

REGISTERED NUMBER: SC178923 (Scotland)

123V Ltd

Strategic Report, Directors' Report and

Audited Financial Statements

for the Year Ended 31 March 2024

SCB (Accountants) Limited  
31 Sackville street  
Manchester  
M1 3LZ

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123V Ltd

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for the Year Ended 31 March 2024

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123V Ltd

Company Information  
for the Year Ended 31 March 2024

**DIRECTORS:**

Mr R A Marlin  
Mrs A J Marlin  
Mr D J Freeman  
Mrs J A Freeman  
Miss S R Marlin  
Mrs P Anderson  
Mr R S Drysdale

**SECRETARY:**

Mrs A Tasker

**REGISTERED OFFICE:**

Canopy House  
Ramsay Street, Coalsnaughton  
Tillicoultry  
Clackmannanshire  
FK13 6LH

**REGISTERED NUMBER:**

SC178923 (Scotland)

**AUDITORS:**

SCB (Accountants) Limited  
31 Sackville street  
Manchester  
M1 3LZ

123V Ltd  
Strategic Report  
for the Year Ended 31 March 2024

The directors present their strategic report for the year ended 31 March 2024.

**FAIR REVIEW OF THE BUSINESS**

The company's main activity remains in the open sided structure market sector. The company also operates in the field of property rental.

The sales portfolio is still based across commercial, domestic, government contracts & trade. All products continue to sell well particularly the Ornate Veranda range. The first of our solar powered structures have been fitted with development continuing.

Supply & delivery uncertainty on raw materials meant that the Directors were ordering product some 9 months before they would be required, this has resulted in a large stock level at the year end. It did however mean that orders were able to be fulfilled quicker.

The Directors have introduced a step change to staffing, resulting in all staff working a four day week. This is not a four day compressed working week. All staff will continue to receive the same remuneration. This system will be reviewed at the end of the business year 31.03.2025.

The effect of higher interest rates is as yet to be seen. We predict energy prices to main high despite energy commodity prices dropping back. This has and will create increased interest in our solar powered products.

The company continues to analyse overheads on a regular basis to ensure continued cost effectiveness. All processes are regularly reviewed to ensure value for money. We have had the same core suppliers for many years ensuring we have an excellent working relationship with them.

Our CRM also continues to be developed, giving exact reports covering many individual parameters,

**KEY PERFORMANCE INDICATORS**

The gross profit margin decreased by 11% (2023: increased by 18%)

The net profit margin decreased by 53% (2023: increased by 8%)

Turnover increased by 1% (2023: decreased by 27%)

Our mission statement remains the same. Sound engineering, common decency & value for money while investing in our staff.

123V Ltd

**Strategic Report**  
for the Year Ended 31 March 2024

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the company are reviewed in detail by the directors and no material additional risk or uncertainty has been identified other than those detailed below. These risks are broadly accompanied with competitive, operational and financial risks. The directors risk management objectives consist of identifying and monitoring those risks which could have an adverse impact on the company assets, profitability or cash flows. As all sales are based on orders received, the risk of stock obsolescence is mitigated, and with all customer orders are closely monitored, and contact with suppliers maintained through the manufacturing process supply chain factors and risk is also reduced. The company is exposed to financial risks including credit risk, liquidity risk, and market risk arising from the company's normal business activities. These risks and the company's approach to dealing with them are discussed below.

**OPERATIONAL RISK**

The main operational risk relating to the company's operations in installation of verandas is through relationships with the customers and quality of products to client specifications. The company's ability to provide products to its customers depends on maintaining relationships. The overall risk is mitigated by ensuring that the orders are delivered to client's specification and quality products to the company to enable operations to grow.

**PRICE RISKS**

We have noticed an increase in raw material pricing from our suppliers, this has been advised as due to many factors. We are expecting more price increase in future. Also, a shortage of some materials, but on the whole our supply chain remains robust but slowing down. The directors manage exposure based on working with their suppliers and controlling purchasing volumes and providing high level of service to customers. The company directors ensure they review and manage their policies to controls the level of risk through diversification of products they provide.

**CREDIT RISK**

The company's principal financial assets are bank balances, trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The company gives significant attention to credit risk and manages the risk through credit control procedures to ensure that credit risk is at an acceptable level for its future operations.

