

Company Registration No. 08848806 (England and Wales)

THE MOTORCYCLE ACTION GROUP LIMITED

(LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017

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THE MOTORCYCLE ACTION GROUP LIMITED
(LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors	Mr P Davison Mrs V S Lavender Mr A W Cox Mr S R Wykes Mr I Churchlow
Company number	08848806
Registered office	Unit C13 Holly Farm Business Park Honiley Kenilworth Warwickshire CV8 1NP
Auditor	Bishop Simmons Limited Mitre House School Road Bulkington Bedworth Warwickshire CV12 9JB
Business address	Unit C13 Holly Farm Business Park Honiley Kenilworth Warwickshire CV8 1NP

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(LIMITED BY GUARANTEE)
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THE MOTORCYCLE ACTION GROUP LIMITED
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 JULY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	2		101		101
Current assets					
Stocks		6,142		5,600	
Debtors	4	20,404		12,863	
Cash at bank and in hand		122,234		79,649	
		<u>148,780</u>		<u>98,112</u>	
Creditors: amounts falling due within one year	5	<u>(13,246)</u>		<u>(12,060)</u>	
Net current assets			135,534		86,052
Total assets less current liabilities			<u>135,635</u>		<u>86,153</u>
Capital and reserves					
Profit and loss reserves			<u>135,635</u>		<u>86,153</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 8 December 2017 and are signed on its behalf by:



Mrs V S Lavender
Director

Company Registration No. 08848806

THE MOTORCYCLE ACTION GROUP LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

Company information

The Motorcycle Action Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit C13, Holly Farm Business Park, Honiley, Kenilworth, Warwickshire, CV8 1NP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 costs 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.

1.3 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

THE MOTORCYCLE ACTION GROUP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

(Continued)

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

THE MOTORCYCLE ACTION GROUP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

(Continued)

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.9 Consolidation

The company is a parent company subject to the small companies regime. The company and its subsidiaries comprise a small group. The company is therefore not required to and has not chosen to prepare group accounts.

2 Fixed asset investments

	2017 £	2016 £
Investments	101	101

The value of investments represents the nominal value of the ordinary shares held in the following wholly owned subsidiary undertakings;

- MAG Media Limited
- Nice Employer Limited

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

3 Subsidiaries

Details of the company's subsidiaries at 31 July 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
MAG Media Limited	England and Wales	Production of 'The Road' magazine	Ordinary	100.00	
Nice Employer Limited	England and Wales	Administration and management for the 'MAG Group'	Ordinary		100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
MAG Media Limited	-	1
Nice Employer Limited	-	100

4 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	3,267	-
Amounts due from group undertakings	8,571	5,047
Other debtors	8,566	7,816
	<u>20,404</u>	<u>12,863</u>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	3,738	2,936
Amounts due to group undertakings	4,820	4,000
Corporation tax	1,848	681
Other taxation and social security	-	806
Other creditors	2,840	3,637
	<u>13,246</u>	<u>12,060</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Jane Biggs.
The auditor was Bishop Simmons Limited.

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
11,667	21,667
<u>11,667</u>	<u>21,667</u>

8 Related party transactions

MAG Media Limited

MAG Media Limited is a wholly owned subsidiary, which produces The Motorcycle Action Group Limited's 'ROAD' magazines. The Motorcycle Action Group Limited paid £65,560 (2016 £64,455) towards the production costs in the period and recharged costs/administration charges of £17,781 (2016 £17,726). At 31 July 2017, the balance owed by MAG Media Ltd was £8,571 (2016 £5,047).

Nice Employer Limited

Nice Employer Limited is a wholly owned subsidiary, which provided administration and management services totalling £121,545 (2016 £114,617) in the period. At 31 July 2017 the balance owed to Nice Employer Limited was £4,820 (2016 £4,000).

MAG Foundation Limited

During the year, a donation of £1,000 (2016 £1,000) was made to MAG Foundation Limited. The company has a coincident interest in the registered charitable company.