

MAGWAY LIMITED
Financial Statements
For the year ended 31 October 2019

MAGWAY LIMITED
FINANCIAL STATEMENTS
For the year ended 31 October 2019

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MAGWAY LIMITED
COMPANY INFORMATION
For the year ended 31 October 2019

DIRECTORS

R. J. Cruise
P. M. Davies
R. K. W. Palmer

REGISTERED OFFICE

32a Maresfield Gardens
London
NW3 5SX
United Kingdom

COMPANY NUMBER

11011754(England and Wales)

ACCOUNTANT

Deloitte LLP
1 New Street Square
London
EC4A 3HQ
United Kingdom

ACCOUNTANT'S REPORT
TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL
STATEMENTS OF MAGWAY LIMITED
For the year ended 31 October 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Magway Limited for the year ended 31 October 2019 which comprises the Balance Sheet and the related notes 1 to 9 from the Company's accounting records and from information and explanations you have given us.

We are subject to the ethical and other professional requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) which are detailed at [_http://www.icaew.com/en/members/regulations-standards-and-guidance/_](http://www.icaew.com/en/members/regulations-standards-and-guidance/)

It is your duty to ensure that Magway 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 loss of Magway Limited. You consider that Magway 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 Magway 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.

This report is made solely to the Board of Directors of Magway Limited, as a body, in accordance with the terms of our engagement letter dated 24 September 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Magway Limited and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Magway Limited and its Board of Directors as a body for our work or for this report.

Deloitte LLP
Accountant

1 New Street Square
London
EC4A 3HQ
United Kingdom

02 December 2019

MAGWAY LIMITED
BALANCE SHEET
As At 31 October 2019

		2019	2018
	Note	£	£
Fixed assets			
Intangible assets	3	138,616	138,616
Tangible assets	4	3,208	998
		141,824	139,614
Current assets			
Debtors	5	22,659	27,028
Cash at bank and in hand		36,694	39,945
		59,353	66,973
Creditors			
Amounts falling due within one year	6	(70,463)	(77,441)
Net current liabilities		(11,110)	(10,468)
Total assets less current liabilities		130,714	129,146
Net assets		130,714	129,146
Called-up share capital		122	118
Share premium account		707,478	374,982
Profit and loss account		(576,886)	(245,954)
Total shareholders' funds		130,714	129,146

For the year ending 31 October 2019 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 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; and
- these financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Magway Limited (registered number: 11011754) were approved and authorised for issue by the Board of Directors on 02 December 2019. They were signed on its behalf by:

R. J. Cruise
Director

MAGWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2019

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding period.

General information and basis of accounting

Magway Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 32a Maresfield Gardens, London, NW3 5SX, United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The functional currency of Magway Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Intangible assets

Intangible fixed assets are not currently being amortised due to the asset not generating revenue at this stage, which is in line with the director's expectations based on current forecasts.

Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the Company is expected to benefit. This period is between three and five years. Provision is made for any impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a reducing balance basis over its expected useful life, as follows:

Plant and machinery - 25%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

MAGWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 October 2019

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer.

Employee benefits

The Company operates a defined contribution scheme. The amount charged to the Profit and Loss Account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

MAGWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 October 2019

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

2. Employees

	2019	2018
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	6	2

3. Intangible fixed assets

	Other intangible assets	Total
	£	£
Cost		
At 01 November 2018	138,616	138,616
At 31 October 2019	138,616	138,616
Accumulated amortisation		
At 01 November 2018	0	0
At 31 October 2019	0	0
Net book value		
At 31 October 2019	138,616	138,616
At 31 October 2018	138,616	138,616

MAGWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 October 2019

4. Tangible fixed assets

	Plant and machinery	Total
	£	£
Cost/Valuation		
At 01 November 2018	1,331	1,331
Additions	3,280	3,280
At 31 October 2019	4,611	4,611
Accumulated depreciation		
At 01 November 2018	333	333
Charge for the year	1,070	1,070
At 31 October 2019	1,403	1,403
Net book value		
At 31 October 2019	3,208	3,208
At 01 November 2018	998	998

5. Debtors

	2019	2018
	£	£
Other debtors	22,659	27,028
	22,659	27,028

6. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	43,430	36,874
Other creditors	27,033	40,567
	70,463	77,441

MAGWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 October 2019

7. Financial commitments

Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
- within one year	14,000	0
	<hr/> 14,000 <hr/>	<hr/> 0 <hr/>

8. Related party transactions

Remuneration was paid to the directors of £185,000 (2018: £70,000). The directors are the only key management personnel of this Company.

Included in other creditors is a director's loan of £15,000 (2018: £30,000) owed to P.M. Davies. The loan is interest free and repayable on demand.

9. Ultimate controlling party

There is no majority shareholder in the Company and therefore no ultimate controlling party.

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.