

Corts Limited

Annual Report and Unaudited Abridged Financial Statements

for the Year Ended 31 December 2016

Wilds Ltd
Chartered Accountants
Lancaster House
70-76 Blackburn Street
Radcliffe
Manchester
M26 2JW

Corts Limited

Contents

Company Information	<u>1</u>
Directors' Report	<u>2</u>
Abridged Balance Sheet	<u>3</u> to <u>4</u>
Notes to the Abridged Financial Statements	<u>5</u> to <u>8</u>

Corts Limited
Company Information

Directors Mr R T Cort

Mrs C Cort

Company secretary Mrs C Cort

Registered office 7 0 1 Manchester Road
Blackford Bridge
B u r y
L a n c a s h i r e
BL9 9US

Bankers L l o y d s Bank Plc
H o t e l S t r e e t
B o l t o n
L a n c a s h i r e
BL1 1BD

Accountants W i l d s L t d
Chartered Accountants
L a n c a s t e r H o u s e
7 0 - 7 6 Blackburn Street
R a d c l i f f e
M a n c h e s t e r
M26 2JW

Corts Limited
Directors' Report for the Year Ended 31 December 2016

The directors present their report and the abridged financial statements for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

Mr R T Cort

Mrs C Cort - Company secretary and director

Principal activity

The principal activity of the company is that of the supply of new and used motor vehicles and the sale of accessories, services and repairs.

Going concern

The director considers that the use of the going concern basis of accounting is appropriate because there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 24 March 2017 and signed on its behalf by:

.....
M r R
Director

T

C o r t

Corts Limited
(Registration number: 02856539)
Abridged Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>4</u>	51,509	40,154
Investments		-	1
		<hr/> 51,509	<hr/> 40,155
Current assets			
Stocks		1,303,817	864,981
Debtors		538,293	448,235
Cash at bank and in hand		933	1,360
		<hr/> 1,843,043	<hr/> 1,314,576
Creditors: Amounts falling due within one year		(1,712,864)	(1,208,181)
		<hr/> 130,179	<hr/> 106,395
Net current assets			
		<hr/> 181,688	<hr/> 146,550
Total assets less current liabilities			
		(6,700)	(6,700)
Provisions for liabilities			
		16,338	17,539
Accruals and deferred income			
		<hr/> 191,326	<hr/> 157,389
Net assets			
		<hr/> <hr/>	<hr/> <hr/>
Capital and reserves			
Called up share capital		300,000	300,000
Profit and loss account		(108,674)	(142,611)

Total equity

191,326

157,389

The notes on pages 5 to 8 form an integral part of these abridged financial statements.

Corts Limited
(Registration number: 02856539)
Abridged Balance Sheet as at 31 December 2016

For the financial year ending 31 December 2016 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 24 March 2017 and signed on its behalf by:

.....

Mr R T Cort

Director

The notes on pages 5 to 8 form an integral part of these abridged financial statements.

Corts Limited
Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:
701 Manchester Road
Blackford
Burnley
Lancashire
BL9 9US

These financial statements were authorised for issue by the Board on 24 March 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

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.

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.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Corts Limited
Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Property costs	10% Straight line
Plant and machinery	20% Straight line

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.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Trade 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.

Corts Limited
Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, 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.

Trade 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.

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.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 19 (2015 - 22).

Corts Limited
Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Total £
Cost or valuation	
At 1 January 2016	198,956
Additions	25,731
	<hr/>
At 31 December 2016	224,687
	<hr/>
Depreciation	
At 1 January 2016	158,802
Charge for the year	14,376
	<hr/>
At 31 December 2016	173,178
	<hr/>
Carrying amount	
At 31 December 2016	51,509
	<hr/> <hr/>
At 31 December 2015	40,154
	<hr/> <hr/>

5 Transition to FRS 102

"These financial statements for the year ended 31 December 2016 are the first financial statements that comply with FRS 102. The transition date is 1 January 2015.

The transition from its previous financial reporting framework to FRS 102 has resulted in no changes in accounting policies to those used previously and there has been no affect to its reported financial position and financial performance."

the Companies Act 2006.