

Financial Statements

for the Period

31st December 2018 to 30th June 2020

for

MM - Eye Limited

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for the Period 31st December 2018 to 30th June 2020

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MM - Eye Limited

Company Information
for the Period 31st December 2018 to 30th June 2020

DIRECTORS:

D C Field
Mrs D J Fitzpatrick
Mrs A Phillips

SECRETARY:

D C Field

REGISTERED OFFICE:

Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA

REGISTERED NUMBER:

06379175

AUDITORS:

Meyer Williams
Chartered Accountants
& Statutory Auditors
Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA

Statement of Financial Position
30th June 2020

	Notes	30.6.20 £	£	30.12.18 £	£
FIXED ASSETS					
Tangible assets	4		5,484		9,206
CURRENT ASSETS					
Stocks		199,761		126,260	
Debtors	5	207,929		466,340	
Cash in hand		<u>498,239</u>		<u>123,716</u>	
		905,929		716,316	
CREDITORS					
Amounts falling due within one year	6	<u>960,083</u>		<u>463,584</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(54,154)</u>		<u>252,732</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(48,670)		261,938
CREDITORS					
Amounts falling due after more than one year	7		<u>153,212</u>		-
NET (LIABILITIES)/ASSETS			<u>(201,882)</u>		<u>261,938</u>
CAPITAL AND RESERVES					
Called up share capital	9		200,000		200,000
Retained earnings			<u>(401,882)</u>		<u>61,938</u>
SHAREHOLDERS' FUNDS			<u>(201,882)</u>		<u>261,938</u>

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 Profit and Loss and Comprehensive Income has not been delivered.

The financial statements were approved and authorised by the Board of Directors and authorised for issue on 26th November 2020 and were signed on its behalf by:

D C Field - Director

1. **STATUTORY INFORMATION**

MM-Eye Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" (March 2018) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The company has incurred a loss in the period of £463,820 primarily due to the Exceptional item in note 4 to the financial statements. Following a management buy out on 30th June 2020, £794,079 of amounts owed by group undertakings are no longer considered recoverable and have been written off. As a result of the exceptional loss the company had net current liabilities of £54,154 and net liabilities of £201,882 on 30th June 2020.

The company's operating profit for the period ended 30th June 2020 was £370,188 and the directors have made available forecasts covering a period of more than 12 months from the date of the signing of the financial statements. The projections demonstrate that the company can continue to trade with sufficient working capital and the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future.

In making this assessment the directors have considered the impact of the coronavirus outbreak ("COVID-19") on the company, its employees, clients and third-party suppliers.

While there is uncertainty about the impact that COVID-19 will have on the global economy the directors do not believe it impacts the use of the going concern basis of preparation nor does it cast significant doubt about the company's ability to continue as a going concern for a period of twelve months from the date of the financial statements being authorised for issue.

The directors consider the company to be sufficiently robust that its operations will not be significantly affected and that it will be able to generate and maintain sufficient levels of cash in order to meet its overhead commitments for at least the period under review. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had a significant effect on amounts recognised in the financial statements:

- The company considers the recoverability of its work in progress and the associated provisioning required. When calculating the work in progress management considers the level of after date costs based on estimates and assumptions.
- The company makes estimates of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Turnover

Turnover represents the amounts receivable in respect of the provision of services which fall within the company's ordinary activities stated net of value added tax.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and cost to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	- 20% on cost
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Government grants

Revenue grants to assist general activities are recognised in the statement of profit and loss account in the period in which they are received. Government assistance is provided in the form of the job retention scheme totalling £30,011, (2018:£Nil) and under the bounce back loan scheme. Under the bounce back loan scheme interest which is covered by the government is shown in other income.

Stocks

Work in progress is valued at the lower of cost and net realisable value. Work in progress is valued at direct cost less amounts transferred to the profit and loss account in respect of work carried out, less foreseeable losses and payments on account. Direct cost is calculated as fieldwork costs, subcontractor and other specific costs but excludes indirect overheads and interest.

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand 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.

Creditors

Basic short term financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Notes to the Financial Statements - continued
for the Period 31st December 2018 to 30th June 2020

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

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Operating lease commitments

Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 18 (2018 - 19) .

4. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 31st December 2018	59,745
Additions	<u>1,750</u>
At 30th June 2020	<u>61,495</u>
DEPRECIATION	
At 31st December 2018	50,539
Charge for period	<u>5,472</u>
At 30th June 2020	<u>56,011</u>
NET BOOK VALUE	
At 30th June 2020	<u>5,484</u>
At 30th December 2018	<u>9,206</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20 £	30.12.18 £
Trade debtors	72,132	176,942
Amounts owed by group undertakings	50,000	273,367
Other debtors	64,364	-
Prepayments and accrued income	<u>21,433</u>	<u>16,031</u>
	<u>207,929</u>	<u>466,340</u>

Notes to the Financial Statements - continued
for the Period 31st December 2018 to 30th June 2020

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.12.18
	£	£
Bank loans and overdrafts	834	-
Other loans	89,927	-
Trade creditors	304,351	135,859
Corporation tax	67,562	17,082
Social security and other taxes	187,184	147,414
Other creditors	330	330
Accruals and deferred income	309,895	162,899
	<u>960,083</u>	<u>463,584</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.20	30.12.18
	£	£
Bank loans - 1-2 years	10,000	-
Bank loans - 2-5 years	30,000	-
Bank loans due more than 5 years by instalments	9,166	-
Other loans - 1-2 years	104,046	-
	<u>153,212</u>	<u>-</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans due more than 5 years by instalments	9,166	-
	<u>9,166</u>	<u>-</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.20	30.12.18
	£	£
Within one year	-	71,775
Between one and five years	-	30,375
	<u>-</u>	<u>102,150</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.20	30.12.18
			£	£
200,000	Ordinary £1 Shares	£1	<u>200,000</u>	<u>200,000</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified but includes a material uncertainty relating to going concern.

Ralph Sears (Senior Statutory Auditor)
for and on behalf of Meyer Williams

11. CONTINGENT LIABILITIES

During the period the company was party to a guarantee and debenture dated 24th May 2018 in respect of a finance arrangement entered into during the year by its parent company HPS Group Limited. This charge was satisfied on 1st June 2020.

12. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

13. ULTIMATE PARENT COMPANY

The ultimate parent company until 30th June 2020 was HPS (Group) Limited whose registered office is 6th Floor Charlotte Building, 17 Gresse Street, London, W1T 1QL. Since this date the ultimate parent company is MM-Eye Ventures Limited whose registered office is Suite 2, Fountain House, 1A Elm Park, Stanmore, England, HA7 4AU

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.