

Margate Language Centre Limited

Unaudited Filleted Financial Statements

for the Year Ended 31 December 2023

Margate Language Centre Limited

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Margate Language Centre Limited

Company Information

Director Mr Adam Wilton

Registered office 38 Hawley Square
Margate
Kent
CT9 1PH

Accountants Sudworths Limited
Chartered Accountants
The Ground Floor Offices The Mill House
The Mill Business Park
Maidstone Road
Ashford
Kent
TN26 1AE

Margate Language Centre Limited
(Registration number: 2982694)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	4	39,188	47,324
Current assets			
Debtors	5	900	11,429
Cash at bank and in hand		379	2,322
		1,279	13,751
Creditors: Amounts falling due within one year	6	(43,282)	(86,142)
Net current liabilities		(42,003)	(72,391)
Total assets less current liabilities		(2,815)	(25,067)
Creditors: Amounts falling due after more than one year	6	(62,502)	(39,575)
Net liabilities		(65,317)	(64,642)
Capital and reserves			
Called up share capital	7	100	100
Retained earnings		(65,417)	(64,742)
Shareholders' deficit		(65,317)	(64,642)

For the financial year ending 31 December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 27 August 2024

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Mr Adam Wilton
Director

Margate Language Centre Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2023

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

38 Hawley Square
Margate
Kent
CT9 1PH

The principal place of business is:

The Towers
38 Hawley Square
Margate
Kent
CT9 IPH

These financial statements were authorised for issue by the director on 27 August 2024.

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.

Going concern

The financial statements have been prepared on a going concern basis.

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.

Margate Language Centre Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2023

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 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.

Tangible assets

Tangible assets are stated in the balance sheet 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
Property	over 25 years
Fixtures and fittings	25% net book value
Motor vehicles	25% net book value

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 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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2023

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 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.

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.

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 the director) during the year, was 5 (2022 - 5).

Margate Language Centre Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2023

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2023	166,162	63,992	7,000	237,154
At 31 December 2023	166,162	63,992	7,000	237,154
Depreciation				
At 1 January 2023	129,327	58,753	1,750	189,830
Charge for the year	5,339	1,047	1,750	8,136
At 31 December 2023	134,666	59,800	3,500	197,966
Carrying amount				
At 31 December 2023	31,496	4,192	3,500	39,188
At 31 December 2022	36,835	5,239	5,250	47,324

Included within the net book value of land and buildings above is £31,496 (2022 - £36,835) in respect of freehold land and buildings.

5 Debtors

	Note	2023 £	2022 £
Current			
Amounts owed by related parties		647	10,390
Prepayments		100	768
Other debtors		153	271
		900	11,429

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2023

6 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	8	23,737	70,832
Trade creditors		6,341	1,345
Taxation and social security		4,199	1,660
Accruals and deferred income		2,560	1,950
Other creditors		6,445	10,355
		<u>43,282</u>	<u>86,142</u>

7 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

8 Loans and borrowings

Non-current loans and borrowings

	2023 £	2022 £
Bank borrowings	<u>62,502</u>	<u>39,575</u>

Current loans and borrowings

	2023 £	2022 £
Bank borrowings	10,648	10,648
Other borrowings	<u>13,089</u>	<u>60,184</u>
	<u>23,737</u>	<u>70,832</u>