

**Company registration number: 01336003**

**Abbey Garage (South West) Limited  
Filleter Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2019**

**ABBEY GARAGE (SOUTH WEST) LIMITED**

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**ABBEY GARAGE (SOUTH WEST) LIMITED****(Registration number: 01336003)****Balance Sheet as at 31 December 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	793,882	797,119
Investments	<u>5</u>	486,292	501,810
		<u>1,280,174</u>	<u>1,298,929</u>
<b>Current assets</b>			
Stocks	<u>6</u>	479,308	517,898
Debtors	<u>7</u>	290,980	281,948
Cash at bank and in hand		315	315
		<u>770,603</u>	<u>800,161</u>
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	(383,678)	(405,924)
<b>Net current assets</b>		<u>386,925</u>	<u>394,237</u>
<b>Total assets less current liabilities</b>		1,667,099	1,693,166
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	(310,525)	(337,632)
<b>Provisions for liabilities</b>			
Deferred tax liabilities		<u>(135,408)</u>	<u>(125,203)</u>
<b>Net assets</b>		<u>1,221,166</u>	<u>1,230,331</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Capital redemption reserve		49,900	49,900
Property revaluation reserve		463,261	468,561
Investment fair value reserve		333,292	354,210
Profit and loss account		<u>374,613</u>	<u>357,560</u>
<b>Total equity</b>		<u>1,221,166</u>	<u>1,230,331</u>

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

**ABBEY GARAGE (SOUTH WEST) LIMITED**

**(Registration number: 01336003)**

**Balance Sheet as at 31 December 2019**

Approved and authorised by the Board on 23 July 2020 and signed on its behalf by:

L Winterson  
Director

## **ABBAY GARAGE (SOUTH WEST) LIMITED**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

#### **1 General information**

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

The address of its registered office is:

189 High Street  
Street  
Somerset  
BA16 0NE  
United Kingdom

#### **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**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **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.

These financial statements are presented in Sterling (£).

##### **Group accounts not prepared**

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

## **ABBEY GARAGE (SOUTH WEST) LIMITED**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

#### **Departures from Companies Act requirements**

There has been a departure from the requirements of FRS 102 which in the opinion of the directors is necessary in order for the financial statements to give a true and fair view. FRS 102 requires freehold land and buildings to be revalued sufficiently regularly to ensure that the carrying amount does not materially differ from the fair value at the reporting date. During 2011 Lloyds TSB Bank plc instructed Cooper & Tanner Chartered Surveyors to carry out a valuation for the purposes of bank security, and on 23 August 2011 Cooper and Tanner issued their report stating the market value of the freehold land and buildings in Abbey Garage (South West) Limited at £550,000 and the freehold land and buildings in Glastonbury Motor Body Repairs Limited at £390,000. The directors consider the open market value of the freehold land and buildings owned by Abbey Garage (South West) Limited, and its subsidiary Glastonbury Motor Body Repairs Limited, to be in excess of those reported by Cooper & Tanner Chartered Surveyors, and the directors have therefore adopted their own valuations of £750,000 and £600,000 respectively in preparing the financial statements for each company. Depreciation has not been charged on the freehold buildings as the directors are of the opinion that the residual value is no less than the carrying value in the accounts.

If the property was being depreciated in the financial statements at the directors valuation, accumulated depreciation would be £75,000 (2018: £65,625). If the properties were being depreciated in both financial statements at the directors valuations, the effect on Abbey Garage (South West) Limited's financial statements would be that tangible fixed assets would reduce by £75,000 (2018: £65,625), fixed asset investments would reduce by £48,600 (2018: £43,575), deferred tax liability would reduce by £23,484 (2018: £18,560), the property revaluation reserve would reduce by £30,750 (2018: £28,255), the investment fair value movements reserve would reduce by £39,366 (2018: £36,135) and the profit and loss reserve would reduce by £30,000 (2018: £26,250). Net assets would also therefore reduce by £100,116 (2018: £90,640).

If the properties were included in the financial statements at Cooper & Tanner's valuations, and depreciation not charged, the effect on Abbey Garage (South West) Limited's financial statements would be that tangible fixed assets would reduce by £200,000 (2018 - £200,000), fixed asset investments would reduce by £170,100 (2018 - £174,300), deferred tax liability would reduce by £71,000 (2018: £63,600), the property revaluation reserve would reduce by £162,000 (2018 - £166,000) and the investment fair value movements reserve would reduce by £137,100 (2018: £144,700). Net assets would also therefore reduce by £299,100 (2018 - £310,700).

#### **Turnover 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. Turnover is recognised when the goods are physically delivered to the customer and services are fully completed.

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.

#### **Tax**

The tax expense for the period comprises deferred tax. Tax is recognised in the profit and loss account, 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 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.

## **ABBEY GARAGE (SOUTH WEST) LIMITED**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

Deferred income tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Deferred tax assets and deferred tax liabilities are offset, only where there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes by the same authority to either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### **Tangible assets**

Freehold land and buildings are carried at revaluation, derived by the open market value considered by the directors. No depreciation is charged on freehold land and buildings.

