

MPK Group Limited

Report and Financial Statements

Financial Year Ended

31 December 2020

Company Number: 09826636



MPK Group Limited

Report and financial statements for the Financial Year Ended 31 December 2020

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Directors

P A Kershaw
N Haskic
J T Stewart

Registered office

MPK House, 318 Melton Road, Leicester, Leicestershire, LE4 7SL

Company number

09826636

Auditor

BDO LLP, Two Snowhill, Birmingham, B4 6GA

Bankers

HSBC Bank PLC, Donington Court, Pegasus Business Park, Herald Way, East Midlands, DE74 2UZ

Solicitors

Boodle Hatfield LLP, 240 Blackfriars Road, London, SE1 8NW

MPK Group Limited

Strategic report for the Financial Year Ended 31 December 2020

Introduction

The directors present the company's annual report for the financial year ended 31 December 2020.

The principal activity of the company during the period was that of a head office management company. Other than deferred taxation recognition, the company was dormant in the year.

Business review

The underlying financial performance of the company was in line with the director's expectations.

As at the balance sheet date the company had current assets in excess of £1,100,000.

The Directors therefore believe the company's financial position to be satisfactory and sufficient to support the company's strategies.

Principal risks and uncertainties

The main risks arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for the management of each of these risks as summarised below:

Interest rate risk

The company finances its operations through a mixture of cash borrowings and other liquid resources including working capital generated from the company's operations. The directors periodically review borrowing costs to ensure they are receiving the best commercial rates, to minimise exposure to interest rate fluctuations.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet immediate needs and to invest cash assets prudently and profitably. This is achieved through appropriately structured bank facilities.

Financial key performance indicators

The directors monitor a range of key performance indicators to manage the business, and understand the risk and uncertainties within the products and services provided to its customers. The directors consider net asset position as the key financial indicator and as a result continue to monitor closely.

MPK Group Limited

Strategic report for the Financial Year Ended 31 December 2020 (continued)

Going concern

After making enquiries and preparing integrated profit and loss and cash flow forecasts for one year from the date the financial statements are signed, the Directors have formed a judgement that, as at the date of approving the financial statements, there is a reasonable expectation that the Parent Group and the Company have adequate resources to continue in existence for the foreseeable future. The directors have received formal confirmation from a subsidiary (MPK Garages Limited) that they will provide support to the company for at least 12 months from the date of these accounts.

In the current business climate, the Directors acknowledge the impact of the COVID-19 pandemic and are closely monitoring the financial, operational, and people experience aspects of the Parent Group's processes and procedures to mitigate the impact of the pandemic. Senior management have implemented various changes to underpin the Parent Group's resilience to COVID-19, with the key focus being protecting all customers and employees, and ensuring business continuity.

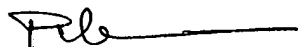
In making this assessment the Directors and Senior Management team have undertaken a thorough review of the Parent Group and the Company's budgets and forecasts, and has produced detailed and realistic cash flow projections. Various scenarios have been modelled on the potential impact of COVID-19, including the worst-case scenario. In broad terms the worst-case scenario occurs when there are multiple, complete nationwide lockdowns; the forecast assumes reduced revenues, but this is exacerbated where the Group continues paying suppliers as their invoices fall due.

The Parent Group has existing cash resources at the 30 June 2021 in excess of £5,300,000 to pay outstanding fuel creditors. These cash flow projections, when considered in conjunction with the Parent Group's existing cash balances demonstrate that the Parent Group has a strong working capital position.

The Directors have prepared these financial statements on a going concern basis.

Approval

This strategic report was approved on behalf of the Board:



P A Kershaw
Director

Dated: 8 October 2021

MPK Group Limited

Directors' report for the Financial Year Ended 31 December 2020

The directors present their report together with the audited financial statements for the 12 month period ended 31 December 2020. The prior period comparative represents a 12 month period ended 31 December 2019.

Results and dividends

Other than deferred taxation recognition, the company was dormant in the year.

The profit after taxation, for the Financial Year Ended 31 December 2020 amounted to £27,687 (2019: profit of £105,795).