**LIQUIDITY RISK**

Liquidity risk is the risk that insufficient working capital will be generated by the company's business activities and that in this event suitable sources of funding may not be available. The company ensures that sufficient cash is available to fund ongoing operations and has sufficient cash reserves for its operations.

**FINANCIAL INSTRUMENTS**

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are conducted in sterling for which company minimise exposure through its internal management processes. The company does not enter into any formally designated hedging arrangements.

**ON BEHALF OF THE BOARD:**



Mr R.A Marlin - Director

Date: 18/12/2024

123V Ltd

Directors' Report  
for the Year Ended 31 March 2024

The directors present their report with the financial statements of the company for the year ended 31 March 2024.

**CHANGE OF NAME**

The company passed a special resolution on 31 January 2024 changing its name from 123V PLC to 123V Ltd.

**PRINCIPAL ACTIVITY**

The principal activity of the company continued to be the manufacture and installation of custom-built canopies.

**DIVIDENDS**

Ordinary dividends were paid amounting to £101,057. The directors do not recommend payment of a final dividend.

**RESEARCH AND DEVELOPMENT**

Research and development is concentrated on the development of the UK's first sustainable cantilever glass veranda with integrated solar panels and the development of high-performance Glass Reinforced Polymer cantilever canopy system with appreciably enhanced weather-resistance and load capacity capabilities.

**FUTURE DEVELOPMENTS**

Details regarding future developments can be found within the strategic report on page 2.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr R A Marlin  
Mrs A J Marlin  
Mr D J Freeman  
Mrs J A Freeman  
Miss S R Marlin  
Mrs P Anderson  
Mr R S Drysdale

**GOING CONCERN**

The directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks. The directors believe the company is well placed to manage its financing and other business risks satisfactorily and have a reasonable expectation that the company will have adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as a directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

123V Ltd

Directors' Report  
for the Year Ended 31 March 2024

**AUDITORS**

The auditor, SCB (Accountants) Limited, will be deemed to be appointed as an auditor pursuant to Section 487 of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**



Mr R A Marlin - Director

Date: 18/12/2024

123V Ltd

Directors' Responsibilities Statement  
for the Year Ended 31 March 2024

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of  
123V Ltd

**Qualified opinion**

We have audited the financial statements of 123V Ltd (the 'company') for the year ended 31 March 2024 which comprise the Profit and loss account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for qualified opinion**

The previous auditor concluded that there was no sufficient and appropriate audit evidence regarding the quantity and carrying value of the stocks of £400,224. Consequently, we were unable to determine whether any adjustment as of 31 March 2023 were necessary or whether there was any consequential effect on the financial statements for the year end 31 March 2024.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Key audit matters**

Except for the matter described in the basis for qualified opinion section, we have determined that there are no key audit matters to be communicated in our report.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of  
123V Ltd

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Directors' Report and the Directors' Responsibilities Statement, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £400,224 held at 31 March 2023. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales, it may be materially misstated for the same reason.

**Opinions on other matters prescribed by the Companies Act 2006**

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit except regarding opening inventory balance or related balances such as cost of sales.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**  
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation and distributable profits legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquires with management.

Our procedures in relation to fraud included but were not limited to: inquiries of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates.

We also addressed the risk of management override of internal controls, including testing journals and appropriateness of other entries in the nominal ledger; reviewing transactions around the end of the reporting period; and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

Independent Auditors' Report to the Members of  
.123V Ltd

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jeffrey Bor Bsc FCA (Senior Statutory Auditor)  
for and on behalf of SCB (Accountants) Limited  
31 Sackville street  
Manchester  
M1 3LZ

Date: .....18/12/2024.....

