
MOMENTOUS RELOCATION LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2019

MOMENTOUS RELOCATION LIMITED
REGISTERED NUMBER: 01366728

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	1,372,203	1,438,217
Investments	6	8,176,580	7,493,981
		<u>9,548,783</u>	<u>8,932,198</u>
Current assets			
Stocks		17,249	14,284
Debtors: amounts falling due within one year	7	1,501,717	1,002,689
Cash at bank and in hand		4,898	74,016
		<u>1,523,864</u>	<u>1,090,989</u>
Creditors: amounts falling due within one year	8	(3,710,545)	(3,099,041)
Net current liabilities		<u>(2,186,681)</u>	<u>(2,008,052)</u>
Total assets less current liabilities		<u>7,362,102</u>	<u>6,924,146</u>
Creditors: amounts falling due after more than one year	9	(9,426,699)	(8,566,040)
Net liabilities		<u><u>(2,064,597)</u></u>	<u><u>(1,641,894)</u></u>
Capital and reserves			
Called up share capital	12	100	100
Other reserves		161,886	202,886
Profit and loss account		(2,226,583)	(1,844,880)
		<u><u>(2,064,597)</u></u>	<u><u>(1,641,894)</u></u>

MOMENTOUS RELOCATION LIMITED
REGISTERED NUMBER: 01366728

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2019

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 on 26 March 2020.

L E McGreal

Director

The notes on pages 4 to 16 form part of these financial statements.

MOMENTOUS RELOCATION LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 July 2017	100	239,916	(1,581,062)	(1,341,046)
Comprehensive income for the year				
Loss for the year	-	-	(330,111)	(330,111)
Total comprehensive income for the year	-	-	(330,111)	(330,111)
Transfer to profit and loss account	-	(66,293)	-	(66,293)
Capital contribution	-	29,263	-	29,263
Transfer from other reserves	-	-	66,293	66,293
Total transactions with owners	-	(37,030)	66,293	29,263
At 1 July 2018	100	202,886	(1,844,880)	(1,641,894)
Comprehensive income for the year				
Loss for the year	-	-	(448,659)	(448,659)
Total comprehensive income for the year	-	-	(448,659)	(448,659)
Transfer to/from profit and loss account	-	(66,956)	-	(66,956)
Capital contribution	-	25,956	-	25,956
Transfer from other reserves	-	-	66,956	66,956
Total transactions with owners	-	(41,000)	66,956	25,956
At 30 June 2019	100	161,886	(2,226,583)	(2,064,597)

The notes on pages 4 to 16 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

1. General information

The Company is a private company limited by shares and is incorporated in England and Wales under company number 01366728.

The principal activity of the company continued to be that of international removals, relocation and storage.

The Registered Office address is Gerson Relocation, Cranborne Road, Potters Bar, England EN6 3JN.

2. Accounting policies

2.1 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 financial statements are presented in sterling which is the functional currency of the Company and are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue to trade for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements, and will be able to meet its debts as they fall due.

In the period ended 30 June 2019, the company incurred a loss before tax of £448,659 (2018: loss

£330,111) and at the balance sheet date, there were net liabilities of £2,064,597 (2018: £1,641,894).

In common with many other businesses the company is affected by the worldwide coronavirus (CoVid-19) pandemic. At the date of signing these accounts it is too early for the directors to be able state exactly how this pandemic will affect the operations of the company but a substantial reduction in operations is likely due to the restrictions on movement of people imposed by many countries around the world. Following the removal of such restrictions the directors believe that a substantial upturn in trade is likely.

The company will seek to take advantage of all available coronavirus relief schemes offered by the Government of the United Kingdom such as the commitment to fund 80% of salaries up to a maximum limit for employees who are furloughed. As set out below, directors have received assurances that the majority shareholder of the company will continue to fund the company if necessary over the period of reduced operations.

The company will also seek to reduce expenditure which is considered unnecessary at this time or which can be delayed. Due to the use of government schemes, further support from the majority shareholder and reductions in expenditure, the directors believe at the time of signing these financial statements that they should be prepared on a going concern basis.

The ultimate controlling party has confirmed that he will provide sufficient support to ensure that the company will be able to pay their commitments and liabilities as they fall due. This commitment is for a period of at least twelve months from the approval of these financial statements.

2.4 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.5 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.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.8 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance basis..

Depreciation is provided on the following basis:

Long-term leasehold property	- Over the term of the lease
Plant and machinery	- 25% Reducing balance/15% straight line
Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 25% Reducing balance/33% straight line
Computer equipment	- 25% -33% Straight line

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.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 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 reporting 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.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.15 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Income and Retained Earnings.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, 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 receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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.

Financial liabilities are derecognised when the liability is extinguished that is when the contractual obligation is discharged, cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.16 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

3. Employees

The average monthly number of employees, including directors, during the year was 17 (2018 - 16).

4. Taxation

	2019 £	2018 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

4. Taxation (continued)

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.00% (2018 - 19.75%).

Factors that may affect future tax charges

The company has losses of £2,628,560 (2018: £2,419,836) to carry forward and use against future profits.

No deferred tax asset has been recognised on these losses due to the uncertain nature of when the company will be profitable and begin to utilise them.

In the 2016 Budget, it was announced that the rate of corporation tax will be reduced to 17% from 1 April 2020. This rate received Royal Assent on 15 September 2016. The impact of these rate changes has therefore been recognised in the financial statements reflected in the temporary differences arising at year-end on which deferred tax should be recognised.

Since the 2016 budget there have been no announcements for further corporation tax changes.

