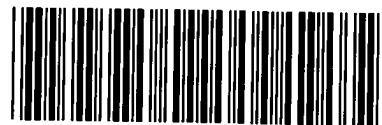


Greens Motors Ltd

Filleted Financial Statements

31 December 2020

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Greens Motors Ltd

Financial Statements

Year ended 31 December 2020

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Greens Motors Ltd

Independent Auditor's Report to the Members of Greens Motors Ltd

Year ended 31 December 2020

Opinion

We have audited the financial statements of Greens Motors Ltd (the 'company') for the year ended 31 December 2020 which comprise the statement of income and retained earnings, statement of financial position and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 auditor's 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 opinion.

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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

We have nothing to report in this regard.

Greens Motors Ltd

Independent Auditor's Report to the Members of Greens Motors Ltd (continued)

Year ended 31 December 2020

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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.

Greens Motors Ltd

Independent Auditor's Report to the Members of Greens Motors Ltd (continued)

Year ended 31 December 2020

Auditor's 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 auditor's 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed those between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting entries for biases, and reading minutes of meetings of those charged with governance.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

We considered provisions of other laws and regulations that do not have a direct effect on the financial statements but non-compliance with which could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the companies license to operate. We identified the following areas as those most likely to have such an effect: General Data Protection Regulation (GDPR), health and safety, antibribery, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This description forms part of our auditor's report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Greens Motors Ltd

Independent Auditor's Report to the Members of Greens Motors Ltd *(continued)*

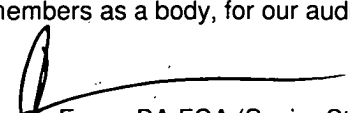
Year ended 31 December 2020

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's 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.



Bruce Evens BA FCA (Senior Statutory Auditor)

For and on behalf of
Evens & Co Ltd
Chartered Accountants & statutory auditor
Hamilton House
Hamilton Terrace
Milford Haven
Pembrokeshire
SA73 3JP

28 September 2021

Greens Motors Ltd

Statement of Income and Retained Earnings

Year ended 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|--------------|------------------|
| Turnover | | 786,179 | 1,118,379 |
| Cost of sales | | (407,588) | (854,900) |
| Gross profit | | 378,591 | 263,479 |
| Administrative expenses | | (427,540) | (499,995) |
| Other operating income | | 69,404 | — |
| Operating profit/(loss) | | 20,455 | (236,516) |
| Interest payable and similar expenses | | (18,069) | (20,636) |
| Profit/(loss) before taxation | 5 | 2,386 | (257,152) |
| Tax on profit/(loss) | | — | — |
| Profit/(loss) for the financial year and total comprehensive income | | <u>2,386</u> | <u>(257,152)</u> |

All the activities of the company are from continuing operations.

The notes on pages 7 to 12 form part of these financial statements.

Greens Motors Ltd

Statement of Financial Position

31 December 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 6 | 880,260 | 934,835 |
| Investments | 7 | — | 100 |
| | | <u>880,260</u> | <u>934,935</u> |
| Current assets | | | |
| Stocks | | 316,744 | 304,196 |
| Debtors | 8 | 104,474 | 151,188 |
| Cash at bank and in hand | | 4,815 | 2,803 |
| | | <u>426,033</u> | <u>458,187</u> |
| Creditors: amounts falling due within one year | 9 | <u>(272,259)</u> | <u>(342,857)</u> |
| Net current assets | | <u>153,774</u> | <u>115,330</u> |
| Total assets less current liabilities | | <u>1,034,034</u> | <u>1,050,265</u> |
| Creditors: amounts falling due after more than one year | 10 | <u>(290,396)</u> | <u>(297,763)</u> |
| Net assets | | <u>743,638</u> | <u>752,502</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 30,694 | 30,694 |
| Share premium account | | 14,369 | 14,369 |
| Capital redemption reserve | | 6,000 | 6,000 |
| Profit and loss account | | 692,575 | 701,439 |
| Shareholders funds | | <u>743,638</u> | <u>752,502</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

These financial statements were approved by the board of directors and authorised for issue on 28 September 2021, and are signed on behalf of the board by:


Mr M F T Green
Director


Mr J M Green
Director

Company registration number: 156896

The notes on pages 7 to 12 form part of these financial statements.

Greens Motors Ltd

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 19A, Withybush Business Park, Withybush Road, Haverfordwest, Pembrokeshire, SA62 4BW.

2. Statement of compliance

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and 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 certain financial assets and liabilities and 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

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. The company has also considered the following factors in coming to this conclusion.

- UK Departure from the European Union

On 23 June 2016, the UK held a referendum in which voters approved an exit from the European Union ("EU"), commonly referred to as Brexit. Brexit has caused significant disruption and uncertainty in the UK and world wide business communities and has resulted in volatile currency exchange fluctuation. On the 24 January 2020 both parties agreed and signed the EU Withdrawal agreement and negotiations on the future trading relationship began. There remains considerable uncertainty over the long term effects of the exit.

The company has taken steps to mitigate the impact of Brexit on the business, however other factors outside the company control could have an adverse material impact on the business and the financial conditions.

