

REGISTERED NUMBER: 05578230 (England and Wales)

FINANCIAL STATEMENTS FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018

FOR

M7 MANAGED SERVICES LIMITED

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FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018**

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M7 MANAGED SERVICES LIMITED

COMPANY INFORMATION FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018

DIRECTOR: S W Young

SECRETARY: S W Young

REGISTERED OFFICE: Forward House
17 High Street
Henley-in-Arden
West Midlands
B95 5AA

REGISTERED NUMBER: 05578230 (England and Wales)

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Intangible assets	4	-	-	-	-
Tangible assets	5	-	-	30,942	30,942
CURRENT ASSETS					
Debtors	6	-	126,852		
Cash at bank and in hand		-	174,991		
			301,843		
CREDITORS					
Amounts falling due within one year	7	-	273,038		
NET CURRENT ASSETS			-		28,805
TOTAL ASSETS LESS CURRENT LIABILITIES			-		59,747
CAPITAL AND RESERVES					
Called up share capital		10,000		10,000	
Capital contribution reserve	8	(8,560)		-	
Retained earnings	8	(1,440)		49,747	
SHAREHOLDERS' FUNDS			-		59,747

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 27 June 2018 and were signed by:

S W Young - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018**

1. STATUTORY INFORMATION

M7 Managed Services 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 (£).

These financial statements cover the period 1 October 2017 to 31 March 2018 therefore the comparatives are not entirely comparable. The period length has been shortened as the trade and net assets of the company were transferred on 31 March 2018 and the company is being wound-up.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102

'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- over the life of the lease
Plant and machinery	- 33% on cost
Fixtures and fittings	- 25% on cost

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The

selection of these residual values and estimated lives requires the exercise of judgement. The

directors are required to assess whether there is an indication of impairment to the carrying value of

assets. In making that assessment, judgements are made in estimating value in use. The directors

consider that the individual carrying values of assets are supportable by their value in use.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term

deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are

recorded at transaction price. Any losses arising from impairment are recognised in the statement of

comprehensive income under administrative expenses.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a

similar debt instrument, those financial instruments are classed as financial liabilities. Financial

liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to

financial liabilities are included in the profit and loss account. Finance costs are calculated so as to

produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a

financial liability then this is classed as an equity instrument. Dividends and distributions relating to

equity instruments are debited direct to equity.

Taxation

Taxation for the period 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018
2. ACCOUNTING POLICIES - continued
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 period 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 5 (2017 - 6) .

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 October 2017 (1,293,818)

Disposals 1,293,818

At 31 March 2018 —

AMORTISATION

At 1 October 2017 (1,293,818)

Eliminated on disposal 1,293,818

At 31 March 2018 —

NET BOOK VALUE

At 31 March 2018 —

At 30 September 2017 —

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018

5. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 October 2017	308,164	364,212	23,230	695,606
Additions	-	16,779	-	16,779
Disposals	<u>(308,164)</u>	<u>(380,991)</u>	<u>(23,230)</u>	<u>(712,385)</u>
At 31 March 2018	-	-	-	-
DEPRECIATION				
At 1 October 2017	308,164	333,869	22,631	664,664
Charge for period	-	6,194	242	6,436
Eliminated on disposal	<u>(308,164)</u>	<u>(340,063)</u>	<u>(22,873)</u>	<u>(671,100)</u>
At 31 March 2018	-	-	-	-
NET BOOK VALUE				
At 31 March 2018	-	-	-	-
At 30 September 2017	<u>-</u>	<u>30,343</u>	<u>599</u>	<u>30,942</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	-	44,698
Amounts owed by group undertakings	-	7,583
Prepayments and accrued income	<u>-</u>	<u>74,571</u>
	<u>-</u>	<u>126,852</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Hire purchase contracts	-	16,402
Trade creditors	-	46,492
Tax	-	12,608
Social security and other taxes	-	4,325
VAT	-	21,844
Other creditors	-	38,370
Accruals and deferred income	<u>-</u>	<u>132,997</u>
	<u>-</u>	<u>273,038</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 OCTOBER 2017 TO 31 MARCH 2018****8. RESERVES**

	Retained earnings £	Capital contribution reserve £	Totals £
At 1 October 2017	49,747	-	49,747
Deficit for the period	(29,520)		(29,520)
Dividends	(21,667)		(21,667)
Capital contribution	-	(8,560)	(8,560)
At 31 March 2018	<u>(1,440)</u>	<u>(8,560)</u>	<u>(10,000)</u>

9. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of M7 Group Limited. M7 Group Limited is a wholly owned subsidiary of Meridian IT Limited. Meridian IT Limited is wholly owned subsidiary of Meridian Leasing Corporation, registered in the USA.

The smallest company in which the company's results are consolidated is Meridian Group International Inc. registered in the USA.

The company's ultimate controlling party and the largest company in which the company's results are consolidated is Merex Technology Inc. registered in the USA.

10. BUSINESS COMBINATIONS

Meridian IT Limited acquired the entire issued share capital of M7 Group Limited, who have a 100% holding in M7 Managed Services Limited, during the year for £250,000. The trade and net assets of M7 Managed Services Limited were therefore transferred to Meridian IT Limited on 31 March 2018.