

**Unaudited Financial Statements
for the Year Ended 31 May 2016
for
MIL COLLECTIONS LTD**

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for the year ended 31 May 2016**

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MIL COLLECTIONS LTD
Company Information
for the year ended 31 May 2016

DIRECTOR: A G Davis

SECRETARY: A G Davis

REGISTERED OFFICE: Palace Building
Quay Street
Truro
Cornwall
TR1 2HE

REGISTERED NUMBER: 04757416 (England and Wales)

ACCOUNTANTS: Kelsall Steele Ltd
Chartered Accountants
Woodlands Court
Truro Business Park
Truro
Cornwall
TR4 9NH

MIL COLLECTIONS LTD (REGISTERED NUMBER: 04757416)

**Balance Sheet
31 May 2016**

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>38,594</u>		<u>39,199</u>
			38,594		39,199
CURRENT ASSETS					
Debtors	6	510,851		393,228	
Cash at bank and in hand		<u>4,574</u>		<u>3,995</u>	
		515,425		397,223	
CREDITORS					
Amounts falling due within one year	7	<u>463,302</u>		<u>343,103</u>	
NET CURRENT ASSETS			<u>52,123</u>		<u>54,120</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			90,717		93,319
CREDITORS					
Amounts falling due after more than one year	8		-		(1,353)
PROVISIONS FOR LIABILITIES	9		<u>(3,862)</u>		<u>(4,114)</u>
NET ASSETS			<u>86,855</u>		<u>87,852</u>
CAPITAL AND RESERVES					
Called up share capital			2		2
Retained earnings			<u>86,853</u>		<u>87,850</u>
SHAREHOLDERS' FUNDS			<u>86,855</u>		<u>87,852</u>

The notes on pages 4 to 8 form part of these financial statements

**Balance Sheet - continued
31 May 2016**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) 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.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the director on 28 February 2017 and were signed by:

A G Davis - Director

**Notes to the Financial Statements
for the year ended 31 May 2016**

1. STATUTORY INFORMATION

MIL Collections Ltd 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

This is the first year in which the financial statements have been prepared under FRS 102. The date of transition was 1 June 2014. No balances have required restatement and there have been no changes to profit or loss, or shareholder funds.

The director, after making enquiries and having considered the company's business, its financial plans and the facilities available to finance the business, has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis is adopted in preparing the financial statements.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the period.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Telephone connection	- 33% on cost
Fixture, fittings & equipment	- 33% on cost and 15% on reducing balance
Motor vehicles	- 25% on cost
Software development	- 33% on cost

Notes to the Financial Statements - continued
for the year ended 31 May 2016

2. **ACCOUNTING POLICIES - continued**

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the Financial Statements - continued
for the year ended 31 May 2016

2. ACCOUNTING POLICIES - continued

Accrued income

At the balance sheet date the company had come to an agreement with a particular client's debtor to make repayments against that debt over a period of time. MIL could therefore predict it would receive income commission on these balances as a result of an agreement in place at the balance sheet date. In theory therefore MIL had completed the majority of its work i.e. securing a repayment agreement and in the majority of cases it would receive its commission on the repayments with little or no further intervention. This therefore forms the basis of the calculation for the accrued income.

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS to all of its financial instruments.

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are classified into specified categories. The classification depends on the nature and purpose of the financial asset or liability and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables, including staff loans and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitute a financing transaction, where the transaction is measure at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, which include trade and other payables are initially measured 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.

Other financial assets and / or liabilities, which include forward contracts are initially measured at their fair value, which is normally the transaction price and are subsequently carried at fair value with all changes being recognised in the profit or loss.

Financial liabilities are decolonised when, and only when, the company's obligations are discharged, cancelled, or they expire.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 16 (2015 - 13) .

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 June 2015	
and 31 May 2016	30,000
AMORTISATION	
At 1 June 2015	
and 31 May 2016	30,000
NET BOOK VALUE	
At 31 May 2016	-
At 31 May 2015	-

Notes to the Financial Statements - continued
for the year ended 31 May 2016

5. TANGIBLE FIXED ASSETS

	Telephone connection £	Fixture, fittings & equipment £	Motor vehicles £	Software development £	Totals £
COST					
At 1 June 2015	500	70,204	20,250	25,231	116,185
Additions	-	6,451	-	3,363	9,814
At 31 May 2016	<u>500</u>	<u>76,655</u>	<u>20,250</u>	<u>28,594</u>	<u>125,999</u>
DEPRECIATION					
At 1 June 2015	-	48,128	5,063	23,795	76,986
Charge for year	<u>165</u>	<u>3,763</u>	<u>5,062</u>	<u>1,429</u>	<u>10,419</u>
At 31 May 2016	<u>165</u>	<u>51,891</u>	<u>10,125</u>	<u>25,224</u>	<u>87,405</u>
NET BOOK VALUE					
At 31 May 2016	<u>335</u>	<u>24,764</u>	<u>10,125</u>	<u>3,370</u>	<u>38,594</u>
At 31 May 2015	<u>500</u>	<u>22,076</u>	<u>15,187</u>	<u>1,436</u>	<u>39,199</u>

Included within the above are assets held under finance leases or hire purchase contracts as follows:

	2016		2015	
	Net Book Value £	Depreciation Charge £	Net Book Value £	Depreciation Charge £
Motor vehicles	<u>10,125</u>	<u>5,063</u>	<u>15,187</u>	<u>5,063</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	289,615	74,734
Other debtors	<u>221,236</u>	<u>318,494</u>
	<u>510,851</u>	<u>393,228</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts	43,282	65,000
Hire purchase contracts	1,478	10,125
Trade creditors	351,797	230,161
Taxation and social security	65,592	29,586
Other creditors	<u>1,153</u>	<u>8,231</u>
	<u>463,302</u>	<u>343,103</u>

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

	2016 £	2015 £
Hire purchase contracts	<u>-</u>	<u>1,353</u>

Notes to the Financial Statements - continued
for the year ended 31 May 2016

9. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax	<u>3,862</u>	<u>4,114</u>
		Deferred tax
		£
Balance at 1 June 2015		4,114
Movement in year		<u>(252)</u>
Balance at 31 May 2016		<u>3,862</u>

10. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 May 2016 and 31 May 2015:

	2016 £	2015 £
A G Davis		
Balance outstanding at start of year	95,308	8,432
Amounts advanced	169,150	137,876
Amounts repaid	(170,796)	(51,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>93,662</u>	<u>95,308</u>

Interest has been charged on the overdrawn loan at the official rate of interest.

11. RELATED PARTY DISCLOSURES

At the balance sheet date MIL Outsource Ltd, a company of which A G Davis is a director, owed the company £50,474 (2015 : £84,474) as disclosed within debtors: amounts falling due within 1 year.

At the balance sheet date Gleam Clean Service Limited , a company of which A G Davis is a director, owed the company £25,035 (2015: £100,142). As disclosed within debtors: amounts falling due within 1 year.

12. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is A G Davis due to his 100% shareholding in the company.

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.