

Michael Lupton Associates Ltd

Annual Report and Financial Statements
for the Year Ended 31 March 2022

Forrester Boyd
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

Michael Lupton Associates Ltd

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Michael Lupton Associates Ltd

(Registration number: 03127622)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	<u>4</u>	752,846	612,022
Tangible assets	<u>5</u>	40,599	50,687
Investments	<u>6</u>	100	100
		<u>793,545</u>	<u>662,809</u>
Current assets			
Stocks	<u>7</u>	489,325	515,988
Debtors	<u>8</u>	800,212	594,662
Cash at bank and in hand		62,799	281,243
		<u>1,352,336</u>	<u>1,391,893</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(882,307)</u>	<u>(823,368)</u>
Net current assets		<u>470,029</u>	<u>568,525</u>
Total assets less current liabilities		<u>1,263,574</u>	<u>1,231,334</u>
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(35,833)</u>	<u>(46,857)</u>
Provisions for liabilities		<u>(136,407)</u>	<u>(113,000)</u>
Net assets		<u>1,091,334</u>	<u>1,071,477</u>
Capital and reserves			
Called up share capital		1,100	1,100
Retained earnings		<u>1,090,234</u>	<u>1,070,377</u>
Shareholders' funds		<u>1,091,334</u>	<u>1,071,477</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 15 December 2022 and signed on its behalf by:

.....
Mr Michael Lupton
Director

Michael Lupton Associates Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

The company is a private company limited by share capital incorporated in England and the company registration number is 03127622.

The address of its registered office is:

Halifax House
Seaton Ross
York
YO42 4LU
England

These financial statements were authorised for issue by the Board on 15 December 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements cover the individual entity, Michael Lupton Associates Ltd.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

Group accounts not prepared

The company is exempt from preparing group accounts as it is small group. .

Audit report

The Independent Auditor's Report was unqualified. . The name of the Senior Statutory Auditor who signed the audit report on 15 December 2022 was Carrie Anne Jensen ACA, who signed for and on behalf of Forrester Boyd.

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Exemption from preparing group accounts

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The Company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

Michael Lupton Associates Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over the lease term
Fixtures, fittings and equipment	15-33% straight line
Motor vehicles	25% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Michael Lupton Associates Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Patents	15-20% straight line
Development costs	Over the estimated life of the project
Software	25% straight line

Investments

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at cost, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially and subsequently at the transaction price.

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Notes to the Financial Statements for the Year Ended 31 March 2022

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the Company (including Directors) during the year, was 23 (2021 - 25).

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Notes to the Financial Statements for the Year Ended 31 March 2022

4 Intangible assets

	Goodwill £	Internally generated software development costs £	Other intangible assets £	Total £
Cost or valuation				
At 1 April 2021	42,500	3,973	839,266	885,739
Additions acquired separately	-	-	161,721	161,721
At 31 March 2022	42,500	3,973	1,000,987	1,047,460
Amortisation				
At 1 April 2021	42,500	2,788	228,429	273,717
Amortisation charge	-	1,185	19,712	20,897
At 31 March 2022	42,500	3,973	248,141	294,614
Carrying amount				
At 31 March 2022	-	-	752,846	752,846
At 31 March 2021	-	1,185	610,837	612,022

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2021	16,320	215,097	231,417
Additions	-	6,276	6,276
At 31 March 2022	16,320	221,373	237,693
Depreciation			
At 1 April 2021	14,835	165,895	180,730
Charge for the year	-	16,364	16,364
At 31 March 2022	14,835	182,259	197,094
Carrying amount			
At 31 March 2022	1,485	39,114	40,599
At 31 March 2021	1,485	49,202	50,687

Included within the net book value of land and buildings above is £1,485 (2021 - £1,485) in respect of short leasehold

land and buildings.

Michael Lupton Associates Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

6 Investments

	2022 £	2021 £
Investments in subsidiaries	<u>100</u>	<u>100</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2021		<u>100</u>
Carrying amount		
At 31 March 2022		<u>100</u>
At 31 March 2021		<u>100</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Waddington (Hull) Limited	Halifax House, Seaton Ross, York, YO42 4LU England and Wales	Ordinary	100%	100%

Subsidiary undertakings

Waddington (Hull) Limited

The principal activity of Waddington (Hull) Limited is Dormant.

7 Stocks

	2022 £	2021 £
Other inventories	<u>489,325</u>	<u>515,988</u>

8 Debtors

	2022 £	2021 £
Current		
Trade debtors	519,438	343,539
Prepayments	47,373	15,048
Other debtors	<u>233,401</u>	<u>236,075</u>
	<u>800,212</u>	<u>594,662</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

9 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Bank loans and overdrafts	<u>10</u>	360,814	246,956
Trade creditors		362,094	283,534
Taxation and social security		81,289	163,207
Other creditors		43,340	97,100
Accruals and deferred income		<u>34,770</u>	<u>32,571</u>
		<u>882,307</u>	<u>823,368</u>
Due after one year			
Loans and borrowings	<u>10</u>	<u>35,833</u>	<u>46,857</u>

Bank loans and overdrafts includes an invoice discounting facility of £350,790 (2021: £243,813) which is secured against the debtor book and assets of the company.

Bank loans and overdrafts also includes a bank loan taken out under the Bounce Back Loan Scheme, which is guaranteed by the UK Government. 60 monthly repayments of £833 plus interest commenced October 2021. Interest is charged at 2.5%.

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Notes to the Financial Statements for the Year Ended 31 March 2022

10 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	35,833	46,857
	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	360,814	246,956
Other borrowings	7,694	50,000
	368,508	296,956

11 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	-	55,690

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2021 - £Nil).

12 Related party transactions

Directors' remuneration

The Directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	18,791	19,446

Other transactions with Directors

A personal guarantee of £75,000 over the assets of Mr M and Mrs J Lupton secure the company's overdraft facility, which at the year end had a balance of £nil.

Loans to related parties

	Key management £	Total £
2022		
At start of period	227,450	227,450
Advanced	223,319	223,319
Repaid	(227,450)	(227,450)
At end of period	223,319	223,319

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Notes to the Financial Statements for the Year Ended 31 March 2022

	Key management £	Total £
2021		
At start of period	125,365	125,365
Advanced	227,450	227,450
Repaid	(125,365)	(125,365)
	<hr/>	<hr/>
At end of period	<u>227,450</u>	<u>227,450</u>

Terms of loans to related parties

Loans to directors are on an interest free basis.

Loans from related parties

	Key management £	Total £
2022		
At start of period	50,000	50,000
Repaid	(42,306)	(42,306)
	<hr/>	<hr/>
At end of period	<u>7,694</u>	<u>7,694</u>

	Key management £	Total £
2021		
At start of period	50,000	50,000
	<hr/>	<hr/>
At end of period	<u>50,000</u>	<u>50,000</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.