

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27 JUNE 2022
FOR
MARSHALL SCOTT INTERIORS LIMITED

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For The Year Ended 27 JUNE 2022

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MARSHALL SCOTT INTERIORS LIMITED

COMPANY INFORMATION
For The Year Ended 27 JUNE 2022

DIRECTORS:

Mrs N Marshall
D F E Marshall

REGISTERED OFFICE:

Olivers Business Park
Maldon Road
Witham
Essex
CM8 3HY

REGISTERED NUMBER:

09445708 (England and Wales)

AUDITORS:

AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

STATEMENT OF FINANCIAL POSITION

27 JUNE 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Property, Plant and Equipment	4		47,776		36,217
CURRENT ASSETS					
Stocks	5	112,702		1,527	
Debtors	6	200,436		148,045	
Cash at bank		<u>32,702</u>		<u>21,865</u>	
		345,840		171,437	
CREDITORS					
Amounts falling due within one year	7	<u>1,018,846</u>		<u>798,593</u>	
NET CURRENT LIABILITIES			<u>(673,006)</u>		<u>(627,156)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(625,230)		(590,939)
PROVISIONS FOR LIABILITIES			<u>6,881</u>		<u>6,881</u>
NET LIABILITIES			<u>(632,111)</u>		<u>(597,820)</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>(632,211)</u>		<u>(597,920)</u>
SHAREHOLDERS' FUNDS			<u>(632,111)</u>		<u>(597,820)</u>

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 19 June 2023 and were signed on its behalf by:

D F E Marshall - Director

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 27 JUNE 2022

1. STATUTORY INFORMATION

Marshall Scott Interiors 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 (£).

Monetary amounts in these financial statements are rounded to the nearest £.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provision of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties, investment properties and certain financial instruments at fair value.

Significant judgements and estimates

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant judgements or estimates involved in the preparation of the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 27 JUNE 2022

2. **ACCOUNTING POLICIES - continued**

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 27 JUNE 2022

2. ACCOUNTING POLICIES - continued

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Basic financial assets

Basic financial assets, which include debtors 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 constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Cash and cash equivalent

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand, short term deposits with an original maturity date of one month. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Going concern

At the time approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors and Never What If Group Limited have confirmed it will provide financial support to the company to enable it to meet its financial obligations as they fall due. The going concern basis of accounting in preparing the financial statements of the company is therefore considered appropriate by the directors.

Though the UK is slowly recovering from COVID -19 pandemic and the Government lifted all COVID restrictions, the Coronavirus (COVID-19) pandemic continues to have a significant impact on the global economy. The Company continues to evaluate the long term impact of COVID-19 on its business operations, as there remain uncertainties at this time. The Company has a resilient business model in place and is focusing on several measures for preservation of cash flows and cost optimization including availing of various government relief schemes. The directors have determined there is no material impact on the financial statements and will continue to assess the situation. The directors will proactively respond to the situation and take further actions that are in the best interest of all stakeholders. It will continue to be well supported through this crisis period by its shareholders and investors.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 27 JUNE 2022

2. ACCOUNTING POLICIES - continued

Going concern consideration

The Company's management does not see a severe impact of COVID-19 outbreak to its activity. The Company tested the financial impact on the following areas of financial statements that can be affected:

- Breach of trade contracts,
- Revenue,
- Administrative expenses,
- Current and non-current assets fair value measurements,
- Trade and other receivables and payables.

Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Subsequent events

There have not been any significant events since the balance sheet date. There were no essential either adjusting events or non-adjusting events in the period of time elapsing between the balance sheet date and the date on which these financial statements are prepared. The impact of COVID-19 is described in the Going Concern Consideration Note 2. The directors and parent company have also confirmed that the business will continue to be a going concern for the foreseeable future and they will support the company.

The Ongoing Russia - Ukraine conflict

This ongoing Russia - Ukraine conflict has resulted in going concern becoming a significant risk. The United States and Europe have avoided direct military conflict with Russia amid its conflict with Ukraine. They have however used a set of financial sanctions to limit Russia's access to financial resources. The impact of the sanctions may result in difficulties for the company to operate. Neither the Company nor the owners are currently on the sanctions list at the time of this report, however this may change as the situation changes.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2021 - 3) .

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 27 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 28 June 2021	2,882	108,607	111,489
Additions	-	24,585	24,585
Disposals	-	(7,569)	(7,569)
At 27 June 2022	<u>2,882</u>	<u>125,623</u>	<u>128,505</u>
DEPRECIATION			
At 28 June 2021	1,744	73,528	75,272
Charge for year	569	10,449	11,018
Eliminated on disposal	-	(5,561)	(5,561)
At 27 June 2022	<u>2,313</u>	<u>78,416</u>	<u>80,729</u>
NET BOOK VALUE			
At 27 June 2022	<u>569</u>	<u>47,207</u>	<u>47,776</u>
At 27 June 2021	<u>1,138</u>	<u>35,079</u>	<u>36,217</u>

5. STOCKS

	2022 £	2021 £
Stocks	2,911	1,527
Work-in-progress	109,791	-
	<u>112,702</u>	<u>1,527</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	134,383	56,165
Amounts owed by group undertakings	56,080	50,000
Other debtors	319	4,141
Directors' current accounts	-	6,080
Prepayments	9,654	31,659
	<u>200,436</u>	<u>148,045</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	73,102	48,095
Amounts owed to group undertakings	717,079	669,966
VAT	3,833	23,167
Other creditors	8,296	53,840
Accrued expenses	216,536	3,525
	<u>1,018,846</u>	<u>798,593</u>

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Alekos Christofi (FCCA) (Senior Statutory Auditor)
for and on behalf of AGK Partners

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 27 JUNE 2022

9. RELATED PARTY DISCLOSURES

Included in debtors, falling due within one year, is an amount of £56,080 (2021: £50,000) owed from connected companies. These loans are repayable on demand.

Included in creditors, falling due within one year is an amount of £717,079 (2021: £669,966) owed to connected companies. These loans are repayable on demand.

10. ULTIMATE CONTROLLING PARTY

The controlling party is Never What If Group Limited.

The ultimate controlling party is D F E Marshall.

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.