

Registered number: 05889630

Martel Instruments Holdings Limited

Annual report - filing copy

31 December 2020

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Martel Instruments Holdings Limited

Company information

Directors	C J Proudfoot K J Walker M C Collis
Company secretary	C J Proudfoot
Registered number	05889630
Registered office	Stanelaw Way Tanfield Lea Industrial Estate Stanley County Durham DH9 9XG
Independent auditor	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Allied Irish Bank (GB) 1 Trinity Gardens Broad Chare Newcastle upon Tyne NE1 2HF

Martel Instruments Holdings Limited

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Martel Instruments Holdings Limited

Balance sheet At 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	5	6,706,643	6,706,643
Current assets			
Debtors	6	41,593	42,343
Cash at bank and in hand		2,469	1,159,546
		<u>44,062</u>	<u>1,201,889</u>
Creditors: amounts falling due within one year	7	(4,583,218)	(4,801,690)
Net current liabilities		<u>(4,539,156)</u>	<u>(3,599,801)</u>
Total assets less current liabilities		<u>2,167,487</u>	<u>3,106,842</u>
Creditors: amounts falling due after more than one year	8	(6,870,894)	(7,325,992)
Net liabilities		<u>(4,703,407)</u>	<u>(4,219,150)</u>
Capital and reserves			
Called up share capital		64,167	64,167
Share premium account		677,250	677,250
Profit and loss account		(5,444,824)	(4,960,567)
Total deficit		<u>(4,703,407)</u>	<u>(4,219,150)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Colin Proudfoot
10-3-21

C J Proudfoot
Director

Company registered number: 05889630

Martel Instruments Holdings Limited

Notes to the financial statements Year ended 31 December 2020

1. General information

Martel Instruments Holdings Limited ('the company') acts as a holding company, providing management support and services to the group.

The company is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given in the company information page of this annual report.

2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including section 1A of Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*' ('FRS 102'), and the Companies Act 2006.

3. Accounting policies

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 periods presented, unless otherwise stated.

3.1 Basis of preparation

In accordance with section 399 of the Companies Act 2006, the company is exempt from the requirement to prepare group accounts as at the end of the financial year, the company, and the group headed by the company, is subject to the small companies regime.

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling.

3.2 Going concern

In light of recent global events which persist at the date of approval of these financial statements, the directors have taken measures to counter the known and further potential impact of Covid-19 on the group's operations and the resultant impact on financial headroom.

At the balance sheet date, the company has net liabilities of £4,703,407 (2019: £4,219,150), including £3,943,578 (2019: £3,510,005) owed to profitable group companies under the company's control, as well as liabilities including loan notes, accrued interest and other debt owed to funds under the management of Maven Capital Partners UK LLP totalling £6,410,189 (2019: £7,576,929). A group cross guarantee exists over £5,745,548 (2019: £6,260,244) of this debt. Maven Capital Partners UK LLP have confirmed that funding will not be withdrawn to the extent that the company's position as a going concern would be undermined for a period of 12 months following the approval of these financial statements.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in these financial statements.

3.3 Revenue

Interest income

Interest income is recognised on an accruals basis.

Martel Instruments Holdings Limited

Notes to the financial statements Year ended 31 December 2020

3. Accounting policies (continued)

3.4 Employee benefits

Share-based payments

The company provides share-based payment arrangements to certain employees of the subsidiary. The shares to which these options relate are currently held in an Employee Benefit Trust.

Equity-settled arrangements are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of the grant. The fair value is expensed in the subsidiary on a straight-line basis over the vesting period, with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

The company has no employees, other than the directors, and thus there is no charge in the profit and loss account for share-based payments. The charge for share-based payments is recognised as an increase in cost of investment in subsidiaries, with a corresponding increase in equity.

There are no cash-settled arrangements.

3.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.6 Taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only 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 balance sheet date that are expected to apply to the reversal of timing differences.

3.7 Fixed asset investments

Investments in subsidiary undertakings are measured at cost less accumulated impairment losses.

Martel Instruments Holdings Limited

Notes to the financial statements Year ended 31 December 2020

3. Accounting policies (continued)

3.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like other accounts receivable and payable, cash and bank balances, and loans to or from related parties, including fellow group companies.

Debt instruments due within one year are measured, initially and subsequently at the transaction price. Debt instruments due after one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2019: 3).

5. Fixed asset investments

	Investments in subsidiary undertakings £
Cost and net book value	
At 1 January 2020 and 31 December 2020	6,706,643

6. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	41,593	41,593
Other debtors	-	750
	41,593	42,343

Martel Instruments Holdings Limited

Notes to the financial statements Year ended 31 December 2020

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	3,943,578	3,510,005
Other creditors	639,640	1,291,685
	<u>4,583,218</u>	<u>4,801,690</u>

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

	2020 £	2019 £
Other creditors	<u>6,870,894</u>	<u>7,325,992</u>

Other creditors totalling £6,845,894 (2019: £7,300,992) are secured by charges on the company's assets. The subsidiary undertaking, Martel Instruments Limited, has also given guarantees over this debt, which are secured by charges on the subsidiary undertaking's assets.

9. Related party transactions

Included within other creditors are amounts totalling £6,410,189 (2019: £7,576,929) due to Maven Capital Partners UK LLP. The amounts comprise loan notes, accrued interest and other debt.

Two of the directors of the company are also directors of Martel Instruments EBT Limited (a subsidiary undertaking). EMI share options are in issue within the company, of which an option to apply to acquire 50,145 £0.10 ordinary shares was granted to one director, and an option to apply to acquire 75,460 £0.10 ordinary shares was granted to another director on 14 June 2018 (subject to the sale of assets and undertakings of the business of Martel Instruments Holdings Limited). No charge has been made in the financial statements as in the opinion of the directors these are not material to the users of the financial statements.

A director (who was not granted any options) purchased 7,500 shares in the company during year from Martel Instruments EBT Limited.

10. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 10th March 2021 by Michael Morris FCCA FCA (Senior Statutory Auditor) for and on behalf of UNW LLP, Statutory Auditor, Newcastle upon Tyne.