MOMENTOUS RELOCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

5. Tangible fixed assets

	Leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 July 2018	1,648,645	532,350	299,275	545,680	3,025,950
Additions	-	-	-	4,412	4,412
Disposals	-	-	(62,450)	-	(62,450)
At 30 June 2019	1,648,645	532,350	236,825	550,092	2,967,912
Depreciation					
At 1 July 2018	318,108	522,536	250,583	496,506	1,587,733
Charge for the year on owned assets	36,244	2,454	3,767	18,778	61,243
Charge for the year on financed assets	-	-	8,350	-	8,350
Disposals	-	-	(61,617)	-	(61,617)
At 30 June 2019	354,352	524,990	201,083	515,284	1,595,709
Net book value					
At 30 June 2019	1,294,293	7,360	35,742	34,808	1,372,203
At 30 June 2018	1,330,537	9,814	48,692	49,174	1,438,217

The net book value of land and building is made up of a long leasehold property of £1,236,229 (2018:

£1,266,229) and a short term leasehold property of £58,064 (2018: £64,308).

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	25,049	33,399
	<u>25,049</u>	<u>33,399</u>

MOMENTOUS RELOCATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2018	7,493,981
Additions	682,599
	<hr/>
At 30 June 2019	8,176,580
	<hr/>
Net book value	
At 30 June 2019	8,176,580
	<hr/>
At 30 June 2018	7,493,981
	<hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Global Moving Services Limited	Ordinary	100 %	Relocation
Abels Moving Services Limited	Ordinary	100 %	Relocation
Gerson Relocation Limited	Ordinary	100 %	Relocation
Michael Gerson Limited	Ordinary	100 %	Dormant
ICMG Relocation Limited	Ordinary	100 %	Dormant
Michael Gerson Relocation Limited	Ordinary	100 %	Dormant
ICM Gerson Limited	Ordinary	100 %	Dormant

Profit/(losses) for the period and share capital and reserves of the subsidiary companies are not disclosed as this company is consolidated in a larger group accounts.

MOMENTOUS RELOCATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

7. Debtors

	2019 £	2018 £
Trade debtors	141,541	129,310
Amounts owed by group undertakings	1,194,420	699,291
Other debtors	3,294	412
Prepayments and accrued income	162,462	173,676
	<u>1,501,717</u>	<u>1,002,689</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	51,397	51,397
Trade creditors	286,260	256,877
Amounts owed to group undertakings	3,241,299	2,632,863
Other taxation and social security	28,870	27,121
Obligations under finance lease and hire purchase contracts	11,875	14,250
Other creditors	11,042	11,841
Accruals and deferred income	79,802	104,692
	<u>3,710,545</u>	<u>3,099,041</u>

The following liabilities were secured:

	2019 £	2018 £
Hire purchase contracts	11,875	14,250
Bank loans	51,397	51,397
	<u>63,272</u>	<u>65,647</u>

Details of security provided:

Hire purchase contracts under current and long-term creditors are secured on the assets to which they relate.

MOMENTOUS RELOCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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

	2019 £	2018 £
Bank loans	57,352	108,417
Other loans	7,619,347	6,695,748
Net obligations under finance leases and hire purchase contracts	-	11,875
Other creditors	1,750,000	1,750,000
	<u>9,426,699</u>	<u>8,566,040</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	57,352	108,417
Hire purchase contracts	-	11,875
Deferred consideration	1,750,000	1,750,000
	<u>1,807,352</u>	<u>1,870,292</u>

Details of security provided:

Bank loans under current and long-term creditors from National Westminster Bank are secured by a fixed legal charge over the leasehold property at Unit 5, Smeaton Close, Brunel Road, Aylesbury. The

interest rate is 1.6% per annum over the base rate.

Hire purchase contracts under current and long-term creditors are secured on the assets to which they relate.

Other creditors include £1,067,401 due to sellers which is secured on the shares of Abels Moving Services Limited.

MOMENTOUS RELOCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans	51,397	51,397
	<u>51,397</u>	<u>51,397</u>
Amounts falling due 1-2 years		
Bank loans	57,352	108,417
	<u>57,352</u>	<u>108,417</u>
Amounts falling due 2-5 years		
Other loans	7,619,347	6,695,748
	<u>7,619,347</u>	<u>6,695,748</u>
	<u>7,728,096</u>	<u>6,855,562</u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	11,875	14,250
Between 1-5 years	-	11,875
	<u>11,875</u>	<u>26,125</u>

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

13. 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. Contributions totalling 2,069 (2018 - £1,050) were payable to the fund at the reporting date and are included in creditors.

14. Related party transactions

Included within long-term creditors are loan balances totalling £7,619,347 (2018: £6,695,748) owed to a director and his associates. These balances are shown after discounting and are unsecured and interest-free.

Where possible the Company has taken advantage of the exemption conferred by FRS 102 section 33.1A from the requirement to disclose transactions with other wholly owned group undertakings on the grounds that consolidated financial statements are prepared by the parent undertaking and are publicly

available.

15. Controlling party

The ultimate parent undertaking is AGM Relocation Limited. Copies of the group financial statements are available its trading address, The Heigte East, Cranborne Road, Potters Bar, Hertofrdshire, EN6 3JN.

The ultimate controlling party is P J Evans.

16. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2019 was unqualified.

In their report, the auditors emphasised the following matter without qualifying their report:

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that ongoing worldwide coronavirus (CoVid-19) pandemic may cast significant doubt on the Company's ability to continue as a going concern. As stated in note 2.3, these events or conditions, along with the other matters as set forth

in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The audit report was signed on 26 March 2020 by Ian Saunderson FCA (Senior Statutory Auditor) on behalf of Berg Kaprow Lewis LLP.

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.