123V Ltd

Profit and loss account  
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
<b>TURNOVER</b>	4	1,330,759	1,318,568
Cost of sales		(707,605)	(615,077)
<b>GROSS PROFIT</b>		623,154	703,491
Administrative expenses		(571,479)	(514,098)
		51,675	189,393
Other operating income		70,485	20,624
<b>OPERATING PROFIT</b>	6	122,160	210,017
Interest receivable and similar income	8	-	12
		122,160	210,029
Interest payable and similar expenses	9	(4,363)	(3,971)
<b>PROFIT BEFORE TAXATION</b>		117,797	206,058
Tax on profit	10	(26,167)	(8,665)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		91,630	197,393

The notes form part of these financial statements

123V Ltd

Statement of Comprehensive  
Income  
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
<b>PROFIT FOR THE YEAR</b>		91,630	197,393
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>31,000</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>91,630</u>	<u>228,393</u>

The notes form part of these financial statements

123V Ltd (Registered number: SC178923)

Balance Sheet  
31 March 2024

	Notes	2024 £	2023 £
<b>FIXED ASSETS</b>			
Intangible assets	12	24,560	26,538
Tangible assets	13	401,247	440,851
Investment property	14	230,000	230,000
		<u>655,807</u>	<u>697,389</u>
<b>CURRENT ASSETS</b>			
Stocks	15	375,645	400,224
Debtors	16	20,093	31,444
Cash at bank and in hand		124,178	119,175
		<u>519,916</u>	<u>550,843</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(256,585)	(311,293)
<b>NET CURRENT ASSETS</b>			
		<u>263,331</u>	<u>239,550</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		919,138	936,939
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	(243,183)	(325,697)
<b>PROVISIONS FOR LIABILITIES</b>			
	21	(55,987)	(57,147)
<b>NET ASSETS</b>			
		<u>619,968</u>	<u>554,095</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	101,550	26,250
Revaluation reserve	23	31,000	31,000
Retained earnings	23	487,418	496,845
<b>SHAREHOLDERS' FUNDS</b>			
		<u>619,968</u>	<u>554,095</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18/12/2024 and were signed on its behalf by:



Mr R A Marlin - Director

The notes form part of these financial statements.

123V Ltd

Statement of Changes in Equity  
for the Year Ended 31 March 2024

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 April 2022</b>	26,150	410,791	-	436,941
<b>Changes in equity</b>				
Issue of share capital	100	-	-	100
Dividends	-	(111,339)	-	(111,339)
Total comprehensive income	-	197,393	31,000	228,393
<b>Balance at 31 March 2023</b>	<u>26,250</u>	<u>496,845</u>	<u>31,000</u>	<u>554,095</u>
<b>Changes in equity</b>				
Issue of share capital	75,300	-	-	75,300
Dividends	-	(101,057)	-	(101,057)
Total comprehensive income	-	91,630	-	91,630
<b>Balance at 31 March 2024</b>	<u>101,550</u>	<u>487,418</u>	<u>31,000</u>	<u>619,968</u>

The notes form part of these financial statements

123V Ltd

**Cash Flow Statement**  
**for the Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	200,398	(115,095)
Interest paid		(4,363)	(3,971)
Tax paid		(2,897)	19,532
		<hr/>	<hr/>
Net cash from operating activities		193,138	(99,534)
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(93,295)	(230,610)
Sale of tangible fixed assets		74,756	2,000
Sale of investment property		-	39,996
Interest received		-	12
		<hr/>	<hr/>
Net cash from investing activities		(18,539)	(188,602)
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Share issue		75,300	100
Repayment of borrowings		(98,740)	72,135
Repayment of bank loans		(33,737)	(12,686)
Payment of finance leases		(11,362)	134,996
Equity dividends paid		(101,057)	(111,339)
		<hr/>	<hr/>
Net cash from financing activities		(169,596)	83,206
		<hr/>	<hr/>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>5,003</b>	<b>(204,930)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>2</b>	<b>119,175</b>	<b>324,105</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>2</b>	<b>124,178</b>	<b>119,175</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

123V Ltd

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2024

1. **RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS**

	2024	2023
	£	£
Profit for the financial year	91,630	197,393
Depreciation charges	84,863	70,334
Profit on disposal of fixed assets	(24,742)	(2,000)
Finance costs	4,363	3,971
Finance income	-	(12)
Taxation	26,167	8,665
	<hr/>	<hr/>
	182,281	278,351
Decrease/(increase) in stocks	24,579	(289,774)
Decrease in trade and other debtors	11,351	74,228
Decrease in trade and other creditors	(17,813)	(177,900)
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<u>200,398</u>	<u>(115,095)</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