During the period no dividends were paid (2019: £Nil). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the period and to the date of approval of the annual report:

P.A Kershaw
N Haskic
J T Stewart

Future developments

The directors do not foresee any changes to the principal activity of the company.

Post balance sheet events

In January 2020, an outbreak of a Corona virus, now classified as COVID-19, was detected in China's Hubei province. During the following months, COVID-19 has spread steadily throughout the World and on 11 March 2020, The World Health Organisation ("WHO") declared the outbreak a global pandemic. In order to stem the spread of the virus, Governments around the World undertook drastic steps which include compulsory closure of various businesses and schools and are also heavily restricting the movement of people by enforcing nationwide lock downs. Our thoughts and sympathies go out to all that have been affected by the virus, either directly or indirectly.

Disclosures in relation to the continuing COVID-19 outbreak can be found in the intermediate parent company undertaking, Stratford Retail Group Limited. Consolidated accounts are prepared for Stratford Retail Group Limited and are available from Companies House, Cardiff, CF14 3UZ.

The Directors are pleased to confirm that none of the Group's 29 service station sites have closed as a result of the COVID-19 pandemic and have remained open to meet the needs of its customers. In addition, the Group has been designated as an essential supplier by the Department for Environment, Food and Rural Affairs due to the nature of its supply of food and goods to the Emergency Services and General Public.

At operating sites processes and procedures have been redesigned to maintain a safe working environment in our retail locations. Where possible the Directors have reorganised head office staff to enable them to work from home as well as following Government guidelines. The business has not furloughed any of its staff during this period, conversely a recruitment drive took place to ensure all sites were appropriately staffed during the pandemic as shop sales grew for food and grocery products.

The Directors wish to thank all staff, customers, and key suppliers for their "can-do spirit" and cooperation during these unprecedented and challenging times.

MPK Group Limited

Directors' report for the Financial Year Ended 31 December 2020 (continued)

Auditors

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- The director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approval

This directors' report was approved on behalf of the Board:



**P A Kershaw
Director**

Dated: 8 October 2021

MPK Group Limited

Directors' responsibilities statement for the Financial Year Ended 31 December 2020

The directors are responsible for preparing the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MPK Group Limited

Independent auditor's report to the members of MPK Group Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of MPK Group Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MPK Group Limited

Independent auditor's report to the members of MPK Group Limited (*continued*)

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, UK GAAP, tax legislation and Health and Safety regulations.

MPK Group Limited

Independent auditor's report to the members of MPK Group Limited (*continued*)

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- review of minutes of Directors' board meetings throughout the year; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations

We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. We addressed this risk through testing of journals, assessing and challenging the significant accounting estimates made and evaluating whether there was any evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Jon Gilpin

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Jonathan Gilpin (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham, UK
Dated: 8 October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MPK Group Limited

Profit and loss account for the Financial Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover	3	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		-	-
Exceptional costs		-	-
		<hr/>	<hr/>
Operating result	4	-	-
Interest payable and expenses	7	-	-
		<hr/>	<hr/>
Result before taxation		-	-
Taxation credit on result	8	27,687	105,795
		<hr/>	<hr/>
Profit for the financial period		27,687	105,795
		<hr/>	<hr/>

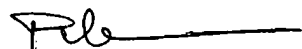
The notes on pages 12 to 22 form part of these financial statements.

MPK Group Limited

Balance sheet as at 31 December 2020

Company number:09826636	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Investments	12		9,884,200		9,884,200
Deferred Tax Asset	13		263,026		235,339
			<u>10,147,226</u>		<u>10,119,539</u>
Current assets					
Debtors: amounts falling due within one year	14	1,170,300		1,170,300	
Cash at bank and in hand		485		485	
		<u>1,170,785</u>		<u>1,170,785</u>	
Net current assets			<u>1,170,785</u>		<u>1,170,785</u>
Total assets less current liabilities			<u>11,318,011</u>		<u>11,290,324</u>
Creditors: amounts falling due after more than one year	15		<u>(7,561,798)</u>		<u>(7,561,798)</u>
Net assets			<u>3,756,213</u>		<u>3,728,526</u>
Capital and reserves					
Called up share capital	16		100,000		100,000
Share premium account	17		5,519,000		5,519,000
Capital redemption reserve	18		(62,000)		(62,000)
Profit and loss account	18		(1,800,787)		(1,828,474)
Shareholders' funds			<u>3,756,213</u>		<u>3,728,526</u>

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



P A Kershaw
Director

Dated: 8 October 2021

The notes on pages 12 to 22 form part of these financial statements.

