

REGISTERED NUMBER: 01317354 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

FOR

MARCUS MACHINE AND TOOLS LIMITED

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FOR THE YEAR ENDED 30 JUNE 2022

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STATEMENT OF FINANCIAL POSITION
30 JUNE 2022

	Notes	30.6.22 £	30.6.21 £
FIXED ASSETS			
Tangible assets	4	29,148	33,954
CURRENT ASSETS			
Stocks		7,505,472	7,567,691
Debtors	5	85,216	409,529
Cash at bank and in hand		1,805,397	1,276,758
		<u>9,396,085</u>	<u>9,253,978</u>
CREDITORS			
Amounts falling due within one year	6	<u>(9,099,734)</u>	<u>(7,565,532)</u>
NET CURRENT ASSETS		<u>296,351</u>	<u>1,688,446</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		325,499	1,722,400
PROVISIONS FOR LIABILITIES		<u>(5,538)</u>	<u>(4,417)</u>
NET ASSETS		<u><u>319,961</u></u>	<u><u>1,717,983</u></u>
CAPITAL AND RESERVES			
Called up share capital		2,000	2,000
Retained earnings		<u>317,961</u>	<u>1,715,983</u>
		<u><u>319,961</u></u>	<u><u>1,717,983</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
30 JUNE 2022

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 Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22 February 2023 and were signed on its behalf by:

A J Bailey - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. STATUTORY INFORMATION

Marcus Machine and Tools Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number:	01317354
Registered office:	Marcus House Park Hall Industrial Estate Longton Stoke on Trent Staffordshire ST3 5XA

The principal activity of the company was that of property development.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

As described in the accounting policies of the financial statements, depreciation of intangible and tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidenced by disposals during current and prior accounting periods.

REVENUE RECOGNITION

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

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

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

STOCKS

Stocks are valued at the lower of cost and net realisable value.

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

CORPORATION TAX

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

IMPAIRMENT OF FIXED ASSETS

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

PROVISIONS

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

EMPLOYEE BENEFITS

The company provides a range of benefits to employees.

Short term benefits, including holiday pay, are recognised as an expense in the profit and loss account in the period in which they are incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 (2021 - 7) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2021	52,221	40,009	8,094	100,324
Additions	10,876	-	116	10,992
Disposals	(17,909)	(38,026)	(6,017)	(61,952)
At 30 June 2022	<u>45,188</u>	<u>1,983</u>	<u>2,193</u>	<u>49,364</u>
DEPRECIATION				
At 1 July 2021	29,582	32,335	4,453	66,370
Charge for year	2,967	95	394	3,456
Eliminated on disposal	(14,055)	(31,616)	(3,939)	(49,610)
At 30 June 2022	<u>18,494</u>	<u>814</u>	<u>908</u>	<u>20,216</u>
NET BOOK VALUE				
At 30 June 2022	<u>26,694</u>	<u>1,169</u>	<u>1,285</u>	<u>29,148</u>
At 30 June 2021	<u>22,639</u>	<u>7,674</u>	<u>3,641</u>	<u>33,954</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22 £	30.6.21 £
Trade debtors	68,914	65,650
Other debtors	451	-
Directors' loan accounts	-	328,028
Prepayments	<u>15,851</u>	<u>15,851</u>
	<u>85,216</u>	<u>409,529</u>

Directors loans are interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.22	30.6.21
	£	£
Bank loans and overdrafts	-	286,928
Trade creditors	54,977	32,687
Amounts owed to group undertakings	8,139,481	6,356,510
Tax	141,822	193,854
Social security and other taxes	2,803	1,239
VAT	23,145	25,903
Other creditors	1,630	2,757
Directors' loan accounts	138,458	73,747
Rent deposits	336,712	332,761
Accrued expenses	260,706	259,146
	<u>9,099,734</u>	<u>7,565,532</u>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Directors loans are interest free and repayable on demand.

There is a debenture dated 6th October 2003 in favour of NatWest Bank Plc incorporating a fixed and floating charge over the undertaking and all property and assets, present and future.

Additional debenture dated 14th March 2017 in favour of Marcus Estates Ltd over all property and assets, present and future.

7. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 June 2022 and 30 June 2021:

	30.6.22	30.6.21
	£	£
P J Bailey		
Balance outstanding at start of year	-	250,000
Amounts advanced	-	285,000
Amounts repaid	-	(535,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>
S P D Bailey		
Balance outstanding at start of year	327,978	(40,801)
Amounts advanced	56,686	424,595
Amounts repaid	(384,664)	(55,816)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>327,978</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

8. RELATED PARTY DISCLOSURES

Details of the transactions between fellow group companies have not been disclosed in line with paragraph 33.1A of FRS102.

During the year the following transactions took place with the directors of the company:
£254,181 was due from the directors at the start of the year. During the year, the directors introduced £580,461 into the company and were advanced £187,822 from the company. £138,458 was due to the directors at the year end.

9. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events up to the date of approval of the financial statements by the board.

10. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is Marcus Estates Limited, a company registered in England and Wales.

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.