Tangible assets, other than freehold land and buildings, are stated at cost, less accumulated depreciation and accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation of tangible assets**

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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	Not depreciated
Plant and machinery	10% reducing balance
Furniture, fittings and equipment	10% reducing balance/ 10-33.3% straight line

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Investments**

Investments in equity shares which are not publicly traded are valued at fair value being the amount of the underlying net assets of the fixed asset investments, any changes in fair value are recognised in other comprehensive income, valuation decreases will be recognised through the fair value reserve to the extent that they are reversing a valuation increase and recognised in the profit and loss once the decrease exceeds the fair value reserve.

## **ABBEY GARAGE (SOUTH WEST) LIMITED**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

#### **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.

#### **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.

#### **Stocks**

Other stocks comprise of car stock and are stated at the lower of cost and estimated selling price less costs to complete and sell. At each reporting date, other stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Raw materials and consumable stock are stated at the lower of cost or estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

#### **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.

Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.



## **ABBEY GARAGE (SOUTH WEST) LIMITED**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

#### **Reserves**

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account includes all current and prior period profits and losses.

Capital redemption reserve records the nominal value of shares repurchased by the company.

Property revaluation reserve is the surplus or deficit arising on the revaluation and deferred tax on the revaluation of the freehold property.

Investment fair value reserve is the surplus or deficit arising on the fair value adjustments and deferred tax on the fair value movements of its investment in its subsidiary.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **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.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **Defined contribution pension obligation**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year was 12 (2018 - 14).

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

#### 4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	750,000	90,085	261,344	1,101,429
Additions	-	1,679	835	2,514
Disposals	-	(1,708)	-	(1,708)
At 31 December 2019	750,000	90,056	262,179	1,102,235
<b>Depreciation</b>				
At 1 January 2019	-	74,887	229,423	304,310
Charge for the year	-	2,477	3,274	5,751
Eliminated on disposal	-	(1,708)	-	(1,708)
At 31 December 2019	-	75,656	232,697	308,353
<b>Carrying amount</b>				
At 31 December 2019	750,000	14,400	29,482	793,882
At 31 December 2018	750,000	15,198	31,921	797,119

Included within the net book value of land and buildings above is £750,000 (2018 - £750,000) in respect of freehold land and buildings.

#### Revaluation

The fair value of the company's freehold land and buildings was ascertained on 23 August 2011 by an independent valuer, on a basis of open market value, Chartered Surveyors, Cooper & Tanner valued the property at £550,000, however the directors believe the value of the property is greater and have included the property at a valuation of £750,000. The directors have adopted their valuation for this class of assets and disclosed in the financial statements a current value of £750,000 (2018: £750,000), the carrying amount at historical cost of £275,000 (2018: £275,000) and accumulated depreciation on this historical cost is £32,879 (2018: £32,879). A tax liability of £50,000 (2018: £44,700) would arise if the property was realised at its net book value of £750,000 and this has been included within deferred tax in the accounts and realised through the revaluation reserve.

#### 5 Investments

	2019 £	2018 £
Investments in subsidiaries	486,292	501,810

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

#### Subsidiaries

£

#### Fair value

At 1 January 2019	501,810
Fair value adjustments	(15,518)
At 31 December 2019	486,292

Fair value is valued at the amount of the underlying net assets of the fixed asset investment. The fair value reduction of £15,518 (2018: increase £28,474) has been recognised in other comprehensive income. The increase of the deferred tax liability on the fair value reserve of £5,400 (2018: increase £4,800) has also been recognised in other comprehensive income. The net decrease of the investment fair value reserve during the year was therefore £20,918 (2018: increase £23,674).

#### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Glastonbury Motor Body Repairs Limited	189 High Street, Street, Somerset, BA16 0NE  United Kingdom	Ordinary shares	100%	100%

#### Subsidiary undertakings

##### *Glastonbury Motor Body Repairs Limited*

The principal activity of Glastonbury Motor Body Repairs Limited is repairing motor vehicle bodies.. The loss for the financial period of Glastonbury Motor Body Repairs Limited was £15,518 and the aggregate amount of capital and reserves at the end of the period was £486,292.

Included within the balance sheet of Glastonbury Motor Body Repairs Limited are freehold land and buildings included at the directors' valuation.

The last professional valuation of this class was carried out on 23 August 2011 by Cooper & Tanner Chartered Surveyors who are external to the company and the basis of this valuation was open market value.

Cooper & Tanner valued the property at £390,000, however the directors' believed the value of the property was greater than this at £600,000. The directors' have therefore adopted their valuation for this class of asset and disclosed in the financial statements at the current value of £600,000.

