

Company registration number: 05495766

Matrix Global Networks Limited

Unaudited financial statements

31 December 2018



Matrix Global Networks Limited

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Matrix Global Networks Limited

Directors and other information

Directors

Mr Andrew Bishop
Mr Adrian Trott
Mr Justin Niles
Mr Desmond Lewis

Company number

05495766

Registered office

14 Clarke Road
Mount Farm
Bletchley
Milton Keynes
MK1 1LG

Accountants

Cloudco Accountancy Group
Limited
Suite 415c
Margaret Powell House
Midsummer Boulevard
Milton Keynes
MK9 3BN

Matrix Global Networks Limited

Directors report Year ended 31 December 2018

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2018.

Directors

The directors who served the company during the year were as follows:

Mr Andrew Bishop
Mr Adrian Trott
Mr Justin Niles
Mr Desmond Lewis

Other matters

Principal Activity

The principal activity of the company is the distribution of components and products for data communications networks with a focus on fibre optic related solutions and cable assemblies.

Business Review

The Directors are pleased to report another record year for the Company.

Our financial highlights are:

- Sales increased 28.6% to £4.9 million (2017: £3.8 million) with strong performance sustained throughout the year across all our principal business activities;
- Net operating profits grew to £153,029 (2017: £11,498) up strongly on the previous year; and
- Net current assets grew by 26% as the business performance improved.

Overall, the global market for spend on IT products and services, which we supply to, remains robust and the market for fibre optic cable, components, products and networking solutions (deployed in data centres such as hyperscale and co-location sites, enterprise and telecommunications networks) is growing very strongly. The Company is very well-positioned to serve these sectors.

The Company has also achieved reductions on landed costs of commodity products and has increased stocks in order to serve our customers better. We have recruited professionals experienced in fibre optic networking solutions and invested in engineering and research and development.

The directors believe the prospects for 2019 are very good and the Company will continue to be profitable and grow further in an exciting market place.

Once again, we would like to take the opportunity to thank our customers, suppliers and staff for their support.

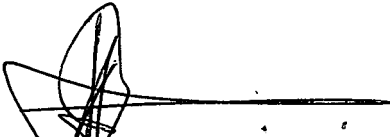
Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Matrix Global Networks Limited

Directors report (continued)
Year ended 31 December 2018

This report was approved by the board of directors on 9 May 2019 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line extending to the right.

Mr Andrew Bishop
Director

Matrix Global Networks Limited

**Report to the board of directors on the preparation of the
unaudited statutory financial statements of Matrix Global Networks Limited
Year ended 31 December 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Matrix Global Networks Limited for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at www.cimaglobal.com.

This report is made solely to the board of directors of Matrix Global Networks Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Matrix Global Networks Limited and state those matters that we have agreed to state to the board of directors of Matrix Global Networks Limited as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at www.cimaglobal.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Matrix Global Networks Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Matrix Global Networks Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Matrix Global Networks Limited. You consider that Matrix Global Networks Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Matrix Global Networks Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Cloudco Accountancy Group Limited
Chartered Management Accountants



Suite 415c
Margaret Powell House
Midsummer Boulevard
Milton Keynes
MK9 3BN

9 May 2019

Matrix Global Networks Limited
Statement of comprehensive income
Year ended 31 December 2018

	Note	2018 £	2017 £
Turnover		4,935,631	3,776,079
Cost of sales		(3,707,881)	(2,764,714)
Gross profit		<u>1,227,750</u>	<u>1,011,365</u>
Administrative expenses		(1,075,766)	(998,412)
Operating profit		<u>151,984</u>	<u>12,953</u>
Other interest receivable and similar income		-	141
Interest payable and similar expenses		<u>1,045</u>	<u>(1,516)</u>
Profit before taxation	5	153,029	11,578
Tax on profit		-	(80)
Profit for the financial year and total comprehensive income		<u><u>153,029</u></u>	<u><u>11,498</u></u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Matrix Global Networks Limited

**Statement of financial position
31 December 2018**

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	6	33,350		17,737	
Investments	7	1		1	
			33,351		17,738
Current assets					
Stocks		922,156		727,336	
Debtors	8	1,148,551		1,131,355	
Cash at bank and in hand		262,748		62,786	
		2,333,455		1,921,477	
Creditors: amounts falling due within one year	9	(1,669,048)		(1,394,486)	
Net current assets			664,407		526,991
Total assets less current liabilities			697,758		544,729
Creditors: amounts falling due after more than one year	10		(461,203)		(461,203)
Provisions for liabilities			(2,515)		(2,515)
Net assets			234,040		81,011
Capital and reserves					
Called up share capital			100,002		100,002
Profit and loss account			134,038		(18,991)
Shareholders funds			234,040		81,011

For the year ending 31 December 2018 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.

