

**CLOSE MOTOR COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Ascendis Audit Limited
Unit 3, Building 2, The Colony Altrincham Road
Wilmslow
Cheshire
SK9 4LY

Close Motor Company Limited
Unaudited Financial Statements
For The Year Ended 31 December 2022

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Close Motor Company Limited
Statement of Financial Position
As At 31 December 2022

Registered number: 03823504

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		914,278		944,276
Investment Properties	5		303,589		303,589
			<u>1,217,867</u>		<u>1,247,865</u>
CURRENT ASSETS					
Stocks	6	1,438,143		1,626,389	
Debtors	7	203,958		240,924	
Cash at bank and in hand		277,923		267,330	
		<u>1,920,024</u>		<u>2,134,643</u>	
Creditors: Amounts Falling Due Within One Year	8	(1,829,721)		(1,931,057)	
		<u></u>		<u></u>	
NET CURRENT ASSETS (LIABILITIES)			<u>90,303</u>		<u>203,586</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,308,170</u>		<u>1,451,451</u>
Creditors: Amounts Falling Due After More Than One Year	9	(548,724)		(684,056)	
		<u></u>		<u></u>	
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(43,945)		(47,372)
			<u></u>		<u></u>
NET ASSETS			<u>715,501</u>		<u>720,023</u>
CAPITAL AND RESERVES					
Called up share capital	11	355,264		355,264	
Share premium account		94,736		94,736	
Income Statement		265,501		270,023	
		<u></u>		<u></u>	
SHAREHOLDERS' FUNDS			<u>715,501</u>		<u>720,023</u>

Close Motor Company Limited
Statement of Financial Position (continued)
As At 31 December 2022

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Income Statement.

On behalf of the board

Mr S Close

Director

24th August 2023

The notes on pages 3 to 7 form part of these financial statements.

Close Motor Company Limited
Notes to the Financial Statements
For The Year Ended 31 December 2022

1. General Information

Close Motor Company Limited is a private company, limited by shares, incorporated in England & Wales, registered number 03823504. The registered office is 7/11 High Street, Corby, Northamptonshire, NN17 1UX.

The company does not have a single trading address.

The presentation currency of the financial statements is Pound Sterling (£).

Amounts in the financial statements are rounded to the nearest £.

The principal activity of company is that of a motor dealership.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

2.2. Turnover

Turnover from the sale of goods is recognised in the Income Statement, net of discounts and value added tax, when the significant risks and rewards of ownership have been transferred to the buyer. In general this occurs when vehicles or parts have been supplied or when a service has been completed.

Incentives received from manufacturers in respect of target achievements are accounted for as a deduction from the cost of the vehicles or parts to which they relate.

Commission income is accounted for on a receivable basis.

2.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	3% Straight line
Plant & Machinery	25% Reducing balance
Motor Vehicles	25% Reducing balance
Fixtures & Fittings	25% Reducing balance
Computer Equipment	25% straight line

Freehold land is not depreciated.

2.4. Investment Properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Income Statement.

2.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Consigned vehicles, which due to the significant risks and responsibilities of ownership passing to the company are regarded effectively as being under the control of the company, are included within stocks on the Statement of Financial Position although legal title has not passed to the company. The corresponding liability is included within trade creditors and is secured directly on those vehicles.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

2.6. Financial Instruments

The company has basic financial instruments:-

Debtors

Debtors are measured at transaction price less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank and other loans, are measured at amortised cost.

2.7. Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in Equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

2.8. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the income statement in the period to which they relate.

2.9. Government Grant

Furlough grant income under the Coronavirus Job Retention Scheme and other Local Authority Coronavirus Grants were accounted for in "Other operating income" on a receivable basis.

In the year, Coronavirus Job Retention Scheme receipts were £nil (2020: £107,618). The company also benefitted from rates relief from 1 April 2020 to 30 June 2021.

3. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 26 (2021: 24)

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

4. Tangible Assets

	Land & Buildings	Plant & Machinery etc.	Total
	£	£	£
Cost			
As at 1 January 2022	1,140,289	323,144	1,463,433
Additions	-	734	734
As at 31 December 2022	<u>1,140,289</u>	<u>323,878</u>	<u>1,464,167</u>
Depreciation			
As at 1 January 2022	280,457	238,700	519,157
Provided during the period	9,528	21,204	30,732
As at 31 December 2022	<u>289,985</u>	<u>259,904</u>	<u>549,889</u>
Net Book Value			
As at 31 December 2022	<u>850,304</u>	<u>63,974</u>	<u>914,278</u>
As at 1 January 2022	<u>859,832</u>	<u>84,444</u>	<u>944,276</u>

5. Investment Property

	2022
	£
Fair Value	
As at 1 January 2022 and 31 December 2022	<u>303,589</u>

The 2022 Investment Property valuation was made by the directors at open market value on an existing use basis.

6. Stocks

	2022	2021
	£	£
Parts stock	99,429	88,735
Vehicle stock	<u>1,338,714</u>	<u>1,537,654</u>
	<u>1,438,143</u>	<u>1,626,389</u>

7. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	150,635	175,383
Prepayments and accrued income	49,661	23,060
Other debtors	3,662	5,948
VAT	-	36,533
	<u>203,958</u>	<u>240,924</u>

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

8. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	754,663	1,020,392
Bank loans and overdrafts	139,449	76,450
Corporation tax	25,840	29,830
Other taxes and social security	16,957	18,094
VAT	32,406	-
Other creditors	841,343	738,082
Accruals and deferred income	6,523	17,869
Directors' loan accounts	12,540	30,340
	<u>1,829,721</u>	<u>1,931,057</u>

9. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Bank loans	474,775	627,534
Other creditors	73,949	56,522
	<u>548,724</u>	<u>684,056</u>

Included in bank loans is an amount of £107,500 (2021: £137,500) which is a Coronavirus Business Interruption loan for which the UK Government covered the first 12 months of interest payments under its Business Interruption Payment (BIP). This loan is repayable over 6 years with a capital repayment holiday for the first year. The loan is unsecured.

10. Secured Creditors

Of the creditors the following amounts are secured.

	2022	2021
	£	£
Bank loans and overdrafts	506,876	566,484
Other Creditors	1,423,871	1,517,508

11. Share Capital

	2022	2021
	£	£
Allotted, Called up and fully paid	<u>355,264</u>	<u>355,264</u>

12. Other Commitments

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

	2022	2021
	£	£
Not later than one year	-	18,000
	<u>-</u>	<u>18,000</u>

13. Pension Commitments

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme: these amounted to £11,603 (2021: £9,889). An amount of £2,111 (2021: £2,085) was owed to the scheme at the year end.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

14. Dividends

	2022	2021
	£	£
On equity shares:		
Final dividend paid	93,382	22,750
	<u>93,382</u>	<u>22,750</u>

Dividends of £93,382 (2021: £22,750) were paid to the directors in the year.

15. Reserves

Share premium

This reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Retained earnings

This reserve includes all current and prior period retained profits and losses and revaluation gains and losses on investment property, less dividends payable.

16. Related Party Transactions

During the year the company paid rent amounting to £18,000 (2020: £18,000) to Collyweston Garage Limited, a company owned by Mr R M Close and Mrs J Close.

Mr R M Close and Mrs J Close have provided a personal guarantee, which is limited to £425,000, in respect of the company's Barclays Bank loan.

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.