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

#### 6 Stocks

	2019 £	2018 £
Raw materials and consumables	47,765	36,193
Other stocks	431,543	481,705
	<u>479,308</u>	<u>517,898</u>

#### 7 Debtors

	Note	2019 £	2018 £
Trade debtors		27,757	22,643
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>13</u>	214,464	210,277
Other debtors		48,759	49,028
Total current trade and other debtors		<u>290,980</u>	<u>281,948</u>

# **ABBEY GARAGE (SOUTH WEST) LIMITED**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

### **8 Creditors**

#### **Creditors: amounts falling due within one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due within one year</b>			
Loans and borrowings	<u>9</u>	341,833	306,172
Trade creditors		23,273	57,618
Taxation and social security		8,067	24,029
Corporation tax		-	4,289
Other creditors		<u>10,505</u>	<u>13,816</u>
		<u>383,678</u>	<u>405,924</u>

#### **Due after one year**

Loans and borrowings	<u>9</u>	<u>310,525</u>	<u>337,632</u>
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#### **Creditors: amounts falling due after more than one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due after one year</b>			
Loans and borrowings	<u>9</u>	<u>310,525</u>	<u>337,632</u>

	<b>2019 £</b>	<b>2018 £</b>
<b>Due after more than five years</b>		
After more than five years by instalments	90,102	104,752
	<u>                    </u>	<u>                    </u>

### **9 Loans and borrowings**

	<b>2019 £</b>	<b>2018 £</b>
<b>Current loans and borrowings</b>		
Bank borrowings	14,342	14,342
Bank overdrafts	217,573	193,065
Hire purchase contracts	<u>109,918</u>	<u>98,765</u>
	<u>341,833</u>	<u>306,172</u>

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	147,470	162,120
Hire purchase contracts	119,999	124,438
Other borrowings	43,056	51,074
	<u>310,525</u>	<u>337,632</u>

#### Bank borrowings

Bank borrowings is denominated in Sterling (£) with a nominal interest rate of 2.75%, and the final instalment is due on 1 May 2029. The carrying amount at year end is £161,812 (2018 - £176,462).

The directors have provided security for the company's bank borrowings supported by first legal charges over the freehold property.

Bank overdraft is denominated in Sterling (£) with a nominal interest rate of 3.50%, and the final instalment is due on 15 October 2020. The carrying amount at year end is £228,838 (2018 - £193,065).

The bank overdraft is secured over the freehold property

#### Loans and borrowings due in greater than five years

Included in the loans and borrowings are the following amounts due after more than five years:

	2019 £	2018 £
After more than five years by instalments	90,102	104,752

#### 10 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 January 2019	125,203	125,203
Increase (decrease) in existing provisions	10,205	10,205
At 31 December 2019	<u>135,408</u>	<u>135,408</u>

#### Deferred tax

Deferred tax assets and liabilities:

2019	Liability £
Accelerated tax depreciation	7,408
Revaluation of property	50,000
Revaluation of investment	78,000
	<u>135,408</u>

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

	Liability £
<b>2018</b>	
Accelerated tax depreciation	7,903
Revaluation of property	44,700
Revaluation of investment	72,600
	<u>125,203</u>

#### 11 Reserves reconciliation

	Capital redemption reserve £	Revaluation reserve £	Investment fair value reserve £
At 1 January 2019	49,900	468,561	354,210
<b>Movement in year :</b>			
Deferred tax on property, plant and equipment revaluation	-	(5,300)	-
Other comprehensive income	-	-	(20,918)
Total comprehensive income	-	(5,300)	(20,918)
At 31 December 2019	49,900	463,261	333,292
	Capital redemption reserve £	Revaluation reserve £	Investment fair value reserve £
At 1 January 2018	49,900	468,561	330,536
<b>Movement in year :</b>			
Other comprehensive income	-	-	23,674
Total comprehensive income	-	-	23,674
At 31 December 2018	49,900	468,561	354,210

#### 12 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of guarantees not included in the balance sheet is £45,698 (2018 - £51,579). The company has unlimited bank guarantees in favour of Glastonbury Motor Body Repairs Limited. The aggregate guarantee across the group totals £436,348 (2018: £421,106). These are secured over the freehold property.

## ABBEY GARAGE (SOUTH WEST) LIMITED

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

#### 13 Related party transactions

##### Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	41,052	37,343
Contributions paid to money purchase schemes	3,963	3,549
	<u>45,015</u>	<u>40,892</u>

##### Summary of transactions with all subsidiaries

Glastonbury Motor Body Repairs Limited (Subsidiary undertaking)

During the year the company made sales of £56,537 (2018: £42,435) to Glastonbury Motor Body Repairs Limited, received management charges of £25,000 (2018: £5,000), received hire purchase interest of £5,000 (2018: £1,000), bank loan interest of £2,400 (2018: £2,150), insurance premiums of £8,000 (2018: £6,900), telephone and IT expenses of £1,545 (2018: £1,345), postage of £250 (2018: £300), water machine expenses of £130 (2018: £130), and made purchases of £33,712 (2018: £8,152) from Glastonbury Motor Body Repairs Limited. At the balance sheet date the amount due from Glastonbury Motor Body Repairs Limited was £214,464 (2018: £210,277).

The loan is repayable on demand and no interest is charged on the outstanding balance.

#### 14 Non adjusting events after the financial period

Our initial period of trading in 2020 was very positive, however, the Covid-19 pandemic has lead to a significant fall in our turnover forecast as the company was forced to shut during lock down. Trading resumed in June 2020 with the services and parts departments seeing sales similar to the norm.

Based on our current projections and expectations, additional funding through the Government support measures and close management of fixed costs will be sufficient for the Company to continue in the future.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.