

COMPANY REGISTRATION NUMBER: 1654861

Gareth J Hughes (Motors) Limited

Filleted Unaudited Financial Statements

31 October 2023

Gareth J Hughes (Motors) Limited

Financial Statements

Year ended 31 October 2023

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Gareth J Hughes (Motors) Limited

Statement of Financial Position

31 October 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	464,839	425,334
Current assets			
Stocks		832,763	848,335
Debtors	7	775,265	569,721
Cash at bank and in hand		101,041	354,221
		1,709,069	1,772,277
Creditors: amounts falling due within one year	8	(935,530)	(972,461)
Net current assets		773,539	799,816
Total assets less current liabilities		1,238,378	1,225,150
Creditors: amounts falling due after more than one year	9	(365,863)	(423,792)
Provisions			
Taxation including deferred tax	10	(21,546)	(13,141)
Net assets		850,969	788,217
Capital and reserves			
Called up share capital	12	720	720
Capital redemption reserve		40	40
Profit and loss account		850,209	787,457
Shareholders funds		850,969	788,217

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'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 October 2023 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 year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Gareth J Hughes (Motors) Limited

Statement of Financial Position *(continued)*

31 October 2023

These financial statements were approved by the board of directors and authorised for issue on 1 May 2024 , and are signed on behalf of the board by:

Mr GJ Hughes

Director

Company registration number: 1654861

Gareth J Hughes (Motors) Limited

Notes to the Financial Statements

Year ended 31 October 2023

1. General information

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is 25 Sardis Cross, Burton, Milford Haven, Pembrokeshire, SA73 1LY.

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.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated 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:

Buildings	-	2% straight line
Plant & Machinery	-	15% reducing balance
Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

No depreciation is provided for on Land.

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. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

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.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 21 (2022: 18).

5. Tax on profit

Major components of tax expense

	2023	2022
	£	£
Current tax:		
UK current tax expense	15,821	17,093
Deferred tax:		
Origination and reversal of timing differences	8,405	(997)
Tax on profit	24,226	16,096

6. Tangible assets

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 November 2022	436,578	225,314	99,071	9,000	769,963
Additions	15,932	47,394	180	—	63,506
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At 31 October 2023	452,510	272,708	99,251	9,000	833,469
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Depreciation					
At 1 November 2022	88,097	182,849	66,819	6,864	344,629
Charge for the year	5,123	13,479	4,865	534	24,001
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At 31 October 2023	93,220	196,328	71,684	7,398	368,630
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Carrying amount					
At 31 October 2023	359,290	76,380	27,567	1,602	464,839
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At 31 October 2022	348,481	42,465	32,252	2,136	425,334
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7. Debtors

	2023 £	2022 £
Trade debtors	111,605	82,658
Other debtors	663,660	487,063
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	775,265	569,721
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Other debtors include an amount of £nil (2022 - £nil) falling due after more than one year.

8. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts (secured)	59,341	70,017
Trade creditors	88,825	26,218
Corporation tax	15,809	17,093
Social security and other taxes	12,962	37,558
Stocking loan	647,531	752,791
Other creditors	111,062	68,784
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	935,530	972,461
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Within stocking loan an amount of £394,044 (2022 - £552,851) is secured by a legal charge held by Volkswagen Financial Services (UK) Limited over the property of the company.

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

	2023 £	2022 £
Bank loans and overdrafts (secured)	365,863	423,792
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Included within creditors: amounts falling due after more than one year is an amount of £249,716 (2022: £252,263) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank facilities are secured by legal charges held by National Westminster Bank PLC over the property and assets of the company.

10. Provisions

	Deferred tax (note 11) £
At 1 November 2022	13,141
Additions	8,405

At 31 October 2023	21,546

11. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2023 £	2022 £
Included in provisions (note 10)	21,546	13,141
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The deferred tax account consists of the tax effect of timing differences in respect of:

	2023 £	2022 £
Accelerated capital allowances	21,546	13,141
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12. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £ 1 each	360	360	360	360
Ordinary A shares of £ 1 each	320	320	320	320
Ordinary B shares of £ 1 each	20	20	20	20
Ordinary D shares of £ 1 each	20	20	20	20
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	720	720	720	720
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13. Related party transactions

The company was under the control of Mr GJ Hughes throughout the current and previous year. Mr GJ Hughes is the managing director and majority shareholder. During the year the company paid dividends totalling £7,700 (2022 - £12,000) to the shareholders.

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.