<b>Year ended 31 March 2024</b>	31.3.24	1.4.23
	£	£
Cash and cash equivalents	124,178	119,175
	<hr/>	<hr/>
<b>Year ended 31 March 2023</b>	31.3.23	1.4.22
	£	£
Cash and cash equivalents	119,175	324,105
	<hr/>	<hr/>

The notes form part of these financial statements

123V Ltd

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2024

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.23 £	Cash flow £	At 31.3.24 £
<b>Net cash</b>			
Cash at bank and in hand	119,175	5,003	124,178
	<u>119,175</u>	<u>5,003</u>	<u>124,178</u>
<b>Debt</b>			
Finance leases	(170,162)	11,361	(158,801)
Debts falling due within 1 year	(61,569)	38,754	(22,815)
Debts falling due after 1 year	(223,241)	93,723	(129,518)
	<u>(454,972)</u>	<u>143,838</u>	<u>(311,134)</u>
<b>Total</b>	<u>(335,797)</u>	<u>148,841</u>	<u>(186,956)</u>

The notes form part of these financial statements

123V Ltd

Notes to the Financial Statements  
for the Year Ended 31 March 2024

1. **GENERAL INFORMATION**

123V Ltd is a private company, limited by shares, registered in Scotland. 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 (£).

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ("FRS 102") and the requirement of the Companies Act 2006.

3. **ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of 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.

**GOING CONCERN**

As at 31 March 2024, the company had net current assets of £263,331 (2023: £239,550) and had Profit after tax for the year of £91,630 (2023: £197,393).

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements.

The Directors have prepared forecasts covering the period of 12 months which includes a number of assumptions in relation to varying levels of sales revenue. Whilst, the company's trading and cashflow forecasts have been prepared using current trading assumptions, the operating environment presents a number of challenges which could negatively impact the actual performance achieved. These challenges include, but not limited to, achieving forecast levels of sales and order intake, the impact of customer confidence as a result of general economic conditions, achieving forecast gross profit margin and improvements, and the director's ability to implement cost saving initiatives in areas of discretionary spend where required.

The company's cashflow forecast and projections, taking account of reasonable and possible changes in trading performance, offset by mitigating actions within the control of management, show that the company will be able to operate comfortably for next 12 months.

Based on the above indicators the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

**RECLASSIFICATIONS OF COMPARATIVE AMOUNTS**

The comparative figures for Current Investments and Intangible Assets have been reclassified to confirm with the presentation adopted for the current period.

The investment write off for the year ended 2023 amounting to £1,978 has been re-classed to amortisation in the current year. Since the Berth in Spain for boat provides the rights to the company for the parking of the boat and will be amortised over the useful period of contract.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**REVENUE**

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**GOVERNMENT GRANTS**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**DEFINED CONTRIBUTION PLANS**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

**INTANGIBLE FIXED ASSETS OTHER THAN GOODWILL**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Patents	100% in year of acquisition
Berth in Spain	Over the period of contract for right to use

**TANGIBLE ASSETS**

Tangible assets are initially recorded at cost, including freehold and leasehold land and buildings, and subsequently stated at cost less any accumulated depreciation and impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to 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:

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Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings Freehold	Not depreciated
Plant and Machinery	20% Straight line
Fixtures, fittings and equipment	20% Straight line
Motor Vehicles	25% Straight line
Other assets	10% Straight line

**INVESTMENT PROPERTY**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by directors.

Director's valuations are based on advice received from independent valuers. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the valuation date.

**IMPAIRMENT OF FIXED ASSETS**

At each reporting period 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.

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.

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, 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.

**TRADE DEBTORS**

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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.

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Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**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 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 at the transaction price and subsequently measured at amortised cost using the effective interest method.

**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 expenses are recognised on the basis of the effective interest method and are 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.

**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**

Equity dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**FINANCIAL INSTRUMENTS**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**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.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**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.

**EQUITY INSTRUMENTS**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**DERIVATIVES**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

**TAXATION**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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 balance sheet date.

**DEFERRED TAX**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

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.

**EMPLOYEE BENEFITS**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**LEASES**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

**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 as a finance cost in profit or loss in the period it arises.

**RELATED PARTIES**

For the purpose of these financial statements, a party is considered to be related to the Company if:

(i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company, or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company.

