Registered number: 06732147

M J WILLIAMS LTD

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

SILVER LEVENE LLP

CHARTERED CERTIFIED ACCOUNTANTS

37 WARREN STREET

LONDON W1T 6AD

M J WILLIAMS LTD
REGISTERED NUMBER: 06732147

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note		2016 £		*2015 £*
Fixed assets					
Intangible assets			**1,556,784**		*2,448,653*
Tangible assets	3		**10,332**		*13,778*
Investments	4		**-**		*1*
			1,567,116		*2,462,432*
Current assets					
Stocks	5	**98,106**		*122,920*	
Debtors: amounts falling due within one year	6	**305,790**		*289,113*	
Cash at bank and in hand		**362,966**		*340,386*	
		766,862		*752,419*	
Creditors: amounts falling due within one year	7	**(1,213,575)**		*(1,127,529)*	
Net current liabilities			**(446,713)**		*(375,110)*
Total assets less current liabilities			**1,120,403**		*2,087,322*
Creditors: amounts falling due after more than one year	8		**(1,612,391)**		*(1,861,825)*
			(491,988)		*225,497*
Provisions for liabilities					
Deferred taxation	9	**54**		*-*	
			54		*-*
Net assets excluding pension asset			**(491,934)**		*225,497*
Net (liabilities)/assets			**(491,934)**		*225,497*
Capital and reserves					
Called up share capital			**100**		*100*
Profit and loss account			**(492,034)**		*225,397*
			(491,934)		*225,497*

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

Mr A Williams
Director

Date: 3 August 2017
The notes on pages 3 to 14 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of 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 applying the Company accounting policies.

The following principal accounting policies have been applied:

1.2 Going concern

The financial statements have been prepared on the assumption that the company will have the continued financial support of the shareholders. The shareholders of the company have sufficient resources to finance the company as and when the need arises.

The financial statements have been prepared on a going concern basis which is dependent on the financial support of the shareholders to ensure that the company will continue in operational existence for the foreseeable future.

1.3 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1. Accounting policies (continued)

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	7 to 10 years straight line

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Delivery vans	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

1. Accounting policies (continued)

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.8 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 at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

1. Accounting policies (continued)

1.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2016	**3,345,960**
At 31 December 2016	**3,345,960**
Amortisation	
At 1 January 2016	**897,307**
Charge for the year	**891,869**
At 31 December 2016	**1,789,176**
Net book value	
At 31 December 2016	**1,556,784**
At 31 December 2015	*2,448,653*

3. Tangible fixed assets

	Delivery vans	Fixtures & fittings	Total
	£	£	£
Cost or valuation			
At 1 January 2016	**9,490**	**36,239**	**45,729**
At 31 December 2016	**9,490**	**36,239**	**45,729**
Depreciation			
At 1 January 2016	**6,239**	**25,712**	**31,951**
Charge for the year on owned assets	**813**	**2,632**	**3,445**
At 31 December 2016	**7,052**	**28,344**	**35,396**
Net book value			
At 31 December 2016	**2,438**	**7,895**	**10,333**
At 31 December 2015	*3,251*	*10,527*	*13,778*

4. Fixed asset investments

	Unlisted investments
	£
At 1 January 2016	**1**
Disposals	**(1)**
At 31 December 2016	**-**
At 31 December 2015	*1*

5. Stocks

	2016	2015
	£	£
Finished goods and goods for resale	**98,106**	*122,920*
	98,106	*122,920*

6. Debtors

	2016	2015
	£	£
Trade debtors	**190,590**	*200,125*
Other debtors	**35,241**	*3,186*
VAT repayable	**73,893**	*79,683*
Prepayments and accrued income	**6,066**	*6,119*
	305,790	*289,113*

7. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Bank loans	**221,571**	*190,471*
Trade creditors	**411,026**	*408,543*
Amounts owed to group undertakings	**-**	*1*
Corporation tax	**23,149**	*38,324*
Other taxation and social security	**11,435**	*5,517*
Directors' loan account	**544,767**	*479,368*
Wages and salaries	**-**	*1,532*
Accruals	**1,627**	*3,773*
	1,213,575	*1,127,529*

8. Creditors: Amounts falling due after more than one year

	2016 £	*2015 £*
Bank loans	**1,612,391**	*1,861,825*
	1,612,391	*1,861,825*

Secured loans

Bank loans are secured by a fixed and floating charge over the assets of the company.

9. Deferred taxation

	2016 £
Charged to profit or loss	**54**
At end of year	**54**

	2016 £
Accelerated capital allowances	**54**
	54
Comprising:	
Liability	**54**
	54

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £337 (2015 - £Nil).

11. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	*2015*
	£	*£*
Not later than 1 year	**47,550**	*36,700*
	47,550	*36,700*

12. Controlling party

The company was under the control of the directors Mr A Williams (50% share) and Ms M M Liau (50% share), by virtue of the fact that between them they own 100% of the issued share capital.

First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015. The impact of the transition to FRS 102 is as follows:

	Note	*As previously stated 31 December 2015*	*Effect of transition 31 December 2015*	**FRS 102 (as restated) 31 December 2015**
		£	*£*	**£**
Fixed assets		*2,462,432*	-	**2,462,432**
Current assets		*752,418*	-	**752,418**
Creditors: amounts falling due within one year		*(1,127,528)*	-	**(1,127,528)**
Net current liabilities		*(375,110)*	-	**(375,110)**
Total assets less current liabilities		*2,087,322*	-	**2,087,322**
Creditors: amounts falling due after more than one year		*(1,861,825)*	-	**(1,861,825)**
Provisions for liabilities		-	*(168)*	**(168)**
Net assets		*225,497*	*(168)*	**225,329**
Capital and reserves		*225,497*	*(168)*	**225,329**

13. First time adoption of FRS 102 (continued)

	Note	*As previously stated 31 December 2015* £	*Effect of transition 31 December 2015* £	(31
Turnover		2,203,588	-	
Cost of sales		(1,433,892)	-	
		769,696	-	
Administrative expenses		(667,945)	-	
Other operating income		896	-	
Operating profit		1,438,537	-	
Administration Expenses		667,946	-	
Interest receivable and similar income		135	-	
Interest payable and similar charges		(67,128)	-	
Taxation		26,978	168	
Loss on ordinary activities after taxation and for the financial year		864,562	168	

13. First time adoption of FRS 102 (continued)

Explanation of changes to previously reported profit and equity:

1 Deferred tax was not calculated for the year ended 31 December 2015.