

COMPANY REGISTRATION NUMBER: 02722732

UNIVERSAL MOTORS UK LTD

FILLETED UNAUDITED FINANCIAL STATEMENTS

31 December 2018

UNIVERSAL MOTORS UK LTD

FINANCIAL STATEMENTS

Year ended 31 December 2018

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UNIVERSAL MOTORS UK LTD

STATEMENT OF FINANCIAL POSITION

31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	49,479	68,067
Current assets			
Stocks		934,735	967,122
Debtors	6	617,604	522,811
Cash at bank and in hand		9,755	3,330
		<u>1,562,094</u>	<u>1,493,263</u>
Creditors: amounts falling due within one year	7	965,268	964,448
		<u>596,826</u>	<u>528,815</u>
Net current assets			
		<u>646,305</u>	<u>596,882</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	8	11,875	19,000
Provisions			
Taxation including deferred tax	10	1,500	4,000
		<u>632,930</u>	<u>573,882</u>
Net assets			
Capital and reserves			
Called up share capital	13	14,400	14,400
Profit and loss account		618,530	559,482
		<u>632,930</u>	<u>573,882</u>
Shareholders funds			

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 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 December 2018 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 .

UNIVERSAL MOTORS UK LTD

STATEMENT OF FINANCIAL POSITION *(continued)*

31 December 2018

These financial statements were approved by the board of directors and authorised for issue on 2 August 2019 , and are signed on behalf of the board by:

Mrs F L C Da Silva

Director

J T Barbosa

Director

Company registration number: 02722732

UNIVERSAL MOTORS UK LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 35 Westgate, Huddersfield, HD1 1PA.

2. Statement of compliance

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

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.

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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:

Plant & machinery	-	25% straight line
Motor vehicles	-	25% reducing balance
Computer & office equipment	-	25% straight line

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. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

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

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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 12 (2017: 11).

5. Tangible assets

	Plant and machinery	Motor vehicles	Equipment	Total
	£	£	£	£
Cost				
At 1 January 2018	16,862	41,792	56,196	114,850
Additions	—	—	569	569
	-----	-----	-----	-----
At 31 December 2018	16,862	41,792	56,765	115,419
	-----	-----	-----	-----
Depreciation				
At 1 January 2018	12,567	3,483	30,733	46,783
Charge for the year	1,250	9,577	8,330	19,157
	-----	-----	-----	-----
At 31 December 2018	13,817	13,060	39,063	65,940
	-----	-----	-----	-----
Carrying amount				
At 31 December 2018	3,045	28,732	17,702	49,479
	-----	-----	-----	-----
At 31 December 2017	4,295	38,309	25,463	68,067
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6. Debtors

	2018	2017
	£	£
Trade debtors	592,907	502,736
Prepayments and accrued income	13,447	8,425
Other debtors	11,250	11,650
	<u>617,604</u>	<u>522,811</u>

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans	441,811	205,141
Trade creditors	117,077	326,379
Accruals and deferred income	59,583	58,250
Corporation tax	40,119	20,045
Social security and other taxes	21,699	53,527
Obligations under finance leases and hire purchase contracts	7,125	7,125
Advances under invoice financing arrangements	277,018	293,722
Other creditors	836	259
	<u>965,268</u>	<u>964,448</u>

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

	2018	2017
	£	£
Obligations under finance leases and hire purchase contracts	11,875	19,000

9. Secured indebtedness

The aggregate amount of secured liabilities at the year end totalled £737,829 (2017: £524,988).

10. Provisions

	Deferred tax (note 11) £
At 1 January 2018	4,000
Charge against provision	(2,500)
	<u>1,500</u>
At 31 December 2018	

11. Deferred tax

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

	2018	2017
	£	£
Included in provisions (note 10)	1,500	4,000

12. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution pension plans was £ 6,827 (2017: £ 4,286).

13. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £ 1 each	14,400	14,400.00	14,400	14,400.00

14. Ultimate parent company

The ultimate parent company is Growforward SA, a company incorporated in Portugal. This company is controlled by A Ricca.

15. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	632	2,280
Later than 1 year and not later than 5 years	11,332	10,645
Later than 5 years	306,000	342,000
	317,964	354,925

16. Related party transactions

Growforward SA is also the controlling shareholder of Pump Logic Limited. During the period under review Universal Motors UK Limited supplied parts and other services to Pump Logic Limited at commercial rates and terms amounting to £4,916 (2017: £8,031). At the Balance Sheet date there was an amount owed by Pump Logic Limited to the company of £1,172 (2017: £3,683).

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.