

MKD (NE) Limited

Filleted Unaudited Financial Statements

30 September 2021

MKD (NE) Limited

Financial Statements

Year ended 30 September 2021

Contents	Page
Report to the board of directors on the preparation of the unaudited statutory financial statements	1
Statement of financial position	2
Notes to the financial statements	4

MKD (NE) Limited

Report to the Board of Directors on the Preparation of the Unaudited Statutory

Financial Statements of MKD (NE) Limited

Year ended 30 September 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of MKD (NE) Limited for the year ended 30 September 2021, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html. Our work has been undertaken in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf.

SMITH & CO Chartered accountants

Unit G2 Tanfield Business Centre Stanley Co Durham DH9 9DB

5 January 2022

MKD (NE) Limited**Statement of Financial Position****30 September 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	6	9,781	12,981
Current assets			
Stocks		28,979	26,048
Debtors	7	52,583	42,974
Cash at bank and in hand		21,145	10,207
		-----	-----
		102,707	79,229
Creditors: amounts falling due within one year	8	40,620	29,426
		-----	-----
Net current assets		62,087	49,803
		-----	-----
Total assets less current liabilities		71,868	62,784
Provisions		840	1,224
		-----	-----
Net assets		71,028	61,560
		-----	-----
Capital and reserves			
Called up share capital		50	50
Profit and loss account		70,978	61,510
		-----	-----
Shareholders funds		71,028	61,560
		-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 30 September 2021 the company 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 financial statements 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 financial statements .

MKD (NE) Limited

Statement of Financial Position *(continued)*

30 September 2021

These financial statements were approved by the board of directors and authorised for issue on 5 January 2022 , and are signed on behalf of the board by:

Mr M B Kaye

Director

Company registration number: 08161485

MKD (NE) Limited

Notes to the Financial Statements

Year ended 30 September 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 15 Morrison Ind Estate North, Annfield Plain, Stanley, Co Durham, DH9 7RU, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income 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 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.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Apache

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

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.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor Vehicles - 25% reducing balance

Equipment - 20% reducing balance

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. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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.

Defined contribution plans

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 4 (2020: 4).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 October 2020 and 30 September 2021	25,250

Amortisation	
At 1 October 2020 and 30 September 2021	25,250

Carrying amount	
At 30 September 2021	-

At 30 September 2020	-

6. Tangible assets

	Motor vehicles	Equipment	Total
	£	£	£
Cost			
At 1 October 2020 and 30 September 2021	59,283	3,139	62,422
	-----	-----	-----
Depreciation			
At 1 October 2020	47,204	2,237	49,441
Charge for the year	3,020	180	3,200
	-----	-----	-----
At 30 September 2021	50,224	2,417	52,641
	-----	-----	-----
Carrying amount			
At 30 September 2021	9,059	722	9,781
	-----	-----	-----
At 30 September 2020	12,079	902	12,981
	-----	-----	-----

7. Debtors

	2021	2020
	£	£
Trade debtors	52,583	42,974
	-----	-----

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	623	8,105
Corporation tax	12,252	9,483
Social security and other taxes	17,484	10,129
Other creditors	10,261	1,709
	-----	-----
	40,620	29,426
	-----	-----

9. Related party transactions

The company was under the control of Mr and Mrs Kaye throughout the current and previous year. The company rents the premises from Mr and Mrs Kaye at a rental charge of £13,250 per annum.