MPK Group Limited

Statement of changes in equity for the Financial Year Ended 31 December 2020

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2020	100,000	5,519,000	(62,000)	(1,828,474)	3,728,526
Profit for the period	-	-	-	27,687	27,687
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	100,000	5,519,000	(62,000)	(1,800,787)	3,756,213
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Statement of changes in equity for the Financial Year Ended 31 December 2019

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2019	100,000	5,519,000	(62,000)	(1,934,269)	3,622,731
Profit for the period	-	-	-	105,795	105,795
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	100,000	5,519,000	(62,000)	(1,828,474)	3,728,526
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 22 form part of these financial statements.

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020

1 Accounting policies

MPK Group Limited is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company contents page.

The financial statements are prepared in Sterling (£) and are for 12 month financial year ended 31 December 2020 (2019: 12 month financial year ended 31 December 2019).

The company was dormant in the year, other than a deferred taxation adjustment.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following accounting policies have been applied consistently throughout the period:

Disclosure exemptions

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash flow statement. Where required, equivalent disclosures are given in the Group accounts of Stratford Retail Group Limited. The Group accounts of Stratford Retail Group Limited are available to the public and can be accessed from Companies House.

Going Concern

After making enquiries and preparing integrated profit and loss and cash flow forecasts for one year from the date the financial statements are signed, the Directors have formed a judgement that, as at the date of approving the financial statements, there is a reasonable expectation that the Parent Group and the Company have adequate resources to continue in existence for the foreseeable future. The directors have received formal confirmation from a subsidiary (MPK Garages Limited) that they will provide support to the company for at least 12 months from the date of these accounts.

In the current business climate, the Directors acknowledge the impact of the COVID-19 pandemic and are closely monitoring the financial, operational, and people experience aspects of the Parent Group's processes and procedures to mitigate the impact of the pandemic. Senior management have implemented various changes to underpin the Parent Group's resilience to COVID-19, with the key focus being protecting all customers and employees, and ensuring business continuity.

In making this assessment the Directors and Senior Management team have undertaken a thorough review of the Parent Group and the Company's budgets and forecasts, and has produced detailed and realistic cash flow projections. Various scenarios have been modelled on the potential impact of COVID-19, including the worst-case scenario. In broad terms the worst-case scenario occurs when there are multiple, complete nationwide lockdowns; the forecast assumes reduced revenues, but this is exacerbated where the Group continues paying suppliers as their invoices fall due.

The Parent Group has existing cash resources at the 30 June 2021 in excess of £5,300,000 to pay outstanding fuel creditors. These cash flow projections, when considered in conjunction with the Parent Group's existing cash balances demonstrate that the Parent Group has a strong working capital position.

The Directors have prepared these financial statements on a going concern basis.

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (*continued*)

1 Accounting policies (*continued*)

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.

Valuation of investments

Investments in subsidiaries are initially valued at cost and reviewed annually for signs of impairment. If an impairment loss is identified, this is recognised immediately in the statement of income and retained earnings and the value of the investment is reduced accordingly.

Current asset investments are held at lower of cost or net realisable value.

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.

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.

Financial instruments

The company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from or to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (*continued*)

1 Accounting policies (*continued*)

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

Taxation

The tax charge for the period comprises of current and deferred tax.

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

The current income and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. 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.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2 Judgments in applying accounting policies and key sources of estimation uncertainty

The directors make estimates and assumptions concerning the future. They are also required to exercise judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below.

