

MALCOLM HARRISON AUCTIONS LIMITED

ABRIDGED ACCOUNTS - Registrar Copy

YEAR ENDED 30th SEPTEMBER 2019



MALCOLM HARRISON AUCTIONS LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report together with the financial statements of the company for the year ended 30th September 2019.

Directors

The directors throughout the year were as follows:

M.C. Harrison	
Mrs J.L. Harrison	
Mrs R.J. Telfer	
Miss V.I. Nicholls	[appointed 10th May 2019]

Business Review

The results for the year ended 30th September 2019 are shown in the attached financial statements.

Now that the UK is in the process of leaving the European Union and the Brexit terms are being negotiated the directors have more confidence in the future trading environment.

Unfortunately the COVID-19 pandemic is having a detrimental effect on the profits for the current financial year, but the directors remain positive that the results for the final trading quarter will be in line with past averages. Thereafter it is anticipated that trading will improve as it is considered that the climate of business uncertainty will lead to increased demand for the company's services.

Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

MALCOLM HARRISON AUCTIONS LIMITED

REPORT OF THE DIRECTORS (Continued)

Directors' Responsibilities (Cont.)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the exemptions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



Secretary

J.L. Harrison

23rd June 2020

MALCOLM HARRISON AUCTIONS LIMITED
ABRIDGED BALANCE SHEET AS AT 30th SEPTEMBER 2019

	<u>Note</u>	£	£	<u>2018</u> £
<u>Fixed Assets</u>				
Tangible Fixed Assets	4		72,451	95,985
<u>Current Assets</u>				
Debtors				
Cash at Bank & In Hand		4,237,724		4,087,197
		18,291		1,564
		-----		-----
		4,256,015		4,088,761
<u>Creditors: Amounts Falling Due</u>				
<u>Within One Year</u>		(2,729,905)		(2,892,974)
		-----		-----
<u>Net Current Assets</u>			1,526,110	1,195,787
			-----	-----
<u>Net Assets</u>			1,598,561	1,291,772
			=====	=====
<u>Capital and Reserves</u>				
Called Up Share Capital			100	100
Profit and Loss Account			1,598,461	1,291,672
			-----	-----
<u>Shareholders Funds</u>			1,598,561	1,291,772
			=====	=====

For the financial year ended 30th September 2019 the company was entitled to exemption from audit under s.477 Companies Act 2006 and no notice has been deposited under s.476.

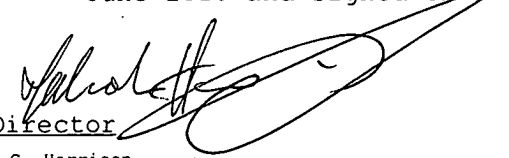
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

All members have consented to the preparation of an abridged Balance Sheet for the year ended 30th September 2019 in accordance with paragraph 1A of Schedule 1 to the Small Companies and Group (Accounts and Directors' Report) Regulations.

The abridged financial statements have been prepared in accordance with the special provisions within part 15 of the Companies Act 2006 relating to small companies.

As permitted by s.444(5) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account.

These financial statements were approved by the Board of Directors on 23rd June 2020 and signed on their behalf by:


Director
M.C. Harrison

MALCOLM HARRISON AUCTIONS LIMITED

Abridged Financial Statements - NOTES
For the year ended 30th September 2019

1) **Accounting Policies**

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the company's financial statements:

a) **Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006, including provisions permitting the preparation of an abridged Balance Sheet.

The presentation currency is £ sterling.

b) **Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation has been calculated so as to write off the cost of tangible fixed assets, less their estimated residual value, over their expected useful lives, as follows:

Motor Vehicles	- 25 % on net book value
Plant & Machinery	- 20 % on net book value
Office Equipment	- 25 % on net book value

At each balance sheet date the company assesses whether there is any indication that any tangible fixed assets have suffered an impairment loss. If any such indication exists the recoverable amount of an asset is estimated in order to determine the extent, if any, of the impairment loss. Any impairment loss is immediately recognised in the profit and loss account.

c) **Foreign Currencies**

Amounts invoiced to the company denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

d) **Deferred Taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

MALCOLM HARRISON AUCTIONS LIMITED

Abridged Financial Statements - NOTES (Cont.)

1) **Accounting Policies (Cont.)**

d) **Deferred Taxation (Cont.)**

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

e) **Revenue Recognition**

Revenue is recognised when services have been performed for customers.

2) **Turnover**

Turnover represents amounts invoiced by the company during the year, derived from ordinary activities, excluding value added tax and discounts allowed. Turnover is recognised under an exchange transaction with a customer when, and to the extent that, the company obtains the right to consideration in exchange for its performance.

3) **Employee Numbers**

The average number of employees during the year including directors was 18 [2018 - 15]

4) **Tangible Fixed Assets**

	<u>Total</u>
	£
<u>Cost</u>	
At 30th September 2018	299,719
Additions	-
Disposals	(471)

At 30th September 2019	299,248
	=====
<u>Depreciation</u>	
At 30th September 2018	203,734
Charge for Year	23,404
On Disposals	(341)

At 30th September 2019	226,797
	=====
<u>Net Book Value</u>	
At 30th September 2019	72,451
	=====
At 30th September 2018	95,985
	=====

MALCOLM HARRISON AUCTIONS LIMITED

Abridged Financial Statements - NOTES (Cont.)

5) Related Party Transactions

Directors' Loans

The directors are deemed to be related parties by virtue of significant control, either individually or through a close family connection.

Details of loans from the company to the directors during the year were as follows:

	£
Balances as at 30th September 2018	12,416
Further advances to the company	(84,044)
Withdrawals & Private Expenditure	75,785

Balances as at 30th September 2019	4,157
	=====

Advantage has been taken of the exemption conferred by FRS 102 33.14 to aggregate transactions of a similar nature.

The loans are non-interest bearing and there are no fixed repayment terms.

Dividends

Dividends paid to related parties during the year:

	£
Directors	32,000
	=====

Guarantee

Tadgedale Quarry Restoration Limited, a company which is controlled by the controlling shareholder, has provided an all monies guarantee secured on its Investment Property.

6) Legal Form of Company

Malcolm Harrison Auctions Limited is a private company, limited by shares, incorporated in England. The company's principal place of business, which is also its registered office, is Tadgedale Quarry, Mucklestone Road, Loggerheads, Market Drayton, Shropshire.



MALCOLM HARRISON AUCTIONS LIMITED

Abridged Financial Statements - NOTES (Cont.)

7) Third Party Auction Activities

		<u>2018</u>
	£	£
During the year the company undertook the running of auctions for third parties:		
- Auctions turnover	29,364,957 =====	16,802,883 =====
- Commissions and Premiums derived therefrom	1,963,612 =====	1,551,546 =====
- Number of auctions	37 ===	35 ===

