Morgan's Direct Limited FILLETED ACCOUNTS COVER

Morgan's Direct Limited

Company No. 08486798

Information for Filing with The Registrar

30 April 2017

Morgan's Direct Limited
DIRECTORS REPORT REGISTRAR

The Directors present their report and the accounts for the year ended 30 April 2017.

Principal activities

The principal activity of the company during the year under review was Internet trading.

Directors

The Directors who served at any time during the year were as follows:

F. Morgan
J. Morgan
S.D. Sakeria

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006.

Signed on behalf of the board

S.D. Sakeria
Company Secretary
21 July 2017

Morgan's Direct Limited BALANCE SHEET REGISTRAR at 30 April 2017

Company No. 08486798

	Notes	2017	2016
		£	£
Fixed assets			
Tangible assets	3	8,521	9,317
		8,521	9,317
Current assets			
Stocks	4	164,187	-
Debtors	5	25,659	29,147
Cash at bank and in hand		71,375	117,301
		261,221	146,448
Creditors: Amount falling due within one	6	(171,893)	(101,356)
Net current assets		89,328	45,092
Total assets less current liabilities		97,849	54,409
Provisions for liabilities			
Deferred taxation	7	(1,110)	(1,182)
Net assets		96,739	53,227
Capital and reserves			
Called up share capital		100	100
Profit and loss account	8	96,639	53,127
Total equity		96,739	53,227

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

For the year ended 30 April 2017 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

As permitted by section 444 (5A)of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's profit and loss account.

Approved by the board on 21 July 2017

And signed on its behalf by:

F. Morgan
Director
21 July 2017

Morgan's Direct Limited NOTES TO THE ACCOUNTS REGISTRAR for the year ended 30 April 2017

1 **Accounting policies**

Basis of preparation

The accounts have been prepared in accordance with FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard) and the Companies Act 2006 . There were no material departures from that standard.
The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the accounting policies set out below.

Turnover

Turnover is measured at the fair value of the consideration received or receivable. Turnover is reduced for estimated customer returns, rebates and other similar allowances.
Revenue from the sale of goods is recognised when all the following conditions are satisfied:
• the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
• the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
• the amount of revenue can be measured reliably;
• it is probable that the economic benefits associated with the transaction will flow to the Company; and
• the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Specifically, revenue from the sale of goods is recognised when goods are delivered and legal title is passed.

Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because of items of income or expense that are taxable or deductible in other years and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible timing differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Tangible fixed assets and depreciation

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss.
Depreciation is provided at the following annual rates in order to write off the cost or valuation less the estimated residual value of each asset over its estimated useful life:

Leasehold land and buildings	Over the lease term
Plant and machinery	25%% Straight line
Furniture, fittings and equipment	25%% Straight line

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Costs, which comprise direct production costs, are based on the method most appropriate to the type of inventory class, but usually on a first-in-first-out basis. Overheads are charged to profit or loss as incurred. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts.

Trade and other creditors

Short term creditors are measured at the 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.

Foreign currencies

Transactions in currencies, other than the functional currency of the Company, are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. all differences are taken to the profit and loss account. Non-monetary items that are measured at historic cost in a foreign currency are not retranslated.

Leased assets

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.
Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.
Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs (see the accounting policy above).
Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.
Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.
When payments are eventually made, they are charged to the provision carried in the balance sheet.

2 **Employees**

	2017	**2016**
	Number	**Number**
The average number of persons employed during the year :	8	3

3 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or revaluation				
At 1 May 2016	3,568	3,911	4,495	11,974
Additions	350	675	1,852	2,877
At 30 April 2017	3,918	4,586	6,347	14,851
Depreciation				
At 1 May 2016	157	1,963	537	2,657
Charge for the year	1,079	1,104	1,490	3,673
At 30 April 2017	1,236	3,067	2,027	6,330
Net book values				
At 30 April 2017	2,682	1,519	4,320	8,521
At 30 April 2016	3,411	1,948	3,958	9,317

4 Stocks

	2017	2016
	£	£
Finished goods	164,187	-
	164,187	-

5 Debtors

	2017	2016
	£	£
Trade debtors	5,727	7,924
Other debtors	-	1,461
Prepayments and accrued income	19,932	19,762
	25,659	29,147

6 Creditors:
amounts falling due within one year

	2017	2016
	£	£
Trade creditors	111,461	62,407
Corporation tax	15,189	11,684
Other taxes and social security	28,469	14,970
Other creditors	41	-
Accruals and deferred income	16,733	12,295
	171,893	101,356

7 **Provisions for liabilities**

Deferred taxation

	Accelerated capital allowances, losses and other timing differences	Arising from revaluation	Total
	£	£	£
At 1 May 2016	-	1,182	1,182
Credit to other comprehensive income for the period		(72)	(72)
At 30 April 2017	-	1,110	1,110

	2017	2016
	£	£
Accelerated capital allowances	1,110	1,182
	1,110	1,182

8 **Reserves**

Profit and loss account - includes all current and prior period retained profits and losses.

9 **Commitments**

Capital commitments	2017	2016
	£	£

Other financial commitments

	2017	2016
	£	£
Total commitments under non-cancellable operating leases:	100,109	135,109

10 **Dividends**

	2017	2016
	£	£
Dividends for the period:		
Dividends paid in the period	16,500	10,000
	16,500	10,000
Dividends by type:		
Non-equity preference dividends	-	-
Equity dividends	16,500	10,000
	16,500	10,000
Dividends proposed before the approval of the accounts	20,000	12,500

11 Related party disclosures

		2017
Transactions with related parties		**£**
Name of related party	West End (Stationers) Ltd	
Description of relationship between the parties	UK registered company 99.9% owned by the director J Morgan.	
Description of transaction and general amounts involved	Trading stock and dispatch charged invoiced at cost by Morgan's Direct Ltd to West (End) Stationers Ltd £31,040 (2016: £1,761)	
Amount due from/(to) the related party		3,023

Controlling party

Immediate controlling party — No single party controls the company.

12 Additional information

Its registered number is:
08486798
Its registered office is:
14 Wolsey Mews
London
NW5 2DX