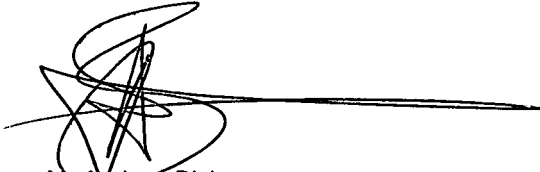
The notes on pages 9 to 14 form part of these financial statements.

Matrix Global Networks Limited

Statement of financial position (continued)
31 December 2018

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

These financial statements were approved by the board of directors and authorised for issue on 9 May 2019, and are signed on behalf of the board by:



Mr Andrew Bishop
Director

Company registration number: 05495766

The notes on pages 9 to 14 form part of these financial statements.

Matrix Global Networks Limited

**Statement of changes in equity
Year ended 31 December 2018**

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2017	100,002	(30,489)	69,513
Profit for the year		11,498	11,498
Total comprehensive income for the year	-	11,498	11,498
At 31 December 2017 and 1 January 2018	100,002	(18,991)	81,011
Profit for the year		153,029	153,029
Total comprehensive income for the year	-	153,029	153,029
At 31 December 2018	100,002	134,038	234,040

Matrix Global Networks Limited

Notes to the financial statements Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is 14 Clarke Road, Mount Farm, Bletchley, Milton Keynes, MK1 1LG.

2. Statement of compliance

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

Turnover

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.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, 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.

Matrix Global Networks Limited

Notes to the financial statements (continued) Year ended 31 December 2018

Tangible assets

Tangible assets are initially recorded at cost, and are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves 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:

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

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

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.

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 are largely independent of the cash inflows from other assets or groups of assets.

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 stocks to their 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 in finance costs in profit or loss in the period it arises.

Matrix Global Networks Limited

Notes to the financial statements (continued)

Year ended 31 December 2018

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 in finance costs 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 20 (2017: 21).

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	5,976	6,270

Matrix Global Networks Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

6. Tangible assets

	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer Equipment £	Total £
Cost					
At 1 January 2018	5,000	19,300	22,490	31,191	77,981
Additions	-	15,463	2,132	3,994	21,589
At 31 December 2018	<u>5,000</u>	<u>34,763</u>	<u>24,622</u>	<u>35,185</u>	<u>99,570</u>
Depreciation					
At 1 January 2018	500	11,397	19,334	29,013	60,244
Charge for the year	500	1,987	2,498	991	5,976
At 31 December 2018	<u>1,000</u>	<u>13,384</u>	<u>21,832</u>	<u>30,004</u>	<u>66,220</u>
Carrying amount					
At 31 December 2018	<u>4,000</u>	<u>21,379</u>	<u>2,790</u>	<u>5,181</u>	<u>33,350</u>
At 31 December 2017	<u>4,500</u>	<u>7,903</u>	<u>3,156</u>	<u>2,178</u>	<u>17,737</u>

7. Investments

	Shares in group undertakings and participating interests £	Total £
Cost		
At 1 January 2018 and 31 December 2018	<u>1</u>	<u>1</u>
Impairment		
At 1 January 2018 and 31 December 2018	<u>-</u>	<u>-</u>
Carrying amount		
At 31 December 2018	<u>1</u>	<u>1</u>
At 31 December 2017	<u>1</u>	<u>1</u>

Matrix Global Networks Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

8. Debtors

	2018	2017
	£	£
Trade debtors	804,818	886,892
Amounts owed by group undertakings and undertakings in which the company has a participating interest	233,177	189,577
Other debtors	110,556	54,886
	<u>1,148,551</u>	<u>1,131,355</u>

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	-	16,387
Trade creditors	881,173	714,757
Social security and other taxes	19,577	55,644
Other creditors	768,298	607,698
	<u>1,669,048</u>	<u>1,394,486</u>

10. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>461,203</u>	<u>461,203</u>

Matrix Global Networks Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

11. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2018			
	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
Mr Andrew Bishop	<u>(43,461)</u>	<u>19,615</u>	<u>(23,846)</u>
2017			
	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
Mr Andrew Bishop	<u>-</u>	<u>(43,461)</u>	<u>(43,461)</u>

12. Controlling party

The company is under the control of Global Networks Group Limited, a company registered in England.