

Motives Group Limited
Filleted Unaudited Financial Statements
30 June 2019



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Motives Group Limited
Statement of Financial Position
30 June 2019

	Note	30 Jun 19 £	31 Jan 18 £
Fixed assets			
Investments	6	1,524,114	1,524,114
Current assets			
Cash at bank and in hand		241	119
Creditors: amounts falling due within one year	7	342,505	346,046
Net current liabilities		342,264	345,927
Total assets less current liabilities		1,181,850	1,178,187
Net assets		1,181,850	1,178,187
Capital and reserves			
Called up share capital		103,794	103,794
Share premium account		70,180	70,180
Profit and loss account		1,007,876	1,004,213
Shareholders funds		1,181,850	1,178,187

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 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.

For the period ending 30 June 2019 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 period 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 21/11/19, and are signed on behalf of the board by:



A.P. Mahoney
Director

Company registration number: 04195124

The notes on pages 2 to 6 form part of these financial statements.

Motives Group Limited

Notes to the Financial Statements

Period from 1 February 2018 to 30 June 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Victoria House, 1-3 College Hill, London, EC4R 2RA.

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.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Revenue recognition

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

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

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.

Motives Group Limited

Notes to the Financial Statements *(continued)*

Period from 1 February 2018 to 30 June 2019

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line
Trade Marks	-	10% straight line

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.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Motives Group Limited

Notes to the Financial Statements *(continued)*

Period from 1 February 2018 to 30 June 2019

3. Accounting policies *(continued)*

Investments in joint ventures *(continued)*

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

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 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.

4. Employee numbers

The average number of persons employed by the company during the period amounted to 2 (2018: 2).

Motives Group Limited

Notes to the Financial Statements *(continued)*

Period from 1 February 2018 to 30 June 2019

5. Intangible assets

	Goodwill £	Trade Marks £	Total £
Cost			
At 1 February 2018 and 30 June 2019	<u>200,000</u>	<u>500</u>	<u>200,500</u>
Amortisation			
At 1 February 2018 and 30 June 2019	<u>200,000</u>	<u>500</u>	<u>200,500</u>
Carrying amount			
At 30 June 2019	<u>-</u>	<u>-</u>	<u>-</u>
At 31 January 2018	<u>-</u>	<u>-</u>	<u>-</u>

Purchased goodwill represents the value attributed to the trade name of Interior Motives Design Consultancy which was purchased on 22nd August 2001 as part of a management buy-out.

6. Investments

	Shares in group undertaking s £
Cost	
At 1 February 2018 and 30 June 2019	<u>1,524,114</u>
Impairment	
At 1 February 2018 and 30 June 2019	<u>-</u>
Carrying amount	
At 30 June 2019	<u>1,524,114</u>
At 31 January 2018	<u>1,524,114</u>

Motives Group Limited

Notes to the Financial Statements *(continued)*

Period from 1 February 2018 to 30 June 2019

6. Investments *(continued)*

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

Subsidiaries	Investment
Interior Motives International Limited	£1,323,576
Interior Motives Limited (Dormant)	100,000
Total Investment	£1,423,576

The companies main places of business are in the UK. All companies are incorporated in England and Wales and are wholly owned subsidiaries.

	Class of Share	Capital and Reserves at 30.06.2019	Profit/(Loss) before tax period to 30.06.2019
Interior Motives International Limited	Ord £1	£492,939	£32,594
Interior Motives Limited (Dormant)	Ord £1	£2	£-

7. Creditors: amounts falling due within one year

	30 Jun 19 £	31 Jan 18 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	324,999	325,000
Corporation tax	859	145
Social security and other taxes	15,647	19,901
Other creditors	1,000	1,000
	<u>342,505</u>	<u>346,046</u>

8. Contingencies

A composite guarantee in favour of National Westminster Bank plc has been signed by Motives Group Limited and Interior Motives International Limited.

9. Related party transactions

Management fees of £326,000 (2018 - £315,000) were received from Interior Motives International Limited, a Group Company.

The following balances were outstanding at the year-end with group companies.

Interior Motives International Limited - Loan Account £325,000 Creditor