

Vulcan Motors Ltd**Registered number:** 02819411**Statement of Financial Position
as at 31 July 2020**

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	4	11,779	15,374
Current assets			
Stocks		9,671	9,553
Debtors	5	27,772	59,375
Cash at bank and in hand		5,483	3,055
		<u>42,926</u>	<u>71,983</u>
Creditors: amounts falling due within one year	6	(112,686)	(135,169)
Net current liabilities		<u>(69,760)</u>	<u>(63,186)</u>
Net liabilities		<u>(57,981)</u>	<u>(47,812)</u>
Capital and reserves			
Called up share capital		200	200
Share premium		2,495	2,495
Revaluation reserve	7	5	5
Profit and loss account		(60,681)	(50,512)
Shareholders' funds		<u>(57,981)</u>	<u>(47,812)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

J Bowring

Director

Approved by the board on 2 October 2020

Vulcan Motors Ltd
Notes to the Accounts
for the year ended 31 July 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 Section 1a small entities, the financial reporting standard applicable in the UK and the Republic of Ireland.

Going concern

The company had retained losses as at the balance sheet date which were not covered by the share capital of the company. The directors consider the company to be a going concern, notwithstanding that there are losses of £60,681. They have reviewed the potential future of the company and consider that it will continue to trade profitably for the foreseeable future.

The company's business was adversely affected by the outbreak of Covid-19 in spring 2020. Whilst the long-term effect of the virus to the business is uncertain, the director of the company considers the going concern basis to be appropriate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance

Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price, less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price. Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Employees	2020	2019
	Number	Number
Average number of persons employed by the company	<u>11</u>	<u>11</u>

3 Government grants

The company has received government grants under the coronavirus job retention scheme. These grants are shown in the profit and loss for the period in which the related salary expenditure was incurred.

	2020	2019
	£	£
Grants receivable	<u>12,334</u>	<u>-</u>

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 August 2019	35,183	208,676	1,800	245,659
Additions	<u>-</u>	<u>410</u>	<u>-</u>	<u>410</u>
At 31 July 2020	<u>35,183</u>	<u>209,086</u>	<u>1,800</u>	<u>246,069</u>
Depreciation				
At 1 August 2019	35,183	193,381	1,721	230,285

Charge for the year	-	3,926	79	4,005
At 31 July 2020	<u>35,183</u>	<u>197,307</u>	<u>1,800</u>	<u>234,290</u>
Net book value				
At 31 July 2020	<u>-</u>	<u>11,779</u>	<u>-</u>	<u>11,779</u>
At 31 July 2019	<u>-</u>	<u>15,295</u>	<u>79</u>	<u>15,374</u>

5 Debtors	2020	2019
	£	£
Trade debtors	26,572	47,512
Prepayments	1,200	11,863
	<u>27,772</u>	<u>59,375</u>

6 Creditors: amounts falling due within one year	2020	2019
	£	£
Bank loans and overdrafts	-	25,724
Trade creditors	57,642	65,632
Other taxes and social security costs	34,866	23,187
Other creditors	20,178	20,626
	<u>112,686</u>	<u>135,169</u>

7 Capital redemption reserve	2020	2019
	£	£
At 1 August 2019	5	5
At 31 July 2020	<u>5</u>	<u>5</u>

8 Other information

Vulcan Motors Ltd is a private company limited by shares and incorporated in England. Its registered office is:
Unit 7 Vulcan Way
Sandhurst
Berkshire
GU47 9DB

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