

Unaudited Financial Statements
for the Year Ended 30 June 2021
for
MK Tractors Limited

Connolly Accountants & Business Advisors Ltd
Chartered Certified Accountants
The Stable Yard
Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

**Contents of the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2021**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

MK Tractors Limited
Company Information
FOR THE YEAR ENDED 30 JUNE 2021

DIRECTOR: R J Goulding

SECRETARY: D Todd

REGISTERED OFFICE: Garden House
Southill Park
Southill
Biggleswade
Bedfordshire
SG18 9LL

REGISTERED NUMBER: 06935785 (England and Wales)

ACCOUNTANTS: Connolly Accountants & Business Advisors Ltd
Chartered Certified Accountants
The Stable Yard
Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

MK Tractors Limited (Registered number: 06935785)

**Balance Sheet
30 JUNE 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>47,655</u>		<u>63,788</u>
			47,655		63,788
CURRENT ASSETS					
Stocks		127,233		124,444	
Debtors	6	10,314		25,614	
Cash at bank		<u>307,789</u>		<u>202,227</u>	
		445,336		352,285	
CREDITORS					
Amounts falling due within one year	7	<u>79,010</u>		<u>77,790</u>	
NET CURRENT ASSETS			<u>366,326</u>		<u>274,495</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			413,981		338,283
CREDITORS					
Amounts falling due after more than one year	8		(48,562)		(9,769)
PROVISIONS FOR LIABILITIES			<u>(7,012)</u>		<u>(9,947)</u>
NET ASSETS			<u>358,407</u>		<u>318,567</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>358,307</u>		<u>318,467</u>
SHAREHOLDERS' FUNDS			<u>358,407</u>		<u>318,567</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her 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

MK Tractors Limited (Registered number: 06935785)

Balance Sheet - continued
30 JUNE 2021

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 director and authorised for issue on 24 March 2022 and were signed by:

R J Goulding - Director

The notes form part of these financial statements

**Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2021**

1. STATUTORY INFORMATION

MK Tractors Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery etc - 3 years, 25% on cost and 10% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. ACCOUNTING POLICIES - continued

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Grants

Covid-19 related Job Retention Scheme grants are included in the 'other operating income' line item. There are no unfulfilled conditions or other contingencies attaching to these grants. The grants are recognised under the performance model and the income recognised over the period of furlough on a straight-line basis.

Going concern

The directors have considered the impact of COVID-19 in relation to their assessment of going concern of the Company. In their opinion, they have taken all reasonable steps to mitigate these factors.

As at the point of authorising the accounts, and for the foreseeable future, the directors have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. Therefore, they consider the going concern assumption to still be appropriate.

The directors acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the directors to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2020 - 2) .

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2021

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 July 2020
and 30 June 2021

269,129

AMORTISATION

At 1 July 2020
and 30 June 2021

269,129

NET BOOK VALUE

At 30 June 2021

-

At 30 June 2020

-

5. TANGIBLE FIXED ASSETS

Plant and
machinery
etc
£

COST

At 1 July 2020

89,267

Additions

47,536

Disposals

(73,241)

At 30 June 2021

63,562

DEPRECIATION

At 1 July 2020

25,479

Charge for year

8,399

Eliminated on disposal

(17,971)

At 30 June 2021

15,907

NET BOOK VALUE

At 30 June 2021

47,655

At 30 June 2020

63,788

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2021

5. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 July 2020	47,711
Additions	26,956
Disposals	(47,711)
At 30 June 2021	<u>26,956</u>
DEPRECIATION	
At 1 July 2020	7,618
Charge for year	5,391
Eliminated on disposal	(7,620)
At 30 June 2021	<u>5,389</u>
NET BOOK VALUE	
At 30 June 2021	<u>21,567</u>
At 30 June 2020	<u>40,093</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	1,346	3,225
Amounts owed by group undertakings	427	50
Other debtors	8,541	22,339
	<u>10,314</u>	<u>25,614</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans and overdrafts	8,333	-
Hire purchase contracts	4,804	11,823
Trade creditors	53,515	30,970
Taxation and social security	10,749	27,857
Other creditors	1,609	7,140
	<u>79,010</u>	<u>77,790</u>

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2021**

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans	41,667	-
Hire purchase contracts	6,895	9,614
Other creditors	-	155
	<u>48,562</u>	<u>9,769</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>1,667</u>	<u>-</u>

9. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 June 2021 and 30 June 2020:

	2021	2020
	£	£
UNKNOWN DIRECTOR 1		
Balance outstanding at start of year	(5,321)	-
Amounts advanced	8,733	1
Amounts repaid	(416)	(5,322)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>2,996</u>	<u>(5,321)</u>

All transactions are interest free and all balances are repayable on demand.

10. ULTIMATE CONTROLLING PARTY

The parent company is Blue Cow Tractors Limited

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.