

REGISTERED NUMBER: 02210071 (England and Wales)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
MAGNA FREQUENCY COMPONENTS LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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MAGNA FREQUENCY COMPONENTS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

DIRECTORS: R D Newland
K R Todd

SECRETARY: R D Newland

REGISTERED OFFICE: Magna House
Dales Manor Business Park
Sawston
Cambridgeshire
CB22 3TJ

REGISTERED NUMBER: 02210071 (England and Wales)

ACCOUNTANTS: Thompson Taraz Rand
Chartered Accountants
10 Jesus Lane
Cambridge
Cambridgeshire
CB5 8BA

**BALANCE SHEET
31 DECEMBER 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	5	5,773	6,800
CURRENT ASSETS			
Stocks		93,539	68,194
Debtors	6	122,119	193,640
Cash at bank		746	-
		216,404	261,834
CREDITORS			
Amounts falling due within one year	7	(174,361)	(220,989)
NET CURRENT ASSETS		42,043	40,845
TOTAL ASSETS LESS CURRENT LIABILITIES		47,816	47,645
CAPITAL AND RESERVES			
Called up share capital		621	621
Share premium		35,400	35,400
Retained earnings		11,795	11,624
		47,816	47,645

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

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

The directors acknowledge their 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 Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors on 17 July 2019 and were signed on its behalf by:

R D Newland - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUTORY INFORMATION

Magna Frequency Components 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 (£).

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Turnover

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

Turnover represents the sales of goods to the telecommunication sector and is shown net of VAT and discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually once the goods have been dispatched. Where invoices have been raised before dispatch or monies received, the entire amount is deferred to the period in which the items are dispatched.

Tangible fixed assets

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

Leasehold Improvements 20% on cost

Plant and machinery 20% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. ACCOUNTING POLICIES - continued**Leases**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3 (2017 - 3) .

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2018	124,699
Additions	510
Disposals	<u>(3,224)</u>
At 31 December 2018	<u>121,985</u>
DEPRECIATION	
At 1 January 2018	117,899
Charge for year	1,348
Eliminated on disposal	<u>(3,035)</u>
At 31 December 2018	<u>116,212</u>
NET BOOK VALUE	
At 31 December 2018	<u>5,773</u>
At 31 December 2017	<u>6,800</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	104,663	182,698
Other debtors	<u>17,456</u>	<u>10,942</u>
	<u>122,119</u>	<u>193,640</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loans and overdrafts	35,004	38,226
Trade creditors	30,796	68,588
Taxation and social security	16,794	3,050
Other creditors	91,767	<u>111,125</u>
	<u>174,361</u>	<u>220,989</u>

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	25,525	25,525
Between one and five years	6,381	<u>31,906</u>
	<u>31,906</u>	<u>57,431</u>

9. RELATED PARTY DISCLOSURES

At the balance sheet date the amount of £53,439 (2017: £83,749) was owed to the directors. The amount includes an interest charge of £1,654 (2017 £nil), is repayable on demand and is disclosed within other creditors.

10. SECURED DEBTS

HSBC Bank Plc holds a debenture, dated 31 January 2007, secured against all monies due or to become due from the company to the chargee on all accounts.

HSBC Invoice Finance (UK) Ltd holds a fixed charge on purchase debts which fail to vest, dated 8 February 2007, secured against all monies due or to become due from the company to the chargee on all accounts.

HSBC Bank Plc holds a legal assignment, dated 10 March 2010, secured against all monies due or to become due from the company to the chargee on all accounts.