020

		2020		2019
	Note	£	£	£
Fixed assets				
Intangible assets	5	6,250		13,750
Tangible assets	6	357,495		272,134
		-----		-----
		363,745		285,884
Current assets				
Stocks		14,000		52,829
Debtors	7	115,775		45,727
Cash at bank and in hand		24,525		43,953
		-----		-----
		154,300		142,509
Creditors: amounts falling due within one year	8	179,479		153,569
		-----		-----
Net current liabilities			25,179	11,060
			-----	-----
Total assets less current liabilities			338,566	274,824
Creditors: amounts falling due after more than one year	9		215,111	174,665
Provisions				
Taxation including deferred tax		67,924		50,587
		-----		-----
Net assets		55,531		49,572
		-----		-----
Capital and reserves				
Called up share capital		92,248		92,248
Profit and loss account		(36,717)		(42,676)
		-----		-----
Shareholders funds		55,531		49,572
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

Moonway Services Limited

Statement of Financial Position *(continued)*

31 March 2020

For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 22 March 2021 , and are signed on behalf of the board by:

Mr S Baker

Director

Company registration number: 04115565

Moonway Services Limited

Notes to the Financial Statements

Year ended 31 March 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Old Emporium, Bow Street, Langport, Somerset, TA10 9PQ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company had net current liabilities of £25,179 at 31 March 2020 and is therefore dependent on the continuing financial support of its directors and bankers to continue trading. Neither the directors nor the bankers have indicated that their continued support will not be forthcoming for the foreseeable future and the company is meeting its day to day liabilities as they fall due. Due to the COVID-19 pandemic the business was forced to close from 23 March 2020 and again during the second national lockdown apart from providing transport to the children of key-workers. The directors have taken several steps to mitigate the effects on profitability and cashflow and will continue to monitor them closely. At present the directors consider the company to be financially stable. The directors are therefore satisfied that the company is able to adopt the going concern basis for preparing its financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

The directors' have reassessed the useful life of the purchased goodwill and consider its remaining useful life to be 5 years.

Goodwill - remaining balance written off over 5 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and Machinery	-	25% reducing balance
Coaches and Minibuses	-	10%/25% reducing balance basis
Equipment	-	15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2019: 11).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 April 2019 and 31 March 2020	150,000

Amortisation	
At 1 April 2019	136,250
Charge for the year	7,500

At 31 March 2020	143,750

Carrying amount	
At 31 March 2020	6,250

At 31 March 2019	13,750

6. Tangible assets

	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2019	1,788	519,102	5,043	525,933
Additions	–	135,000	–	135,000
Disposals	–	(24,500)	–	(24,500)
At 31 March 2020	1,788	629,602	5,043	636,433
Depreciation				
At 1 April 2019	1,720	250,747	1,332	253,799
Charge for the year	17	39,574	557	40,148
Disposals	–	(15,009)	–	(15,009)
At 31 March 2020	1,737	275,312	1,889	278,938
Carrying amount				
At 31 March 2020	51	354,290	3,154	357,495
At 31 March 2019	68	268,355	3,711	272,134

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 31 March 2020	250,776
At 31 March 2019	143,640

7. Debtors

	2020 £	2019 £
Trade debtors	62,046	20,714
Other debtors	53,729	25,013
	115,775	45,727

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	7,165	7,066
Trade creditors	14,901	19,870
Social security and other taxes	8,078	3,774
Other creditors	149,335	122,859
	179,479	153,569

The bank loan and overdraft are secured by a debenture dated 29 April 2003 over the assets and books debts of the company.

9. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	69,001	76,265
Other creditors	146,110	98,400
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	215,111	174,665
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The bank loan and overdraft are secured by a debenture dated 29 April 2003 over the assets and books debts of the company.

Included within creditors falling due after more than one year is an amount of £40,343 in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

The amount due after more than 5 years is repayable in 43 instalments

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	2,190	4,380
Later than 1 year and not later than 5 years	—	2,190
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	2,190	6,570
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