Impairment of non current assets

The directors assess the impairment of fixed asset investments whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

Impairment of other assets

The directors review the carrying value of all other assets for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (continued)

2 Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

Recoverability of trade and other debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. Director reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and directors judgment is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

3 Turnover

The whole of the turnover is attributable to the principal activity of the company and all turnover arose in the United Kingdom.

4 Operating result

	2020 £	2019 £
<i>The operating result is stated after charging:</i>		
Fees payable to the company's auditor for the audit of the company's annual financial statements	-	-
Fees payable to the company's auditor for taxation services	-	-

The company's audit and taxation fees have been borne by subsidiary undertaking MPK Garages Limited.

The equivalent Group disclosures are given in the Group accounts of Stratford Retail Group Limited. The Group accounts of Stratford Retail Group Limited are available to the public and can be accessed from Companies House.

5 Employees

The company had no employees (excluding directors) during the period (2019: none).

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (continued)

6 Directors' remuneration

During the period all director's remuneration (including defined contribution period scheme payments) was borne by subsidiary undertaking MPK Garages Limited.

The equivalent Group disclosures are given in the Group accounts of Stratford Retail Group Limited. The Group accounts of Stratford Retail Group Limited are available to the public and can be accessed from Companies House.

7 Interest payable and similar expenses

	2020 £	2019 £
Interest on loan notes	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

8 Taxation

	2020 £	2019 £
<i>Corporation taxation</i>		
Current taxation on losses for the year	-	-
	<u>-</u>	<u>-</u>
Total current taxation	-	-
	<u>-</u>	<u>-</u>
<i>Deferred taxation</i>		
Origination and reversal of timing differences	27,687	105,795
	<u>27,687</u>	<u>105,795</u>
Taxation on result on ordinary activities	27,687	105,795
	<u>27,687</u>	<u>105,795</u>

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (continued)

8 Taxation on loss on ordinary activities (continued)

Factors affecting tax charge for the period

The tax assessed for the year is the lower than (2019 – lower than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	2020 £	2019 £
Result on ordinary activities before tax	-	-
Result on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019 -19.00%)	-	-
Effects of:		
Expenses not deductible for tax purposes other than goodwill amortisation and impairment	-	-
Capital allowances for period in excess of depreciation	-	-
Adjustments to tax charges in respect of prior periods	(27,687)	(105,795)
Adjusting deferred tax to average rate of 19.00% (2019 – 19.00%)	-	-
Deferred tax (recognised) / not recognised	-	-
Other differences leading to an increase in the tax charge	-	-
Group relief surrendered	-	-
Losses carried back	-	-
Other permanent differences	-	-
Total tax credit for the year	(27,687)	(105,795)

9 Dividends

	2020 £	2019 £
Dividends paid on ordinary shares	-	-

MPK Group Limited

Notes forming part of the financial statements
for the Financial Year Ended 31 December 2020 (*continued*)

10 Exceptional items

	2020 £	2019 £
Exceptional costs	-	-

12 Fixed asset investments

	Investments in subsidiary companies £
<i>Cost or valuation</i>	
At 1 January 2019 and 1 January 2020	9,884,200
<i>Net book value</i>	
At 31 December 2019 and 31 December 2020	9,884,200

Subsidiary and associate undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
MPK Garages	Ordinary	100%	Retail sale of fuel and convenience goods
Astrodon Limited	Ordinary	100%	Property holding company
J. Edwards & Son Garages (Rugeley) Limited	Ordinary	100%	Dormant company
MPK Land Limited	Ordinary	100%	Rental of Leasehold Property
Min Estates Limited	Ordinary	100%	Dormant company
MPK Restaurants Limited	Ordinary	49%	Subway Franchise

MPK Garages Limited, Astrodon Limited, J. Edwards & Son Garages (Rugeley) Limited, MPK Land Limited, and Min Estates Limited were incorporated in the United Kingdom, and have the same registered office as MPK Group Limited.

