

**COMPANY REGISTRATION NUMBER: 03559460**

**Driveshaft Services Limited**

**Filleted Unaudited Financial Statements**

**30 September 2022**

# **Driveshaft Services Limited**

## **Financial Statements**

**Year ended 30 September 2022**

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# Driveshaft Services Limited

## Officers and Professional Advisers

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<b>The board of directors</b>	Mr Steven Richards
	Mr Scott O'Rourke
<b>Registered office</b>	29 Sturmi Way,
	Village Farm Industrial Estate
	Pyle
	Bridgend
	Mid Glamorgan
<b>Accountants</b>	Wales
	CF33 6BZ
	James & Uzzell Ltd
	Chartered Certified Accountants
	Axis 15, Axis Court
	Mallard Way
	Riverside Business Park
	Swansea
	SA7 0AJ

# Driveshaft Services Limited

## Statement of Financial Position

30 September 2022

		2022	2021
	Note	£	£
<b>FIXED ASSETS</b>			
Tangible assets	5	643,126	542,445
<b>CURRENT ASSETS</b>			
Stocks	6	116,551	116,017
Debtors	7	405,525	446,396
Cash at bank and in hand		2,078,974	1,837,399
		-----	-----
		2,601,050	2,399,812
<b>CREDITORS: amounts falling due within one year</b>	8	499,091	563,710
		-----	-----
<b>NET CURRENT ASSETS</b>		2,101,959	1,836,102
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,745,085	2,378,547
<b>PROVISIONS</b>			
Taxation including deferred tax		42,547	14,644
		-----	-----
<b>NET ASSETS</b>		2,702,538	2,363,903
		-----	-----
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	100	100
Profit and loss account		2,702,438	2,363,803
		-----	-----
<b>SHAREHOLDERS FUNDS</b>		2,702,538	2,363,903
		-----	-----

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 30 September 2022 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 .

# **Driveshaft Services Limited**

## **Statement of Financial Position** *(continued)*

**30 September 2022**

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These financial statements were approved by the board of directors and authorised for issue on 16 February 2023 , and are signed on behalf of the board by:

**Mr Steven Richards**

Director

Company registration number: 03559460

# **Driveshaft Services Limited**

## **Notes to the Financial Statements**

**Year ended 30 September 2022**

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### **1. GENERAL INFORMATION**

Driveshaft Services Limited is a private company limited by shares incorporated in England & Wales, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are the refurbishment of automotive components.

### **2. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)', Section 1A for Small Entities and the Companies Act 2006.

### **3. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1. The reporting period of these financial statements and its comparative period is 12 months. These financial statements only include the results of the individual entity made up to 30 September 2022. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

#### **Going concern**

The directors have considered the future trading position of the company and are confident that the going concern principle can be applied to the financial statements.

#### **Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

#### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

**Judgements and key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are addressed below. Useful economic lives of tangible assets The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. Stock provision The company sells driveshafts and parts. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability. Impairment of debtors The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows: Sale of goods Turnover from the sale of driveshafts and parts is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods. Rendering of services When the outcome of a transaction can be estimated reliably, turnover from refurbishment of driveshafts is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to finishing of refurbishment. Where the outcome cannot be measured reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable. Interest receivable Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

## **Tax**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

## **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.

## **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:

Leasehold Property	-	Over term of lease
Plant & Machinery	-	25% per annum of cost
Fixtures & Fittings	-	20% per annum of cost
Motor Vehicles	-	25% per annum of cost



## Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

## 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.

## Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. Where goods are sold using finance leases, the entity recognises turnover from the sale of goods and the rights to receive future lease payments as a debtor. Minimum lease payments are apportioned between finance income and the reduction of the lease debtor with finance income allocated so as to produce a constant periodic rate of interest on the net investment in the finance lease. Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

## Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

## 4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 20 (2021: 19 ).

## 5. TANGIBLE ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2021	542,092	556,375	94,762	155,640	1,348,869
Additions	—	71,027	5,000	89,292	165,319
Disposals	—	—	—	( 21,858)	( 21,858)
	-----	-----	-----	-----	-----
<b>At 30 September 2022</b>	<b>542,092</b>	<b>627,402</b>	<b>99,762</b>	<b>223,074</b>	<b>1,492,330</b>
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 1 October 2021	90,258	524,364	88,067	103,735	806,424
Charge for the year	8,866	19,238	3,442	26,261	57,807
Disposals	—	—	—	( 15,027)	( 15,027)
	-----	-----	-----	-----	-----
<b>At 30 September 2022</b>	<b>99,124</b>	<b>543,602</b>	<b>91,509</b>	<b>114,969</b>	<b>849,204</b>
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<b>Carrying amount</b>					
<b>At 30 September 2022</b>	<b>442,968</b>	<b>83,800</b>	<b>8,253</b>	<b>108,105</b>	<b>643,126</b>
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At 30 September 2021	451,834	32,011	6,695	51,905	542,445
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**6. STOCKS**

	2022	2021
	£	£
Raw materials and consumables	116,551	116,017
	-----	-----

**7. DEBTORS**

	2022	2021
	£	£
Trade debtors	272,469	319,490
Other debtors	133,056	126,906
	-----	-----
	405,525	446,396
	-----	-----

**8. CREDITORS: amounts falling due within one year**

	2022	2021
	£	£
Trade creditors	151,883	143,798
Corporation tax	62,500	134,854
Social security and other taxes	69,408	82,449
Other creditors	215,300	202,609
	-----	-----
	499,091	563,710
	-----	-----

Obligations under finance leases and hire purchase contracts are secured by related assets. The aggregate of secured liabilities falling due within one year is £Nil (2020: £4,438)

**9. CALLED UP SHARE CAPITAL****Issued, called up and fully paid**

	2022		2021	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100
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**10. RELATED PARTY TRANSACTIONS**

(Other related parties)

	2022	2021
	£	£
Purchases from other related parties	96,190	127,085
	-----	-----
Sales to other related parties	20,739	22,121
	-----	-----
Balance owing (to)/from other related parties	129,708	123,603
	-----	-----
Rent received from other related parties	21,980	19,250
	-----	-----
Management charge received from other related parties	186,000	149,250
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**11. PARENT UNDERTAKING**

The ultimate parent company is Driveshaft Services (Holdings) Limited, a company registered in Great Britain.

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.