

Midland Furniture Auctions Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2016

David Lissimore ACMA CGMA
AIMS Accountants for Business
Oakwood
Wingfield Road
Oakerthorpe
Alfreton
DE55 7LH

Midland Furniture Auctions Limited

Contents

Company Information	<u>1</u>
Accountants' Report	<u>2</u>
Statement of Comprehensive Income	<u>3</u>
Balance Sheet	<u>4</u>
Statement of Changes in Equity	<u>5</u>
Notes to the Financial Statements	<u>6 to 11</u>

Midland Furniture Auctions Limited
Company Information

Director

Roger Darrington-Mosley

Registered office

Unit 10 Grange Close
Clover Nook Industrial Park
A l f r e t o n
DE55 4QT

Accountants

David Lissimore ACMA CGMA
AIMS Accountants for Business
O a k s w o o d
W i n g f i e l d R o a d
O a k e r t h o r p e
A l f r e t o n
DE55 7LH

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Midland Furniture Auctions Limited
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Midland Furniture Auctions Limited for the year ended 31 December 2016 as set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

It is your duty to ensure that Midland Furniture Auctions Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Midland Furniture Auctions Limited. You consider that Midland Furniture Auctions Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Midland Furniture Auctions Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....

David Lissimore ACMA CGMA
AIMS Accountants for Business
Oakwood
Wingfield Road
Oakerthorpe
Alfreton
DE55 7LH

14 September 2017

Midland Furniture Auctions Limited
Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Profit for the year		154,364	190,003
		<hr/>	<hr/>
Total comprehensive income for the year		154,364	190,003
		<hr/>	<hr/>

The notes on pages 6 to 11 form an integral part of these financial statements.

Midland Furniture Auctions Limited
(Registration number: 5329795)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>4</u>	4,708	15,189
Current assets			
Debtors	<u>5</u>	404,899	410,692
Cash at bank and in hand		17,377	47,906
		<hr/>	<hr/>
		422,276	458,598
Creditors: Amounts falling due within one year	<u>6</u>	(263,668)	(324,835)
		<hr/>	<hr/>
Net current assets		158,608	133,763
		<hr/>	<hr/>
Net assets		163,316	148,952
		<hr/> <hr/>	<hr/> <hr/>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		163,216	148,852
		<hr/>	<hr/>
Total equity		163,316	148,952
		<hr/> <hr/>	<hr/> <hr/>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to

the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 15 September 2017

.....

Roger Darrington-Mosley

Director

The notes on pages 6 to 11 form an integral part of these financial statements.

Page 4

Midland Furniture Auctions Limited
Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	100	148,852	148,952
Profit for the year	-	154,364	154,364
Total comprehensive income	-	154,364	154,364
Dividends	-	(140,000)	(140,000)
At 31 December 2016	100	163,216	163,316
	Share capital £	Profit and loss account £	Total £
At 1 January 2015	100	58,849	58,949
Profit for the year	-	190,003	190,003
Total comprehensive income	-	190,003	190,003
Dividends	-	(100,000)	(100,000)
At 31 December 2015	100	148,852	148,952

The notes on pages 6 to 11 form an integral part of these financial statements.

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England .

The	address	of	its	registered	office	is:
Unit		10		Grange		Close
Clover		Nook		Industrial		Park
Alfreton						
DE55 4QT						

These financial statements were authorised for issue by the director on 15 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% straight line
Office equipment	33% straight line
Motor vehicles	25% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 13 (2015 - 13).

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2016	17,919	85,298	65,775	168,992
Disposals	-	(25,000)	-	(25,000)
At 31 December 2016	17,919	60,298	65,775	143,992
Depreciation				
At 1 January 2016	17,497	73,598	62,708	153,803
Charge for the year	279	6,975	1,227	8,481
Eliminated on disposal	-	(23,000)	-	(23,000)
At 31 December 2016	17,776	57,573	63,935	139,284
Carrying amount				
At 31 December 2016	143	2,725	1,840	4,708
At 31 December 2015	422	11,700	3,067	15,189

5 Debtors

	2016 £	2015 £
Trade debtors	-	832

Other debtors	404,899	409,860
	<hr/>	<hr/>
Total current trade and other debtors	404,899	410,692
	<hr/>	<hr/>

6 Creditors

	Note	2016 £	2015 £
Due within one year			
Trade creditors		169,706	224,804
Taxation and social security		45,180	43,898
Other creditors		48,782	56,133
		<hr/>	<hr/>
		263,668	324,835
		<hr/>	<hr/>

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

7 Dividends

Final dividends paid

	2016 £	2015 £
Final dividend of £1,400 (2015 - £1,000) per each Ordinary share	140,000	100,000
	<hr/> <hr/>	<hr/> <hr/>