- Covid-19 Virus

The company has assessed the possible impact of the Covid-19 virus on the business when considering the reporting of the principal risks and uncertainties. The company has also considered the risks to staff and have initiated such protective measures as are necessary. The company does not consider that any impairment is required to the assets and that the carrying value of its assets and liabilities are not adversely effected.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Greens Motors Ltd

Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Revenue recognition

Turnover represents amounts derived from the provisions of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. Turnover is recognised when the significant risks and rewards of ownership have been transferred to the customer.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

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:

| | | |
|-----------------------|---|--|
| Freehold property | - | over 75 years on a straight line basis |
| Plant and machinery | - | 10% straight line |
| Fixtures and fittings | - | 10% straight line |
| Motor vehicles | - | 20% straight line |
| Computer equipment | - | 25% straight line |

No depreciation is provided on Freehold land.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Greens Motors Ltd

Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in profit and loss when due.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 11 (2019: 13).

5. Profit before taxation

Profit before taxation is stated after charging:

| | 2020 | 2019 |
|--|--------------|--------------|
| | £ | £ |
| Depreciation of tangible assets | 46,334 | 45,248 |
| Fees payable for the audit of the financial statements | <u>4,632</u> | <u>4,855</u> |

Greens Motors Ltd

Notes to the Financial Statements (continued)

Year ended 31 December 2020

6. Tangible assets

| | Freehold land and property £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|----------------------------|------------------------------------|-----------------------------|---|---------------------|------------------|
| Cost | | | | | |
| At 1 January 2020 | 939,526 | 723,304 | 564,124 | 93,860 | 2,320,814 |
| Additions | — | 6,022 | 4,130 | — | 10,152 |
| Disposals | — | — | — | (29,828) | (29,828) |
| At 31 December 2020 | 939,526 | 729,326 | 568,254 | 64,032 | 2,301,138 |
| Depreciation | | | | | |
| At 1 January 2020 | 159,305 | 661,349 | 530,579 | 34,746 | 1,385,979 |
| Charge for the year | 15,581 | 9,420 | 7,251 | 14,082 | 46,334 |
| Disposals | — | — | — | (11,435) | (11,435) |
| At 31 December 2020 | 174,886 | 670,769 | 537,830 | 37,393 | 1,420,878 |
| Carrying amount | | | | | |
| At 31 December 2020 | 764,640 | 58,557 | 30,424 | 26,639 | 880,260 |
| At 31 December 2019 | 780,221 | 61,955 | 33,545 | 59,114 | 934,835 |

Included within the cost of Freehold land and property is Freehold land of £49,741 (2019 - £49,741) which is not depreciated.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

| | Plant and machinery £ | Motor vehicles £ | Total £ |
|----------------------------|-----------------------------|---------------------|---------------|
| At 31 December 2020 | 5,478 | 26,265 | 31,743 |
| At 31 December 2019 | 14,107 | 69,553 | 83,660 |

7. Investments

| | Shares in group undertakings £ |
|--|---|
| Cost | |
| At 1 January 2020 | 100 |
| Disposals | (100) |
| At 31 December 2020 | — |
| Impairment | |
| At 1 January 2020 and 31 December 2020 | — |
| Carrying amount | |
| At 31 December 2020 | — |
| At 31 December 2019 | 100 |

Greens Motors Ltd

Notes to the Financial Statements (continued)

Year ended 31 December 2020

7. Investments (continued)

Subsidiary undertaking

The company's investment in its subsidiary company represented the cost of acquisition of 100% of the ordinary share capital of Greens Motors (Hire Cars) Limited, which is a dormant company. This investment was disposed of at cost on 17 September 2020.

8. Debtors

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 70,634 | 53,714 |
| Amounts owed by group undertakings | 20,601 | 57,384 |
| Other debtors | 13,239 | 40,090 |
| | <u>104,474</u> | <u>151,188</u> |

Debtors include an amount of £nil (2019 - £nil) falling due after more than one year.

9. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|-------------------------------------|----------------|----------------|
| Bank loans and overdrafts (secured) | 26,515 | 92,335 |
| Trade creditors | 58,894 | 83,973 |
| Social security and other taxes | 47,407 | 36,612 |
| Hire purchase agreements (secured) | 51,197 | 52,431 |
| Other loans | 60,000 | 60,000 |
| Other creditors | 28,246 | 17,506 |
| | <u>272,259</u> | <u>342,857</u> |

10. Creditors: amounts falling due after more than one year

| | 2020 £ | 2019 £ |
|-------------------------------------|----------------|----------------|
| Bank loans and overdrafts (secured) | 252,872 | 209,042 |
| Hire purchase agreements (secured) | 37,524 | 88,721 |
| | <u>290,396</u> | <u>297,763</u> |

The bank overdraft and loans are secured by a 1st legal charge over commercial freehold business unit known as plot 19 Withybush Park dated 11 March 2014, an unlimited debenture incorporating a fixed and floating charge dated 11 March 2014 and a letter of set-off dated 11 March 2014.

Hire purchase agreements are secured on the assets to which they relate.

Included within creditors: amounts falling due after more than one year is an amount of £148,253 (2019: £125,319) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Greens Motors Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

11. Called up share capital

Issued, called up and fully paid

| | 2020 | | 2019 | |
|-------------------------------|----------------|---------------|----------------|---------------|
| | No. | £ | No. | £ |
| Ordinary shares of £0.20 each | <u>153,472</u> | <u>30,694</u> | <u>153,472</u> | <u>30,694</u> |

12. Related party transactions

During the year the company paid dividends of £6,750 (2019 - £32,325) to Pembroke Motor Services Limited and £4,500 (2019 - £21,550) to Mr MFT Green, a director.

13. Controlling party

The company is a subsidiary of Pembroke Motor Services Limited, a company registered in England & Wales. Pembroke Motor Services Limited is the ultimate controlling party of Greens Motors Ltd as a result of its majority shareholding.