(ii) the Company and the party are subject to common control.

(iii) the party is a member of key management personnel of the Company or the Company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals.

(iv) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals or

(v) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

Close family member of an individual are those family members who may be expected to influence or be influenced by, that individual in their dealings with the entity.

**FOREIGN CURRENCY TRANSACTIONS AND BALANCES**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the spot exchange rate as at the reporting date, with any gains or losses being recognised in the income statement. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible and intangible assets

The annual amortisation charge for intangible assets and depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

(iii) Going concern

The directors consider the company to be a going concern, for the reasons as detailed in accounting policies to these financial statements.

(iv) Stock

Stock is valued at cost less a provision for slow moving and obsolete products. This is reviewed monthly by the directors. The provision is based on estimates such as forecasted sales and market trend.

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.

4. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2024	2023
	£	£
United Kingdom	1,330,759	1,318,568
	<u>1,330,759</u>	<u>1,318,568</u>

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

5.	<b>EMPLOYEES AND DIRECTORS</b>	2024 £	2023 £
	Wages and salaries	135,675	164,685
	Social security costs	3,119	4,322
	Other pension costs	1,847	1,928
		<u>140,641</u>	<u>170,935</u>
	The average number of employees during the year was as follows:		
		2024	2023
	Total employees	<u>10</u>	<u>12</u>
		2024 £	2023 £
	Directors' remuneration	<u>76,290</u>	<u>80,741</u>
6.	<b>OPERATING PROFIT</b>	2024 £	2023 £
	Hire of equipment	11,791	13,262
	Other operating leases	13,430	10,456
	Depreciation - owned assets	82,885	68,356
	Profit on disposal of fixed assets	(24,742)	(2,000)
		<u>                    </u>	<u>                    </u>
7.	<b>AUDITORS' REMUNERATION</b>	2024 £	2023 £
	Fees payable to the company's auditor and associates:		
	<b>For audit services</b>		
	Audit of the financial statements of the company	<u>7,050</u>	<u>3,300</u>
	<b>For other services</b>		
	All other non-audit services	<u>4,000</u>	<u>4,701</u>
8.	<b>INTEREST RECEIVABLE AND SIMILAR INCOME</b>	2024 £	2023 £
	Other interest income	<u>-</u>	<u>12</u>

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

9.	<b>INTEREST PAYABLE AND SIMILAR EXPENSES</b>	2024	2023
		£	£
	Interest on bank overdraft and loans	2,527	2,551
	Interest on hire purchase contracts	1,836	1,420
		<u>4,363</u>	<u>3,971</u>

10. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2024	2023
	£	£
Current tax:		
UK corporation tax	24,430	
Corporation tax adjust re previous year	2,897	(19,532)
Origination and reversal of timing difference	(1,160)	28,197
	<u>26,167</u>	<u>8,665</u>

**RECONCILIATION OF TOTAL TAX CHARGE INCLUDED IN PROFIT AND LOSS**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2024	2023
	£	£
Profit before tax	<u>117,797</u>	<u>206,058</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	29,449	39,151
Effects of:		
are not deductible in		
Tax effect of income not taxable in determining taxable profit	(1,000)	(384)
Permanent capital allowances in excess of depreciation	4,320	(35,457)
Research and development tax credit	-	(2,898)
Under/(over) provided in prior years	2,898	(19,532)
Gain on sale of tangible fixed assets	(6,185)	(380)
Deferred tax movement	(1,160)	28,197
Patent box relief	-	(32)
Effect of change in tax rate	<u>(2,155)</u>	<u>-</u>
Total tax charge	<u>26,167</u>	<u>8,665</u>

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

10. **TAXATION - continued**

From 1 April 2023, the corporation tax rate has increased to 25% for companies with profits of over £250,000. A small profits rate has also been introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date, companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in effective corporation tax rate.

11. **DIVIDENDS**

	2024 £	2023 £
Ordinary share shares of 1 each		
Interim	101,057	111,339
	<u>101,057</u>	<u>111,339</u>

The payment for ordinary dividend of £101,057 for the year ended 31 March 2024 was paid.