8 Transition to FRS 102

Balance Sheet at 1 January 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Capital and reserves					
Total equity		-	-	-	-
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

Balance Sheet at 31 December 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Capital and reserves					
Total equity		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>

Midland Furniture Auctions Limited
Notes to the Financial Statements for the Year Ended 31 December 2016

Profit and Loss Account for the year ended 31 December 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover		-	-	-	-
Operating profit/(loss)		-	-	-	-
Profit/(loss) before tax		-	-	-	-
Profit/(loss) for the financial year		-	-	-	-

Midland Furniture Auctions Limited
Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Turnover (analysed below)	2,293,924	2,454,905
Cost of sales (analysed below)	(1,533,835)	(1,675,866)
Gross profit	760,089	779,039
Gross profit (%)		
Distribution costs (analysed below)	(87,203)	(78,967)
Administrative expenses		
Employment costs (analysed below)	(341,815)	(292,221)
Establishment costs (analysed below)	(82,758)	(82,454)
General administrative expenses (analysed below)	(22,682)	(30,333)
Finance charges (analysed below)	(14,704)	(7,308)
Depreciation costs (analysed below)	(8,481)	(19,691)
Other expenses (analysed below)	(7,484)	(28,586)
	(477,924)	(460,593)
Operating profit	194,962	239,479
Interest payable and similar charges (analysed below)	(79)	(31)
Profit before tax	194,883	239,448

This page does not form part of the statutory financial statements.

Midland Furniture Auctions Limited
Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016	2015
	£	£
Turnover		
Sale of goods, UK	1,895,239	2,023,559
Rendering of services, UK	398,685	431,346
	<hr/>	<hr/>
	2,293,924	2,454,905
	<hr/> <hr/>	<hr/> <hr/>
Cost of sales		
Purchases	1,533,835	1,675,866
	<hr/> <hr/>	<hr/> <hr/>
Distribution costs		
Freight and carriage	87,203	78,967
	<hr/> <hr/>	<hr/> <hr/>
Employment costs		
Wages and salaries	(205,818)	(181,731)
Staff NIC (Employers)	(26,223)	(22,463)
Directors remuneration	(108,743)	(88,027)
Staff pensions (Defined contribution)	(761)	-
Directors pensions (Defined contribution)	(270)	-
	<hr/>	<hr/>
	(341,815)	(292,221)
	<hr/> <hr/>	<hr/> <hr/>
Establishment costs		
Rent	(47,500)	(47,379)

Rates	(21,330)	(21,080)
Water rates	(452)	(463)
Light, heat and power	(4,157)	(4,452)
Insurance	(9,319)	(9,080)
	<hr/>	<hr/>
	(82,758)	(82,454)
	<hr/>	<hr/>

General administrative expenses

Telephone and fax	(2,407)	(1,942)
Office expenses	-	(118)
Computer software and maintenance costs	(1,275)	(1,228)
Printing, postage and stationery	(1,551)	(1,704)
Trade subscriptions	(230)	(225)
Sundry expenses	(827)	(604)
Health and safety	(1,308)	-
Advertising	(11,512)	(10,924)
Staff entertaining (allowable for tax)	-	(8,886)
Customer entertaining (disallowable for tax)	(888)	(994)
Accountancy fees	(2,400)	(2,400)
Consultancy fees	-	(1,308)
Legal and professional fees	(284)	-
	<hr/>	<hr/>
	(22,682)	(30,333)
	<hr/>	<hr/>

This page does not form part of the statutory financial statements.

Midland Furniture Auctions Limited
Detailed Profit and Loss Account for the Year Ended 31 December 2016

Finance charges

VAT surcharges	(6,822)	-
Bank charges	(5,470)	(5,107)
Credit card charges	(2,412)	(2,201)
	<hr/>	<hr/>
	(14,704)	(7,308)
	<hr/>	<hr/>

Depreciation costs

Depreciation of plant and machinery (owned)	(1,227)	(1,269)
Depreciation of motor vehicles (owned)	(6,975)	(17,954)
Depreciation of office equipment (owned)	(279)	(468)
	<hr/>	<hr/>
	(8,481)	(19,691)
	<hr/>	<hr/>

Other expenses

Repairs and maintenance	(14,290)	(13,994)
General maintenance	(2,194)	(9,467)
(Profit)/loss on disposal of tangible fixed assets	9,000	(5,125)
	<hr/>	<hr/>
	(7,484)	(28,586)
	<hr/>	<hr/>

Interest payable and similar expenses

Bank interest payable	79	-
Other interest payable	-	31
	<hr/>	<hr/>

This page does not form part of the statutory financial statements.

Page 14

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.