

Unaudited Financial Statements for the Year Ended 30 June 2021

for

W. Shirley & Sons Limited

Armstrong Watson LLP
Suite 62, Pure Offices
Cheadle, Royal Business Park
Brooks Drive
Manchester
SK8 3TD

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for the Year Ended 30 June 2021

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W. Shirley & Sons Limited
Company Information
for the Year Ended 30 June 2021

DIRECTORS: M Fennemore
R F Marsh

SECRETARY: M Wells

REGISTERED OFFICE: 17 Montague Road
Croydon
Surrey
CR9 3DU

REGISTERED NUMBER: 01401803 (England and Wales)

ACCOUNTANTS: Armstrong Watson LLP
Suite 62, Pure Offices
Cheadle, Royal Business Park
Brooks Drive
Manchester
SK8 3TD

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
W. Shirley & Sons Limited

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of W. Shirley & Sons Limited for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of W. Shirley & Sons Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of W. Shirley & Sons Limited and state those matters that we have agreed to state to the Board of Directors of W. Shirley & Sons Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than W. Shirley & Sons Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that W. Shirley & Sons Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of W. Shirley & Sons Limited. You consider that W. Shirley & Sons Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of W. Shirley & Sons Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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30 March 2022

Statement of Financial Position
30 June 2021

	Notes	30.6.21 £	£	30.6.20 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>26,934</u>		<u>18,017</u>
			26,934		18,017
CURRENT ASSETS					
Stocks	6	171,030		144,175	
Debtors	7	137,583		197,470	
Cash at bank		<u>102,460</u>		<u>77,193</u>	
		411,073		418,838	
CREDITORS					
Amounts falling due within one year	8	<u>186,529</u>		<u>163,335</u>	
NET CURRENT ASSETS			<u>224,544</u>		<u>255,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			251,478		273,520
CREDITORS					
Amounts falling due after more than one year	9		(45,832)		(80,095)
PROVISIONS FOR LIABILITIES			<u>(4,243)</u>		<u>(2,283)</u>
NET ASSETS			<u>201,403</u>		<u>191,142</u>
CAPITAL AND RESERVES					
Called up share capital	12		180,000		180,000
Retained earnings			<u>21,403</u>		<u>11,142</u>
SHAREHOLDERS' FUNDS			<u>201,403</u>		<u>191,142</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Statement of Financial Position - continued
30 June 2021

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2022 and were signed on its behalf by:

R F Marsh - Director

Notes to the Financial Statements
for the Year Ended 30 June 2021

1. STATUTORY INFORMATION

W. Shirley & Sons Limited is a private company, limited by shares, registered in England and Wales. The company's registered office address and principal place of business is 17 Montague Road, Croydon, Surrey, CR9 3DU and its registered number is 01401803.

The presentation currency of the financial statements is Pound Sterling (£).

The principal activity of company is that of a used vehicle retailer involving the sale, maintenance and repair of motor vehicles and the supply of related accessories.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

Whilst the Company was affected by the Covid-19 restrictions, the Directors have carefully considered the current trading levels and the challenges of returning to normal trading. The Directors are confident with the facilities available that the Company will be able to meet its debts as they fall due for the period of 12 months after the approval of these financial statements. The financial statements are therefore prepared on a going concern basis.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have been made by the directors in applying the company's accounting policies:

Stock valuation

Stock valuation is regularly monitored against age profile and market demand. Management use a number of market tools during the appraisal process including CAP valuation guides. The directors maintain oversight of ageing stock profiles and a monthly review of any provision required is performed.

Property, plant and equipment

At each reporting date property, plant and equipment is assessed for any indication of impairment. If such indication exists, the recoverable amount of the asset is determined based on value in use calculations which require estimates to be made of future cash flows. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Turnover

Turnover from the sale of goods is recognised in the Statement of Comprehensive Income, net of discounts and value added tax, when the significant risks and rewards of ownership have been transferred to the buyer. In general this occurs when vehicles or parts have been supplied or when a service has been completed.

Intangible assets

The company's intangible assets consist of a customer database which has been fully amortised over its useful economic life of 6 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Over estimated useful life
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 25% on cost

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 within the Statement of Comprehensive Income.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Operating leases: lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

The contributions are recognised as an expense in the Statement of Comprehensive Income 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.

Debtors

Short term debtors are measured at transaction price less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at amortised cost.

Dividends

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

Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 13 (2020 - 12) .

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 July 2020	
and 30 June 2021	75,959
AMORTISATION	
At 1 July 2020	
and 30 June 2021	75,959
NET BOOK VALUE	
At 30 June 2021	-
At 30 June 2020	-

5. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 July 2020	201,803	361,052	562,855
Additions	1,500	16,852	18,352
At 30 June 2021	203,303	377,904	581,207
DEPRECIATION			
At 1 July 2020	200,712	344,126	544,838
Charge for year	674	8,761	9,435
At 30 June 2021	201,386	352,887	554,273
NET BOOK VALUE			
At 30 June 2021	1,917	25,017	26,934
At 30 June 2020	1,091	16,926	18,017

6. **STOCKS**

	30.6.21 £	30.6.20 £
Vehicle stocks	136,481	114,577
Parts and accessories	34,549	29,598
	171,030	144,175

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.21 £	30.6.20 £
Trade debtors	35,944	102,042
Other debtors	101,639	95,428
	137,583	197,470

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21	30.6.20
	£	£
Bank loan	34,263	667
Trade creditors	88,146	78,539
Taxation and social security	47,648	44,688
Other creditors	16,472	39,441
	<u>186,529</u>	<u>163,335</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.21	30.6.20
	£	£
Bank loan	45,832	39,333
Other creditors	-	40,762
	<u>45,832</u>	<u>80,095</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loan	<u>-</u>	<u>7,333</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancelling operating leases totalled £213,219 (2020: £273,219).

11. SECURED DEBTS

The following secured debts are included within creditors:

	30.6.21	30.6.20
	£	£
Bank loan	<u>80,095</u>	<u>40,000</u>

The bank loan is secured by a fixed and floating charge over the assets of the company.

The vehicle funding was secured on the vehicles to which it relates.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30.6.21	30.6.20
Number:	Class:	Nominal value:	£	£
180,000	Ordinary	£1	<u>180,000</u>	<u>180,000</u>

13. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £8,196 (2020: £22,174). At the reporting date the outstanding contributions amounted to £1,213 (2020: £1,811).

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 June 2021 and 30 June 2020:

	2021	2020
	£	£
M Fennemore & R F Marsh		
Balance outstanding at start of year	71,550	80,250
Amounts advanced	78,950	45,300
Amounts repaid	(84,000)	(54,000)
Balance outstanding at end of year	<u>66,500</u>	<u>71,550</u>

The advances were interest free, repayable on demand and the company held no security in their respect.

15. RELATED PARTY DISCLOSURES

The directors have given personal guarantees in respect of the bank facility. The guarantees are limited to £8,000 each.

The directors have given personal guarantees in respect of a loan included within creditors. At the reporting date the outstanding loan amounted to £40,762 (2020: £66,741).

16. POST BALANCE SHEET EVENTS

The company whilst impacted by the Covid-19 pandemic and its effect on our customers has successfully been able to carefully reestablish the business to pre pandemic levels, reintegrate furloughed staff and maintain cash resources and funding lines. This has ensured continued trading with sufficient reserves to protect against further lockdowns and allow the company to maintain the return to normal business. Payments to suppliers and Government agencies have continued to be paid on a timely basis to avoid arrears.

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.