



LOGIC MH LTD  
UNAUDITED  
FINANCIAL STATEMENTS  
31 AUGUST 2018



**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

**LOGIC MH LTD**  
**REGISTERED NUMBER: 02662824**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	5	44,693	53,038
		<u>44,693</u>	<u>53,038</u>
<b>Current assets</b>			
Stocks	6	208,076	200,158
Debtors: amounts falling due within one year	7	327,081	349,339
Cash at bank and in hand	8	111,580	72,987
		<u>646,737</u>	<u>622,484</u>
Creditors: amounts falling due within one year	9	(164,769)	(175,860)
<b>Net current assets</b>		<u>481,968</u>	<u>446,624</u>
<b>Total assets less current liabilities</b>		<u>526,661</u>	<u>499,662</u>
Creditors: amounts falling due after more than one year	10	-	(6,558)
<b>Provisions for liabilities</b>			
Deferred tax	12	(8,500)	(10,000)
		<u>(8,500)</u>	<u>(10,000)</u>
<b>Net assets</b>		<u><u>518,161</u></u>	<u><u>483,104</u></u>

**LOGIC MH LTD**  
**REGISTERED NUMBER: 02662824**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Capital and reserves</b>			
Called up share capital	13	5,000	5,000
Profit and loss account		513,161	478,104
		<u>518,161</u>	<u>483,104</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

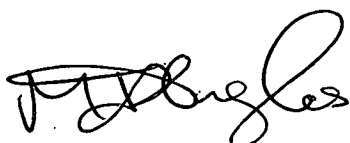
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mr M J Hughes**  
Director

Date: 28/3/19

The notes on pages 3 to 11 form part of these financial statements.

## LOGIC MH LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

#### 1. General information

Logic MH Limited is a company limited by shares incorporated in England and Wales within the United Kingdom. The address of the registered office is given within the company information page of these financial statements.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

###### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.3 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

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

**2. Accounting policies (continued)**

**2.4 Finance costs**

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.5 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company also contributes to employee personal pension schemes. The pension charge represents amounts payable by the company to those funds in the year.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.6 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## LOGIC MH LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

#### 2. Accounting policies (continued)

##### 2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line basis.

Depreciation is provided on the following basis:

Plant and machinery	- 25% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

##### 2.8 Stocks

Stocks are stated at the lower of last cost and net realisable value, being the estimated selling price less costs to complete and sell.

##### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

## **LOGIC MH LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018**

#### **2. Accounting policies (continued)**

##### **2.13 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

##### **2.14 Dividends**

Equity dividends are recognised when they become legally payable. Interim and final equity dividends are recognised when approved by the shareholders.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was 10 (2017 - 10).

LOGIC MH LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

4. Taxation

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	26,077	24,500
Adjustments in respect of previous periods	-	(404)
	<u>26,077</u>	<u>24,096</u>
<b>Total current tax</b>	<u>26,077</u>	<u>24,096</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,500)	1,000
<b>Total deferred tax</b>	<u>(1,500)</u>	<u>1,000</u>
<b>Taxation on profit on ordinary activities</b>	<u>24,577</u>	<u>25,096</u>
<b>Factors affecting tax charge for the year</b>		

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2017 - 19%).



LOGIC MH LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 September 2017	54,790	82,853	22,085	159,728
Additions	-	24,250	-	24,250
Disposals	-	(19,808)	-	(19,808)
At 31 August 2018	54,790	87,295	22,085	164,170
<b>Depreciation</b>				
At 1 September 2017	49,660	35,674	21,356	106,690
Charge for the year on owned assets	2,196	6,480	729	9,405
Charge for the year on financed assets	-	22,632	-	22,632
Disposals	-	(19,250)	-	(19,250)
At 31 August 2018	51,856	45,536	22,085	119,477
<b>Net book value</b>				
At 31 August 2018	2,934	41,759	-	44,693
At 31 August 2017	5,130	47,179	729	53,038

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Motor vehicles	32,055	30,437
	32,055	30,437

6. Stocks

	2018 £	2017 £
Raw materials	208,076	200,158
	208,076	200,158

**LOGIC MH LTD**

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

**7. Debtors**

	2018 £	2017 £
Trade debtors	316,299	340,714
Prepayments and accrued income	10,782	8,625
	<u>327,081</u>	<u>349,339</u>

**8. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	111,580	72,987
	<u>111,580</u>	<u>72,987</u>

**9. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	85,048	109,274
Corporation tax	26,500	24,500
Other taxation and social security	12,780	15,747
Obligations under finance lease and hire purchase contracts	16,162	14,369
Other creditors	4,835	-
Accruals and deferred income	19,444	11,970
	<u>164,769</u>	<u>175,860</u>

**10. Creditors: Amounts falling due after more than one year**

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	-	6,558
	<u>-</u>	<u>6,558</u>

**LOGIC MH LTD**

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

**11. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	16,162	14,369
Between 1-5 years	-	6,558
	<u>16,162</u>	<u>20,927</u>

**12. Deferred taxation**

	2018 £
At beginning of year	(10,000)
Charged to profit or loss	1,500
<b>At end of year</b>	<u><u>(8,500)</u></u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(8,500)	(10,000)
	<u>(8,500)</u>	<u>(10,000)</u>

**13. Share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
1,250 (2017 - 1,250) 'A' ordinary shares shares of £1.00 each	1,250	1,250
1,250 (2017 - 1,250) 'B' ordinary shares shares of £1.00 each	1,250	1,250
1,250 (2017 - 1,250) 'C' ordinary shares shares of £1.00 each	1,250	1,250
625 (2017 - 625) 'D' ordinary shares shares of £1.00 each	625	625
625 (2017 - 625) 'E' ordinary shares shares of £1.00 each	625	625
	<u>5,000</u>	<u>5,000</u>

## LOGIC MH LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

#### 14. Pension commitments

The company operates a defined contribution pension scheme for a director, with the contributions of £2,400 (2017 - £4,400) invested in funds with Alltrust Services Limited .

The company also contributes to personal pension schemes on behalf of some employees during the year. The amount paid totalled £3,652 (2017 - £4,035) and this is charged to the profit and loss account in the year in which they are paid. Contributions of £ nil (2017 - £1,695) were payable to a scheme at the balance sheet date and are included in creditors

#### 15. Related party transactions

Shareholders in Logic MH Ltd, together with their families interests, are also directors of Logic Manufacturing Limited.

Purchases of goods and services by Logic MH Ltd from Logic Manufacturing Limited amounted to £1,338,392 (2017 - £1,493,149) during the year and the amount owed to Logic Manufacturing Limited as at 31 August 2018 was £51,968 (2017 - £82,601).

Purchases of goods and services by Logic Manufacturing Limited from Logic MH Ltd amounted to £55,151 (2017 - £66,076) during the year and the amount owed by Logic Manufacturing Limited as at 31 August 2018 was £6,392 (2017 - £796).

A directors pension scheme owns half of the property from which the company is trading. The other half of the property is owned by a wife of a director. Rent paid during the year amounted to £28,967 (2017 - £26,760). The company's lease expired on 30 June 2003 and the company continues to occupy the premises and is paying an open market rent.