

DC Automobiles Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2021

SRC-Time Ltd
2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

DC Automobiles Limited

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DC Automobiles Limited

Company Information

Director Mr Darrin Reginald Cobbett

Registered office 41-43 Nork Way
Banstead
Surrey
SM7 1PB

Accountants SRC-Time Ltd
2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
DC Automobiles Limited
for the Year Ended 30 April 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of DC Automobiles Limited for the year ended 30 April 2021 as set out on pages 3 to 8 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 at <http://www.icaew.com/regulation>.

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

It is your duty to ensure that DC Automobiles Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of DC Automobiles Limited. You consider that DC Automobiles 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 accounts of DC Automobiles 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 accounts.

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1 October 2021

DC Automobiles Limited
(Registration number: 03348553)
Balance Sheet as at 30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	29,167	53,412
Current assets			
Stocks	<u>5</u>	643,990	873,902
Debtors	<u>6</u>	91,338	49,417
Cash at bank and in hand		1,582,963	1,046,556
		2,318,291	1,969,875
Creditors: Amounts falling due within one year	<u>7</u>	(194,243)	(146,687)
Net current assets		2,124,048	1,823,188
Total assets less current liabilities		2,153,215	1,876,600
Creditors: Amounts falling due after more than one year	<u>7</u>	(158,000)	-
Provisions for liabilities		(3,826)	(5,006)
Net assets		1,991,389	1,871,594
Capital and reserves			
Called up share capital	<u>8</u>	1,000	1,000
Profit and loss account		1,990,389	1,870,594
Shareholders' funds		1,991,389	1,871,594

For the financial year ending 30 April 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

Approved and authorised by the director on 1 October 2021

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Mr Darrin Reginald Cobbett
Director

DC Automobiles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2021

1 General information

The company is a private company limited by share capital, incorporated in England & Wales .

The address of its registered office is:

41-43 Nork Way
Banstead
Surrey
SM7 1PB

These financial statements were authorised for issue by the director on 1 October 2021.

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 financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These 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.

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 and deferred 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.

DC Automobiles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2021

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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.

Tangible assets

Tangible assets are stated in the balance sheet 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
Motor vehicles	25% Reducing Balance
Plant & machinery	25% Reducing Balance
Furniture and fittings	25% Reducing Balance
Office equipment	33% Straight Line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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.

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.

DC Automobiles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2021

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 5 (2020 - 5).

DC Automobiles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2021

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2020	26,367	23,066	52,986	102,419
Disposals	-	-	(41,100)	(41,100)
At 30 April 2021	26,367	23,066	11,886	61,319
Depreciation				
At 1 May 2020	-	21,256	27,752	49,008
Charge for the year	-	597	529	1,126
Eliminated on disposal	-	-	(17,982)	(17,982)
At 30 April 2021	-	21,853	10,299	32,152
Carrying amount				
At 30 April 2021	26,367	1,213	1,587	29,167
At 30 April 2020	26,367	1,810	25,235	53,412

Included within the net book value of land and buildings above is £26,367 (2020 - £26,367) in respect of freehold land and buildings.

5 Stocks

	2021 £	2020 £
Finished goods and goods for resale	643,990	873,902

6 Debtors

	2021 £	2020 £
Trade debtors	90,016	47,034
Prepayments	1,322	2,383
	91,338	49,417

DC Automobiles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2021

7 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	48,814	24,902
Taxation and social security	80,676	23,743
Accruals and deferred income	3,500	3,500
Other creditors	61,253	94,542
	<u>194,243</u>	<u>146,687</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	<u>158,000</u>	<u>-</u>

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary Shares of £1 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Other borrowings	<u>158,000</u>	<u>-</u>

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.