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (continued)

13 Deferred taxation

	2020 £	2019 £
At beginning of year	235,339	129,544
Credited to profit or loss	27,687	105,795
	<u>263,026</u>	<u>235,339</u>

The deferred taxation asset balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	-	-
Short term timing differences	235,339	235,339
Tax losses carried forward and other deductions	27,687	-
	<u>263,026</u>	<u>235,339</u>

14 Debtors

	2020 £	2019 £
Due within one year:		
Amounts owed by group undertakings	1,170,300	1,170,300
Other debtors	-	-
	<u>1,170,300</u>	<u>1,170,300</u>

MPK Group Limited

Notes forming part of the financial statements for the Financial Year Ended 31 December 2020 (continued)

15 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	-	-
Amounts owed to group undertakings	7,561,798	7,561,798
Accruals and deferred income	-	-
	<u>7,561,798</u>	<u>7,561,798</u>

Consolidated accounts are prepared for Stratford Retail Group Limited and are available from Companies House, Cardiff, CF14 3UZ.

16 Share capital

	2020 £	2019 £
<i>Allotted, called up and paid</i>		
39999 ordinary A shares £1 each	39,999	39,999
30002 ordinary B shares £1 each	30,002	30,002
29999 ordinary C shares £1 each	29,999	29,999
	<u>100,000</u>	<u>100,000</u>

17 Share Premium

	2020 £	2019 £
<i>Allotted, called up and paid</i>		
On issue of ordinary shares	5,519,000	5,519,000
	<u>5,519,000</u>	<u>5,519,000</u>

MPK Group Limited

Notes forming part of the financial statements for Financial Year Ended 31 December 2020 (continued)

18 Reserves

Share premium account

The share premium account includes any premiums received on issues share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Capital redemption reserve

A statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.

Profit and loss account

This reserve represents the cumulative comprehensive income for the period and prior periods.

19 Related party transactions

Advantage has been taken of the exemption provided by FRS 102 Section 33.1A not to disclose transactions with fellow group companies and disclosure on key management personnel as all subsidiary undertakings are wholly owned by the ultimate controlling entity of the company.

The company was dormant during the period.

MPK Group Limited

Notes forming part of the financial statements for Financial Year Ended 31 December 2020 (*continued*)

20 Post Balance Sheet Events

COVID-19

In January 2020, an outbreak of a Corona virus, now classified as COVID-19, was detected in China's Hubei province. During the following months, COVID-19 has spread steadily throughout the World and on 11 March 2020, The World Health Organisation ("WHO") declared the outbreak a global pandemic.

Disclosures in relation to the continuing COVID-19 outbreak for the Group, can be found in the intermediate parent company undertaking, Stratford Retail Group Limited. Consolidated accounts are prepared for Stratford Retail Group Limited and are available from Companies House, Cardiff, CF14 3UZ.

For the Company and Group, the financial statements are produced on the "Going Concern Basis", as the directors are satisfied there is sufficient liquidity in the Company and Group for the business to continue trading successfully for the foreseeable future.

Various actions were put in place by management to ensure the continuity of the business going forward:

For the Group, Covenant waivers were received from Europa UK Debt (Lux) S.Á.R.L. for Quarter 1 of calendar year 2021. All interest payments were successfully made in calendar year 2021 from existing cash resources.

The Group has existing cash resources at the 30 June 2021 in excess of £5,300,000. The Directors and Senior Management's cash flow projections, when considered in conjunction with the Group's existing cash balances, demonstrate that the group has sufficient working capital for the foreseeable future.

At the Balance Sheet date there was no indication of impairment of Tangible or Intangible assets, nor were any contracts considered erroneous in nature. Stock and Debtors were all considered recoverable. The Company and wider Group has no plans to restructure or modify employees' contracts in the foreseeable future.

The business has not furloughed any of its staff during this period or after the balance sheet date.

21 Ultimate controlling party

The immediate parent company undertaking, as at the period end, was Stratford Retail Group Limited, who own 100% of the authorised share capital. Consolidated accounts are prepared for Stratford Retail Group Limited and are available from Companies House, Cardiff, CF14 3UZ.

The ultimate parent company undertaking, as at the period end, was Stratford Retail Partners LLP who own 100% of the authorised share capital of Stratford Retail Group Limited.