

Michael Bailey Associates Limited

Financial Statements

For the year ended 31 December 2022

Pages for Filing with Registrar

Company Registration No. 02289699 (England and Wales)

Michael Bailey Associates Limited

Company Information

Director	M L Garlick
Secretary	S Bahra
Company number	02289699
Registered office	12 Brook House Chapel Place Rivington Street London United Kingdom EC2A 3SJ
Auditors	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

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Michael Bailey Associates Limited

Balance Sheet

As at 31 December 2022

	Notes	2022 €	€	2021 €	€
Current assets					
Debtors	5	5,983,140		14,128,569	
Cash at bank and in hand		176,472		171,195	
		<u>6,159,612</u>		<u>14,299,764</u>	
Creditors: amounts falling due within one year	6	<u>(5,873,389)</u>		<u>(8,976,716)</u>	
Net current assets			286,223		5,323,048
			<u><u>286,223</u></u>		<u><u>5,323,048</u></u>
Capital and reserves					
Called up share capital	7		150		150
Profit and loss reserves			286,073		5,322,898
			<u>286,073</u>		<u>5,322,898</u>
Total equity			<u><u>286,223</u></u>		<u><u>5,323,048</u></u>

The director of the company has 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 29 December 2023 and are signed on its behalf by:

M L Garlick
Director

Company Registration No. 02289699

Michael Bailey Associates Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Accounting policies

Company information

Michael Bailey Associates Limited is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is 12 Brook House, Chapel Place, Rivington Street, London, United Kingdom, EC2A 3SJ.

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 financial statements are prepared in Euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound. At 31 December 2022 the exchange rate was £1:€1.1276 (2021: £1:€1.1745).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Michael Bailey Associates Limited is a wholly owned subsidiary of MBA Michael Bailey Associates Plc. The results of Michael Bailey Associates Limited are included in the consolidated financial statements of MBA Holding Company 3 Limited, the ultimate holding company, which are available from 12 Brook House, Chapel Place, Rivington Street, London, EC2A 3SJ.

1.2 Going concern

The financial statements have been prepared on a basis other than going concern. This has been deemed reasonable by the directors due to the decision to cease trading within the company. There has been no change to the recognition and measurement of assets or liabilities as a consequence of adopting a basis other than going concern when preparing the financial statements.

1.3 Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax. Income is accrued where the company has the right to consideration for services rendered at the balance sheet date. Turnover is matched to cost of sales and where it is, a mark up of costs are only recognised when the costs are known. Where a set fee is being charged this is recognised in the period the work is done.

1.4 Cash and cash equivalents

Cash and cash equivalents 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.

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

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

Basic financial liabilities, including trade and other payables, 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.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables 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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Taxation

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

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.

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

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.

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. 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 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions in other currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Auditor's remuneration

The 2022 and 2021 audit fees were borne by the parent company MBA Michael Bailey Associates Plc.

3 Employees

The average monthly number of persons (including directors) employed by the company during 2022 was nil (2021: nil).

4 Director's remuneration

	2022 €	2021 €
Remuneration paid to directors	-	-

The directors did not receive any remuneration from the company in the year (2021: £nil).

5 Debtors

	2022 €	2021 €
Amounts falling due within one year:		
Trade debtors	26,178	28,082
Amounts owed by group undertakings	5,612,075	13,891,460
Other debtors	331,298	179,126
Prepayments and accrued income	13,589	29,901
	<u>5,983,140</u>	<u>14,128,569</u>

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

5 Debtors (Continued)

Trade debtors disclosed above are measured at amortised cost.

6 Creditors: amounts falling due within one year

	2022	2021
	€	€
Bank loans	-	3,284,810
Trade creditors	341,120	378,726
Corporation tax	49,210	37,608
Other taxation and social security	-	78,205
Other creditors	5,416,459	5,164,229
Accruals and deferred income	66,600	33,138
	<u>5,873,389</u>	<u>8,976,716</u>

7 Share capital

	2022	2021
	€	€
Issued and fully paid		
100 ordinary shares of £1 each	<u>150</u>	<u>150</u>

8 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 qualified and the auditor reported as follows:

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

8 Audit report information

(Continued)

Qualified opinion

We have audited the financial statements of Michael Bailey Associates Limited (the 'company') for the year ended 31 December 2022 which comprise, the Balance Sheet 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

Basis for qualified opinion

Included in the other creditors shown on the balance sheet is an amount of €317,826 relating to financial support received in 2022 in light of the COVID-19 pandemic. The grant amount, in addition to a further amount of €78,255, received in February 2023 was applied for during the year and two other claims for 2021 were fully agreed and recognition conditions had been met. In our opinion, these claims should be recognised in the year ended 31 December 2022. Accordingly, creditors should be reduced by €317,826, debtors should be increased by €78,255 and profit for the year and retained earnings should be increased by €396,081.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 1.2 to the financial statements which explains that the directors intend to cease trading within company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1.2. Our opinion is not modified in respect of going concern.

Senior Statutory Auditor:
Statutory Auditor:

Jamie Sherman
Moore Kingston Smith LLP

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

9 Operating lease commitments

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

	2022	2021
	€	€
Within one year	2,563	2,703
Between two and five years	939	3,693
	<u>3,502</u>	<u>6,396</u>

10 Directors' transactions

At 31 December 2022, the amount due to the company from M.L. Garlick was €30,034 (2021: €10,830) in respect of expenses paid by the company on his behalf. During the year the company made sales to the Director of €Nil (2021:€30,000)

Michael Bailey Associates Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

11 Related party transactions

Transactions with related parties

The company has taken advantage of the FRS 102 exemption from the requirement to disclose transactions with the group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

12 Parent company

The ultimate parent company is MBA Holding Company 3 Limited, a company registered in England and Wales. MBA Holding Company 3 Limited is the parent of the largest group of which the company is a member. MBA Michael Bailey Associates Plc was the parent of the smallest group of which the company is a member.

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.