12. **INTANGIBLE FIXED ASSETS**

	Patents £	Berth in spain for boat £	Totals £
<b>COST</b>			
At 1 April 2023 and 31 March 2024	38,051	30,000	68,051
	<u>38,051</u>	<u>30,000</u>	<u>68,051</u>
<b>AMORTISATION</b>			
At 1 April 2023	38,051	3,462	41,513
Amortisation for year	-	1,978	1,978
	<u>-</u>	<u>1,978</u>	<u>1,978</u>
At 31 March 2024	38,051	5,440	43,491
	<u>38,051</u>	<u>5,440</u>	<u>43,491</u>
<b>NET BOOK VALUE</b>			
At 31 March 2024	-	24,560	24,560
	<u>-</u>	<u>24,560</u>	<u>24,560</u>
At 31 March 2023	-	26,538	26,538
	<u>-</u>	<u>26,538</u>	<u>26,538</u>

Berth in Spain has been re-classed from current investment to intangible asset during the year.

The investment write off for the year ended 2023 amounting to £1,978 has been re-classed to amortisation in the current year. Since the Berth in Spain for boat provides the rights to the company for the parking of the boat and will be amortised over the useful period of contract.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

13. **TANGIBLE FIXED ASSETS**

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £
<b>COST</b>			
At 1 April 2023	165,000	366,816	151,549
Additions	-	10,886	2,110
Disposals	-	(9,000)	-
At 31 March 2024	165,000	368,702	153,659
<b>DEPRECIATION</b>			
At 1 April 2023	-	260,915	138,023
Charge for year	-	35,166	5,848
Eliminated on disposal	-	(9,000)	-
At 31 March 2024	-	287,081	143,871
<b>NET BOOK VALUE</b>			
At 31 March 2024	165,000	81,621	9,788
At 31 March 2023	165,000	105,901	13,526
	Motor vehicles £	Other assets £	Totals £
<b>COST</b>			
At 1 April 2023	387,204	191,890	1,262,459
Additions	80,299	-	93,295
Disposals	(76,678)	-	(85,678)
At 31 March 2024	390,825	191,890	1,270,076
<b>DEPRECIATION</b>			
At 1 April 2023	263,458	159,212	821,608
Charge for year	37,929	3,942	82,885
Eliminated on disposal	(26,664)	-	(35,664)
At 31 March 2024	274,723	163,154	868,829
<b>NET BOOK VALUE</b>			
At 31 March 2024	116,102	28,736	401,247
At 31 March 2023	123,746	32,678	440,851

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

13. **TANGIBLE FIXED ASSETS - continued**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2024	2023
	£	£
Plant and machinery	31,197	41,596
Motor vehicles	116,094	123,737
	<u>143,612</u>	<u>165,333</u>

Freehold land and buildings with a carrying amount of £165,000 (2023 - £165,000) have been pledged to secure borrowings of the company. The company's bankers holds a standard security on property of the company for the liabilities as and when due.

14. **INVESTMENT PROPERTY**

	2024	2023
	£	£
<b>Fair value</b>		
At 1 April	230,000	238,996
Disposals		(39,996)
Net gains or losses through fair value adjustments		31,000
	<u>230,000</u>	<u>230,000</u>

The directors reviewed the carrying values as at 01 April 2023 and 31 March 2024, and are of the opinion the carrying values were in at fair value at both dates.

Director's valuations are based on advice received from independent valuers. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the valuation date.

15. **STOCKS**

	2024	2023
	£	£
Raw materials and consumables	6,650	10,742
Finished goods and goods for resale	368,995	389,482
	<u>375,645</u>	<u>400,224</u>

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

16.	<b>DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2024	2023
		£	£
	Trade debtors	2,388	11,378
	Prepayments	17,705	20,066
		20,093	31,444
		20,093	31,444
17.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2024	2023
		£	£
	Bank loans and overdrafts (see note 19)	-	16,323
	Other loans (see note 19)	22,815	45,246
	Hire purchase contracts (see note 20)	49,136	75,706
	Trade creditors	83,717	98,086
	Corporation tax	24,430	-
	PAYE control account	2,533	5,257
	VAT	19,498	34,529
	Other creditors	32,496	4,502
	Wages and salaries control	7,460	11,100
	Accruals	10,500	16,544
	Deferred income - government grants	4,000	4,000
		256,585	311,293
		256,585	311,293

Included within current liabilities is an amount of £ 49,136 (2023: £ 75,706) relating to hire purchase liabilities.

