

**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2023**  
**FOR**  
**MICROKERF LIMITED**

Magma Audit LLP  
Unit 2  
Charnwood Edge Business Park  
Syston Road  
Leicester  
LE7 4UZ

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for the Year Ended 31 January 2023**

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**MICROKERF LIMITED**  
**COMPANY INFORMATION**  
**for the Year Ended 31 January 2023**

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**DIRECTOR:** D J Gattward

**SECRETARY:** A Sheikh

**REGISTERED OFFICE:** 1 Coal Cart Road  
Birstall Industrial Estate  
Leicester  
Leicestershire  
LE4 3BY

**REGISTERED NUMBER:** 04654281

**ACCOUNTANTS:** Magma Audit LLP  
Unit 2  
Charnwood Edge Business Park  
Syston Road  
Leicester  
LE7 4UZ

**BALANCE SHEET**  
31 January 2023

	Notes	31/1/23 £	31/1/22 £
<b>FIXED ASSETS</b>			
Tangible assets	4	805,034	786,509
<b>CURRENT ASSETS</b>			
Stocks		52,557	51,027
Debtors	5	580,552	572,834
Cash at bank and in hand		3,811,832	3,334,811
		<u>4,444,941</u>	<u>3,958,672</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	(809,451)	(836,644)
<b>NET CURRENT ASSETS</b>		<u>3,635,490</u>	<u>3,122,028</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>4,440,524</b>	<b>3,908,537</b>
<b>PROVISIONS FOR LIABILITIES</b>		<u>(178,077)</u>	<u>(168,000)</u>
<b>NET ASSETS</b>		<u><b>4,262,447</b></u>	<u><b>3,740,537</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		100	100
Retained earnings		4,262,347	3,740,437
		<u><b>4,262,447</b></u>	<u><b>3,740,537</b></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2023 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the director and authorised for issue on 31 October 2023 and were signed by:

D J Gattward - Director

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 January 2023

**1. STATUTORY INFORMATION**

Microkerf Limited is a private limited company, limited by shares, registered in England and Wales. Its registered office address is 1 Coal Cart Road, Birstall Industrial Estate, Leicester, Leicestershire, LE4 3BY and the registered number is 04654281.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings leasehold	10% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	33.33% straight line
Motor vehicles	25% reducing balance

During the year the depreciation policy in relation to plant and machinery was revised to reflect the life span of the assets.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 January 2023

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2. ACCOUNTING POLICIES - continued

**Stocks**

Stocks are stated at the lower of cost and 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 balance sheet 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.

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

**Basic financial assets**

Basic financial assets, which include debtors, cash and bank balances and loans to fellow group companies, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank overdrafts are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 January 2023

**2. ACCOUNTING POLICIES - continued****Foreign currencies**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Cash and cash equivalents**

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 24 (2022 - 24 ) .

**4. TANGIBLE FIXED ASSETS**

	Short leasehold land & buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 February 2022	15,379	2,727,402	75,182	24,463	2,842,426
Additions	-	178,241	12,967	-	191,208
At 31 January 2023	<u>15,379</u>	<u>2,905,643</u>	<u>88,149</u>	<u>24,463</u>	<u>3,033,634</u>
<b>DEPRECIATION</b>					
At 1 February 2022	15,379	1,958,325	63,309	18,904	2,055,917
Charge for year	-	162,102	8,961	1,620	172,683
At 31 January 2023	<u>15,379</u>	<u>2,120,427</u>	<u>72,270</u>	<u>20,524</u>	<u>2,228,600</u>
<b>NET BOOK VALUE</b>					
At 31 January 2023	-	<u>785,216</u>	<u>15,879</u>	<u>3,939</u>	<u>805,034</u>
At 31 January 2022	-	<u>769,077</u>	<u>11,873</u>	<u>5,559</u>	<u>786,509</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/1/23 £	31/1/22 £
Trade debtors	490,857	486,704
Other debtors	40,000	40,328
Prepayments	49,695	45,802
	<u>580,552</u>	<u>572,834</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 January 2023

## 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/1/23	31/1/22
	£	£
Trade creditors	194,061	198,010
Amounts owed to group undertakings	300,000	300,000
Corporation tax	144,808	166,023
Social security and other taxes	105,210	110,063
Other creditors	52,760	49,761
Accruals and deferred income	12,612	12,787
	<u>809,451</u>	<u>836,644</u>

## 7. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Operating lease commitments not included in the balance sheet in relation to the company's premises amount to £1,000,000 (2022 - £95,000).



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.