

ABBEY GARAGE (SOUTH WEST) LIMITED
Unaudited Financial Statements
For the financial year ended 31 December 2021
Pages for filing with the registrar

ABBEY GARAGE (SOUTH WEST) LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

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ABBEY GARAGE (SOUTH WEST) LIMITED
COMPANY INFORMATION
For the financial year ended 31 December 2021

DIRECTORS

J M Medley
V A Medley
L Winterson

SECRETARY

V A Medley

REGISTERED OFFICE

189 High Street
Street
Somerset
BA16 0NE
United Kingdom

COMPANY NUMBER

01336003 (England and Wales)

CHARTERED ACCOUNTANTS

Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

ABBAY GARAGE (SOUTH WEST) LIMITED
BALANCE SHEET
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	3	797,412	793,111
Investments	4	457,762	477,902
		1,255,174	1,271,013
Current assets			
Stocks	5	412,844	464,807
Debtors	6	245,919	180,331
Cash at bank and in hand		315	315
		659,078	645,453
Creditors			
Amounts falling due within one year	7	(269,645)	(269,688)
Net current assets		389,433	375,765
Total assets less current liabilities		1,644,607	1,646,778
Creditors			
Amounts falling due after more than one year	8	(257,329)	(288,475)
Provisions for liabilities	9	(131,143)	(133,860)
Net assets		1,256,135	1,224,443
Capital and reserves			
Called-up share capital		100	100
Revaluation reserve		463,261	463,261
Fair value reserve		309,762	326,402
Capital redemption reserve		49,900	49,900
Profit and loss account		433,112	384,780
Total shareholders' funds		1,256,135	1,224,443

For the financial year ending 31 December 2021 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 financial statements for the financial year in accordance with section 476;
- 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; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Abbey Garage (South West) Limited (registered number: 01336003) were approved and authorised for issue by the Board of Directors on 13 April 2022. They were signed on its behalf by:

ABBEY GARAGE (SOUTH WEST) LIMITED
BALANCE SHEET (CONTINUED)
As at 31 December 2021

L Winterson
Director

ABBEY GARAGE (SOUTH WEST) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Abbey Garage (South West) Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 189 High Street, Street, Somerset, BA16 0NE, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

Group accounts exemption

Group accounts exemption s399

The Company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the Company as an individual entity and not about its group.

Turnover

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.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date. 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.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the 's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date that are expected to apply when the timing differences reverse. Deferred tax assets and liabilities are not discounted.

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.

ABBAY GARAGE (SOUTH WEST) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Tangible fixed assets

Freehold land and buildings are carried at revaluation, derived by the open market value considered by the directors. Revaluation is carried out annually.

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

Depreciation is charged so as to write off the cost or valuation of assets, less their residual value, over their estimated useful lives, as follows:

Land and buildings	50 years straight line
Plant and machinery	10 % reducing balance
Fixtures and fittings	3 - 5 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Leases

The Company as lessee

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.

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.

Trade and other 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.

ABBEY GARAGE (SOUTH WEST) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Trade and other 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.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in other operating income over the period in which the related costs are recognised, and timing differences are presented as other debtors or deferred income within the balance sheet. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Ordinary 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.

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.

ABBEY GARAGE (SOUTH WEST) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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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.

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.

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.

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.

2. Employees

	2021	2020
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	12	13

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3. Tangible assets

	Land and buildings	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 01 January 2021	750,000	262,469	93,787	1,106,256
Additions	0	619	9,810	10,429
At 31 December 2021	750,000	263,088	103,597	1,116,685
Accumulated depreciation				
At 01 January 2021	0	235,674	77,471	313,145
Charge for the financial year	0	2,741	3,387	6,128
At 31 December 2021	0	238,415	80,858	319,273
Net book value				
At 31 December 2021	750,000	24,673	22,739	797,412
At 31 December 2020	750,000	26,795	16,316	793,111

Revaluation of tangible assets

Freehold land and buildings were valued by the directors during the year. Freehold land and buildings with a net book value of £750,000 (2020: £750,000) have been pledged to secure borrowings of the Company. The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity. A tax liability of £50,000 (2020: £50,000) 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. The historical cost and accumulated depreciation is as follows:

	2021	2020
	£	£
Historical cost	263,545	263,545
Accumulated depreciation	(26,806)	(26,806)
Carrying value	236,739	236,739

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4. Fixed asset investments

	2021	2020
	£	£
Subsidiary undertakings	457,762	477,902

Investments in subsidiaries

	2021
	£
Cost	
At 01 January 2021	477,902
Fair value adjustments	(20,140)
At 31 December 2021	457,762
Carrying value at 31 December 2021	457,762
Carrying value at 31 December 2020	477,902

Fair value is measured at the amount of the underlying net assets of the fixed asset investment. The fair value decrease of £20,140 (2020: decrease £8,390) has been recognised in other comprehensive income. The decrease of the deferred tax liability on the fair value reserve of £3,500 (2020: £1,500) has also been recognised in other comprehensive income. The net decrease of the investment fair value reserve during the year was therefore £16,640 (2020: £6,890).

5. Stocks

	2021	2020
	£	£
Stocks	374,447	426,321
Raw materials	38,397	38,486
	412,844	464,807

6. Debtors

	2021	2020
	£	£
Trade debtors	17,415	17,096
Amounts owed by Group undertakings	207,611	141,688
Other debtors	20,893	21,547
	245,919	180,331

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7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts (secured)	83,646	114,632
Trade creditors	48,719	52,214
Other creditors	23,247	13,899
Corporation tax	4,815	32
Other taxation and social security	48,557	23,307
Obligations under finance leases and hire purchase contracts (secured)	60,661	65,604
	269,645	269,688

Bank loans and overdrafts comprise an overdraft balance of £57,729 and a bank loan of £15,917 which is secured on the freehold property. The remaining balance comprises £10,000 in respect of a Bounce Back Loan.

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

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

	2021	2020
	£	£
Bank loans (secured)	148,737	175,163
Obligations under finance leases and hire purchase contracts (secured)	80,112	77,273
Other creditors	28,480	36,039
	257,329	288,475

Bank loans comprise a bank loan of £114,570 which is secured on the freehold property. The remaining balance comprises of £34,167 in respect of a Bounce Back Loan.

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

Other creditors comprise a directors loan balance £36,038, in which £7,558 falls due within one year and the balance of £28,480 over one year. No assets have been pledged as security.

Amounts repayable after more than 5 years are included in creditors falling due over one year:

	2021	2020
	£	£
Bank loans	50,902	73,531

Bank loans comprise a bank loan of £50,902 which is secured against the freehold property and the final instalment is due on 1 May 2029.

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9. Provision for liabilities

	2021	2020
	£	£
Deferred tax	131,143	133,860

The deferred tax liability is made up of, the deferred tax liability of £8,258 on accelerated capital allowances (2020: £7,360), the deferred tax liability of £50,000 on revaluation of tangible assets (2020: £50,000), £73,000 deferred tax liability on the fair value reserve (2020: £76,500) and a tax asset of £115 on other timing differences (2020: £nil).

10. Off Balance Sheet arrangements

The total amount of guarantees not included in the balance sheet is £48,493 (2020: £24,656). The company has unlimited bank guarantees in favour of Glastonbury Motor Body Repairs Limited. The aggregate guarantee across the group totals £237,835 (2020: £264,495). These are secured over the freehold property.

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.