

M & J (EUROPE) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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DIRECTORS:

M W Garland
C M Garland

REGISTERED OFFICE:

Unit 28 Tafarnaubach Industrial Estate
Tafarnaubach
Tredegar
NP22 3AA

REGISTERED NUMBER:

02559840 (England and Wales)

ACCOUNTANTS:

Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		242,583		296,259
Tangible assets	5		<u>1,434,197</u>		<u>1,020,313</u>
			1,676,780		1,316,572
CURRENT ASSETS					
Stocks		1,232,399		729,855	
Debtors	6	1,502,535		1,244,133	
Cash at bank		<u>17,481</u>		<u>31,174</u>	
		2,752,415		2,005,162	
CREDITORS					
Amounts falling due within one year	7	<u>1,901,448</u>		<u>1,032,905</u>	
NET CURRENT ASSETS			<u>850,967</u>		<u>972,257</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,527,747		2,288,829
CREDITORS					
Amounts falling due after more than one year	8		(929,377)		(934,433)
PROVISIONS FOR LIABILITIES			<u>(193,026)</u>		<u>(118,773)</u>
NET ASSETS			<u><u>1,405,344</u></u>		<u><u>1,235,623</u></u>
CAPITAL AND RESERVES					
Called up share capital			20,000		20,000
Retained earnings			<u>1,385,344</u>		<u>1,215,623</u>
			<u><u>1,405,344</u></u>		<u><u>1,235,623</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

BALANCE SHEET - continued
31 DECEMBER 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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2022 and were signed on its behalf by:

M W Garland - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

M & J (Europe) 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.

The presentation currency of the financial statements is the Pound Sterling (£).

The balances presented in these financial statements are rounded to the nearest one pound.

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.

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.

Development costs are being amortised evenly over their estimated useful life of ten years.

Research and development

Research is written off to the income statement in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects.

Where the outcome of individual projects is assessed as being reasonably certain as regards viability and technical feasibility, the expenditure incurred in the development of these projects is recognised as an intangible asset and amortised over the period in which the company will benefit.

After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The directors assess the value of the intangible assets at each reporting date to ensure the recoverable amount exceeds the carrying amount in the financial statements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on cost
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured 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.

Basic financial liabilities, including trade and other creditors and bank loans, 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021
2. ACCOUNTING POLICIES - continued
Going concern

In preparing the financial statements, the directors have considered the current financial position and has also assessed the financial future of the business. The directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. In forming this conclusion the directors have considered the company's net assets and the profit reported in the current financial year.

In considering Coronavirus (COVID-19), the directors understand the situation is still evolving and the full impact on the business is unclear. The directors have taken steps to mitigate the risk to the business and although there is uncertainty, the directors are confident that all reasonable measures which can be taken, have been, to safeguard the business, the staff and the customers.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and to meet its financial obligations as they fall due. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 28 (2020 - 28) .

4. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 January 2021	
and 31 December 2021	728,636
AMORTISATION	
At 1 January 2021	432,377
Amortisation for year	53,676
At 31 December 2021	486,053
NET BOOK VALUE	
At 31 December 2021	242,583
At 31 December 2020	296,259

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2021	44,240	664,370	198,075
Additions	-	479,168	-
Disposals	-	-	-
At 31 December 2021	<u>44,240</u>	<u>1,143,538</u>	<u>198,075</u>
DEPRECIATION			
At 1 January 2021	14,924	272,168	63,859
Charge for year	8,848	67,049	13,422
Eliminated on disposal	-	-	-
At 31 December 2021	<u>23,772</u>	<u>339,217</u>	<u>77,281</u>
NET BOOK VALUE			
At 31 December 2021	<u>20,468</u>	<u>804,321</u>	<u>120,794</u>
At 31 December 2020	<u>29,316</u>	<u>392,202</u>	<u>134,216</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2021	576,762	59,637	1,543,084
Additions	222,207	3,774	705,149
Disposals	(146,572)	-	(146,572)
At 31 December 2021	<u>652,397</u>	<u>63,411</u>	<u>2,101,661</u>
DEPRECIATION			
At 1 January 2021	128,584	43,236	522,771
Charge for year	118,522	5,957	213,798
Eliminated on disposal	(69,105)	-	(69,105)
At 31 December 2021	<u>178,001</u>	<u>49,193</u>	<u>667,464</u>
NET BOOK VALUE			
At 31 December 2021	<u>474,396</u>	<u>14,218</u>	<u>1,434,197</u>
At 31 December 2020	<u>448,178</u>	<u>16,401</u>	<u>1,020,313</u>

The net book value of assets held under hire purchase agreements at the balance sheet was £428,864 (2020 - £379,670)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	1,256,747	903,668
Amounts owed by group undertakings	-	96,727
Amounts owed by related parties	176,287	94,822
Other debtors	69,501	148,916
	<u>1,502,535</u>	<u>1,244,133</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	419,916	64,912
Hire purchase contracts	392,419	196,259
Trade creditors	326,376	241,896
Amounts owed to group undertakings	121,259	-
Amounts owed to related parties	-	56,047
Taxation and social security	424,903	322,795
Other creditors	216,575	150,996
	<u>1,901,448</u>	<u>1,032,905</u>

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

	2021	2020
	£	£
Bank loans	357,583	462,014
Hire purchase contracts	524,919	384,711
Other creditors	46,875	87,708
	<u>929,377</u>	<u>934,433</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more than 5 years	<u>-</u>	<u>61,209</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021
9. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	777,499	526,926
Other loans	201,567	185,223
Hire purchase contracts	917,338	580,970
	<u>1,896,404</u>	<u>1,293,119</u>

Hire purchase agreements are secured upon the assets to which they relate.

Bank and other loans are secured on the other assets of the company.

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 December 2021 and 31 December 2020:

	2021 £	2020 £
M W Garland		
Balance outstanding at start of year	-	-
Amounts advanced	18,172	36,344
Amounts repaid	(18,482)	(36,344)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(310)</u>	<u>-</u>
C M Garland		
Balance outstanding at start of year	-	-
Amounts advanced	48,186	73,048
Amounts repaid	(48,493)	(73,048)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(307)</u>	<u>-</u>

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.