

Registered number: 09647195

**MAGNAVALE WARRINGTON LTD**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**MAGNAVALE WARRINGTON LTD**  
**REGISTERED NUMBER: 09647195**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 26 DECEMBER 2021**

	Note	26 December 2021 £	27 December 2020 £
<b>Fixed assets</b>			
Tangible assets	4	6,254,172	432,608
		<u>6,254,172</u>	<u>432,608</u>
<b>Current assets</b>			
Stocks		13,276	26,040
Debtors: amounts falling due within one year	5	2,063,571	1,442,739
Cash at bank and in hand	6	11,518	79,366
		<u>2,088,365</u>	<u>1,548,145</u>
Creditors: amounts falling due within one year	7	(8,632,951)	(2,096,954)
<b>Net current liabilities</b>		<u>(6,544,586)</u>	<u>(548,809)</u>
<b>Total assets less current liabilities</b>		<u>(290,414)</u>	<u>(116,201)</u>
Creditors: amounts falling due after more than one year	8	-	(1,877,372)
<b>Provisions for liabilities</b>			
Deferred tax	9	(660,660)	(35,737)
		<u>(660,660)</u>	<u>(35,737)</u>
<b>Net liabilities</b>		<u><u>(951,074)</u></u>	<u><u>(2,029,310)</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 26 DECEMBER 2021

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	26 December 2021 £	27 December 2020 £
<b>Capital and reserves</b>		
Called up share capital	100	100
Profit and loss account	(951,174)	(2,029,410)
	<u>(951,074)</u>	<u>(2,029,310)</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 by:

*A Lawrence*

**A C Lawrence**  
Director  
Date: 9 September 2022

The notes on pages 3 to 10 form part of these financial statements.

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**MAGNAVALE WARRINGTON LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**1. General information**

The Company is a private company limited by shares, incorporated in England and Wales under the Companies Act. Its registered office address is Magnavale House, Park Road, Holmewood Industrial Park, Holmewood, Chesterfield, S42 5UY and principal place of business is Yew Tree Lane, Stone Cross Park, Golborne, Warrington, WA3 3JD.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The directors, having prepared cashflow forecasts to December 2023, including a sensitivity analysis, expect increased revenue levels in 2022 and 2023, and the forecast outlook underpins the directors' expectations that the business will continue to operate as a going concern for the foreseeable future. The company obtained additional finance in 2021 and will continue to look for additional funds in 2022 to meet its business objectives for expansion. Additional support is also available from its parent company in the event that additional funding is required for the company to meet its obligations as they fall due. The directors therefore believe that there are no material uncertainties that may cast significant doubt on the company's ability to continue as a going concern.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.4 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Property improvements	- Over the life of the lease
Plant and machinery	- 5-10 years
Office equipment	- 5-10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Assets in the course of construction represent plant and machinery acquired for the purposes of the expansion of the Company's operations, but entered into use and commenced being depreciated after the balance sheet date.

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.7 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are 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.

**2.9 Financial instruments**

The Company only enters into basic financial instrument 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 ordinary shares.

**2.10 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.

**2.11 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.

**2.12 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**2.13 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.14 Provisions for liabilities**

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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

**2.15 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. Employees**

The average monthly number of employees, including directors, during the period was 45 (2020 - 55).

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**MAGNAVALE WARRINGTON LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**4. Tangible fixed assets**

	Property improvements £	Plant and machinery £	Office equipment £	Assets in the course of construction £	Total £
<b>Cost or valuation</b>					
At 28 December 2020	329,733	257,730	120,889	-	708,352
Additions	35,255	78,811	11,163	5,779,772	5,905,001
Transfers intra group	-	17,837	-	-	17,837
At 26 December 2021	364,988	354,378	132,052	5,779,772	6,631,190
<b>Depreciation</b>					
At 28 December 2020	102,193	71,367	102,184	-	275,744
Charge for the period on owned assets	38,454	45,043	11,088	-	94,585
Transfers intra group	-	6,689	-	-	6,689
At 26 December 2021	140,647	123,099	113,272	-	377,018
<b>Net book value</b>					
At 26 December 2021	224,341	231,279	18,780	5,779,772	6,254,172
At 27 December 2020	227,541	186,362	18,705	-	432,608



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**MAGNAVALE WARRINGTON LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**5. Debtors**

	26 December 2021 £	27 December 2020 £
Trade debtors	1,333,295	1,261,396
Other debtors	584,322	28,438
Prepayments and accrued income	145,954	152,905
	<u>2,063,571</u>	<u>1,442,739</u>

**6. Cash and cash equivalents**

	26 December 2021 £	27 December 2020 £
Cash at bank and in hand	11,518	79,366
	<u>11,518</u>	<u>79,366</u>

**7. Creditors: Amounts falling due within one year**

	26 December 2021 £	27 December 2020 £
Invoice discounting	293,916	659,371
Trade creditors	2,574,850	274,703
Amounts owed to group undertakings	5,110,766	764,634
Other taxation and social security	19,930	208,922
Obligations under finance lease and hire purchase contracts	-	3,296
Other creditors	17,699	17,273
Accruals and deferred income	615,790	168,755
	<u>8,632,951</u>	<u>2,096,954</u>

Invoice discounting balances are secured over the trade debtors up to a maximum limit of £5.5m (2020: £8m).

The hire purchase agreements are secured on the assets to which they relate.

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**MAGNAVALE WARRINGTON LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**8. Creditors: Amounts falling due after more than one year**

	26 December 2021 £	27 December 2020 £
Amounts owed to group undertakings	-	1,877,372
	<u>-</u>	<u>1,877,372</u>

**9. Deferred taxation**

	2021 £
At beginning of year	(35,737)
Charged to profit or loss	(624,923)
<b>At end of year</b>	<u><u>(660,660)</u></u>

The provision for deferred taxation is made up as follows:

	26 December 2021 £	27 December 2020 £
Fixed asset timing differences	(661,426)	(36,203)
Short term timing differences	766	466
	<u><u>(660,660)</u></u>	<u><u>(35,737)</u></u>

**10. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £27,586 (2020: £35,538). Contributions totaling £3,066 (2020: £2,452) were payable to the fund at the reporting date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 26 DECEMBER 2021**

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**11. Commitments under operating leases**

At 26 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	26 December 2021 £	27 December 2020 £
Not later than 1 year	910,000	1,015,000
Later than 1 year and not later than 5 years	2,578,333	3,383,333
	<u>3,488,333</u>	<u>4,398,333</u>

**12. Related party transactions**

Transactions with companies wholly owned by Beta International (UK) Limited are not disclosed in accordance with section 33.1A of FRS 102.

During the period the Company was invoiced a total amount of £48,309 (2020: £nil) to a company under common control for provision of services.

**13. Controlling party**

The results of the Company are included in the consolidated financial statements of Beta International (UK) Limited, and this is the largest and smallest group of undertakings for which group accounts are drawn up. Group accounts are available to the public from Companies House.

The immediate parent entity is Magnavale Limited, a company registered in England and Wales.

The ultimate parent entity is SADEL Group S.a.r.l, a company registered in Luxembourg.

The ultimate controlling party is S A Lawrence, a director, by virtue of his shareholding in the ultimate parent entity.

**14. Auditors' information**

The auditors' report on the financial statements for the period ended 26 December 2021 was unqualified.

The audit report was signed by Ian Daniels (Senior Statutory Auditor) on behalf of Haysmacintyre LLP.