18.	<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	2024	2023
		£	£
	Bank loans (see note 19)	-	17,414
	Other loans (see note 19)	129,518	205,827
	Hire purchase contracts (see note 20)	109,665	94,456
	Deferred income - government grants	4,000	8,000
		243,183	325,697
		243,183	325,697

Included within non-current liabilities is an amount of £ 109,665 (2023: £ 94,456) relating to hire purchase liabilities. The company's bankers holds a standard security on properties of the company for the liabilities as and when due.

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

19. **LOANS**

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year or on demand:		
Bank loans	-	16,323
Other loans current portion	22,815	45,246
	<u>22,815</u>	<u>61,569</u>
Amounts falling due between one and two years:		
Bank loans	-	17,414
Other loans	34,256	35,242
Director loan account	95,262	170,585
	<u>129,518</u>	<u>223,241</u>

Bank borrowings are secured by a standard security over the property for which the borrowings were used in the acquisitions.

20. **LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2024	2023
	£	£
Net obligations repayable:		
Within one year	49,136	75,706
Between one and five years	109,665	94,456
	<u>158,801</u>	<u>170,162</u>

21. **PROVISIONS FOR LIABILITIES**

	2024	2023
	£	£
Deferred tax		
Deferred tax charge	(1,160)	-
Deferred taxation liability	57,147	57,147
	<u>55,987</u>	<u>57,147</u>

123V Ltd

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

21. **PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 April 2023	57,147
Credit to Profit and loss account during year	(1,160)
	55,987
Balance at 31 March 2024	55,987

The deferred tax liability set out above is expected to reverse within 5 years and relates to accelerated capital allowances that are expected to mature within the same period.

22. **CALLED UP SHARE CAPITAL**

	2024 Number	2023 Number	2024	2023
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
A Ordinary shares of £1 each	100,800	25,500	100,800	25,500
B Ordinary shares of £1 each	150	150	150	150
C Ordinary shares of £1 each	200	200	200	200
D Ordinary shares of £1 each	200	200	200	200
E Ordinary shares of £1 each	100	100	100	100
F Ordinary shares of £1 each	100	100	100	100
	101,550	26,250	101,550	26,250

The company has six classes of ordinary shares which carry the following rights and restrictions:

A Shares: These carry full voting rights although no right to fixed income. On a winding up, A shares are entitled to any residue funds after repayment of paid up or credited as paid up share capital.

B, C, D, E and F Shares: These carry no voting rights or right to fixed income. On a winding up, B, C, D, E and F shares are not entitled to any residue funds after repayment of paid up or credited as paid up share capital.

75,300 A ordinary shares fully paid up issued during the year.

23. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2023	496,845	31,000	527,845
Profit for the year	91,630		91,630
Dividends	(101,057)		(101,057)
At 31 March 2024	487,418	31,000	518,418

123V Ltd

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for the Year Ended 31 March 2024

24. **RELATED PARTY TRANSACTIONS**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2024	2023
	£	£
Aggregate compensation	<u>93,155</u>	<u>94,661</u>

**Other Information**

During the year, rent payment of £10,000 (2023: £10,000) made by the company for the use of premises which is owned by the Directors.

As at the balance sheet date, included in creditors (other loans) an amount totaling £95,262 (2023 : £170,585) payable to the Directors.

25. **GOVERNMENT GRANTS**

	2024	2023
	£	£
Arising from government grants	<u>8,000</u>	<u>12,000</u>
Included in the financial statement as follows:		
Current liabilities	4,000	4,000
Non-current liabilities	<u>4,000</u>	<u>8,000</u>
	<u>8,000</u>	<u>12,000</u>

26. **RETIREMENT BENEFIT SCHEMES**

	2024	2023
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>1,847</u>	<u>1,928</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

27. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling parties of the company are Mr Robin Marlin and Mrs Alexandra Marlin by virtue of their majority shareholding in the company.