

Morgan Edwards 31 January 2019

**Morgan Edwards Limited**  
**Annual report and financial statements**  
**for the 373 days ended 31 January 2019**

Registered number: 11166419



**Issued 22nd October 2019**

# Morgan Edwards Limited

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# **Morgan Edwards Limited**

## **Directors' report**

### **Directors**

The directors, who served throughout the year except as noted, were as follows:

Edward Joseph Speakman (Appointed 23 January 2018)

Morgan Ward (Appointed 23 January 2018)

### **Director's indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board and signed on its behalf by:



Edward Speakman

Director

22 October 2019

Knutsford Market Hall, 6-8 Silk Mill Street, Knutsford, Cheshire WA16 6DF

# Morgan Edwards Limited

## Profit and loss account

For the 373 days ended 31 January 2019

	2019 £
<b>Turnover</b>	28,611
Cost of sales	(19,122)
	<hr/>
<b>Gross profit</b>	9,489
Administrative expenses	(3,460)
	<hr/>
<b>Operating profit</b>	6,029
Finance costs (net)	(24)
	<hr/>
<b>Profit before taxation</b>	6,006
Tax on profit	(1,141)
	<hr/>
<b>Profit for the financial year attributable to the equity shareholders of the Company</b>	4,865
	<hr/>

# Morgan Edwards Limited

## Balance sheet

As at 31st January 2019

	Note	2019 £
<b>Fixed assets</b>		
Tangible assets	2	450
		<hr/>
		450
		<hr/>
<b>Current assets</b>		
Stocks		7,116
Other debtors		2,599
Cash at bank and in hand		4,212
		<hr/>
<b>Creditors: amounts falling due within one year</b>	3	(4,174)
		<hr/>
<b>Net current assets</b>		9,753
		<hr/>
<b>Total assets less current liabilities</b>		10,203
<b>Other creditors: amounts falling due after more than one year</b>		(5,336)
		<hr/>
<b>Net assets</b>		4,867
		<hr/>
<b>Capital and reserves</b>		
Called-up share capital	2	4,865
Profit and loss account		
		<hr/>
		4,867
		<hr/>

# **Morgan Edwards Limited**

## **Balance sheet (continued)**

**As at 31 January 2019**

For the 373 days ended the 31 January 2019, Morgan Edwards Limited was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts;
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts of Morgan Edwards Limited (registered number 11166419) were approved by the board of directors and authorised for issue on 22 October 2019. They were signed on its behalf by:



Edward Speakman  
Director

# Morgan Edwards Limited

## Notes to the financial statements For the 373 days ended 31st January 2019

### 1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

#### a. General information and basis of accounting

Morgan Edwards Limited (the Company) is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 3.

The average monthly number of employees (including executive directors) was 2.

#### b. Going concern

The financial statements have been prepared using the going concern basis of accounting.

#### c. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings 2-4 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

#### d. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 Company after deducting all of its liabilities.

##### (i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

##### h. Financial instruments (continued)

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

# Morgan Edwards Limited

## Notes to the financial statements For the 373 days ended 31st January 2019

### 1. Accounting policies (continued)

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### (ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

#### e. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the average cost method. Provision is made for obsolete, slow-moving or defective items where appropriate.

#### f. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### g. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and



# Morgan Edwards Limited

## Notes to the financial statements For the 373 days ended 31st January 2019

equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### *h. Turnover*

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

### *i. Foreign currency*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

### *j. Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

# Morgan Edwards Limited

## Notes to the financial statements For the 373 days ended 31st January 2019

### 2. Tangible fixed assets

	Fixtures and fittings £	Total £
<b>Cost or valuation</b>		
At 23 January 2018	-	-
Additions	803	803
At 31 January 2019	803	803
<b>Depreciation</b>		
At 23 January 2018	-	-
Charge for the year	(353)	(353)
At 31 January 2019	(353)	(353)
<b>Net book value</b>		
At 23 January 2018	-	-
At 31 January 2019	450	450

### 3. Creditors: amounts falling due within one year

	2019 £
Trade creditors	(2,703)
Overdraft	(1,471)
	(4,174)