

**CLOSE MOTOR COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Ascendis Audit Limited

Unit 3, Building 2 The Colony Wilmslow
Altrincham Road
Wilmslow
SK9 4LY

Close Motor Company Limited
Unaudited Financial Statements
For The Year Ended 31 December 2021

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**Close Motor Company Limited
Accountant's Report
For The Year Ended 31 December 2021**

Chartered Accountant's report to the directors on the preparation of the unaudited statutory accounts of Close Motor Company Limited for the year ended 31 December 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Close Motor Company Limited for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given to us.

As a practising member 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/en/membership/regulations-standards-and-guidance>.

This report is made solely to the directors of Close Motor Company Limited, as a body, in accordance with the terms of our engagement letter dated . Our work has been undertaken solely to prepare for your approval the accounts of Close Motor Company Limited and state those matters that we have agreed to state to the directors of Close Motor Company 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 Close Motor Company Limited and its directors, as a body, for our work or for this report.

It is your duty to ensure that Close Motor Company 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 or loss of Close Motor Company Limited. You consider that Close Motor Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the accounts of Close Motor Company 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 financial statements.

Signed

10th May 2022

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

Close Motor Company Limited
Statement of Financial Position
As at 31 December 2021

Registered number: 03823504

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		1,247,865		1,210,942
			<u>1,247,865</u>		<u>1,210,942</u>
CURRENT ASSETS					
Stocks	4	1,626,389		2,086,193	
Debtors	5	240,924		253,737	
Cash at bank and in hand		267,330		188,147	
		<u>2,134,643</u>		<u>2,528,077</u>	
Creditors: Amounts Falling Due Within One Year	6	(1,931,057)		(2,300,189)	
		<u></u>		<u></u>	
NET CURRENT ASSETS (LIABILITIES)			<u>203,586</u>		<u>227,888</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,451,451</u>		<u>1,438,830</u>
Creditors: Amounts Falling Due After More Than One Year	7	(684,056)		(813,706)	
		<u></u>		<u></u>	
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(47,372)		(30,301)
			<u></u>		<u></u>
NET ASSETS			<u>720,023</u>		<u>594,823</u>
CAPITAL AND RESERVES					
Called up share capital	9	355,264		355,264	
Share premium account		94,736		94,736	
Income Statement		270,023		144,823	
		<u></u>		<u></u>	
SHAREHOLDERS' FUNDS			<u>720,023</u>		<u>594,823</u>

Close Motor Company Limited
Statement of Financial Position (continued)
As at 31 December 2021

For the year ending 31 December 2021 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

10th May 2022

The notes on pages 4 to 8 form part of these financial statements.

Close Motor Company Limited
Notes to the Financial Statements
For The Year Ended 31 December 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. 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.

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

1.7. 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.

1.8. Pensions

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

1.9. Government Grant

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

In the year, Coronavirus Job Retention Scheme receipts were £107,618 (2020: £218,413) and Local Authority grants were £nil (2020: £28,235). The company also benefitted from rates relief from 1 April 2020.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 24 (2020: 26)

3. Tangible Assets

	Land & Buildings	Investment Properties	Plant & Machinery etc.	Total
	£	£	£	£
Cost				
As at 1 January 2021	1,095,805	303,589	299,973	1,699,367
Additions	44,484	-	23,171	67,655
As at 31 December 2021	<u>1,140,289</u>	<u>303,589</u>	<u>323,144</u>	<u>1,767,022</u>
Depreciation				
As at 1 January 2021	270,929	-	217,496	488,425
Provided during the period	9,528	-	21,204	30,732
As at 31 December 2021	<u>280,457</u>	<u>-</u>	<u>238,700</u>	<u>519,157</u>
Net Book Value				
As at 31 December 2021	<u>859,832</u>	<u>303,589</u>	<u>84,444</u>	<u>1,247,865</u>
As at 1 January 2021	<u>824,876</u>	<u>303,589</u>	<u>82,477</u>	<u>1,210,942</u>

The 2021 Investment Property valuation was made by the directors at open market value on an existing use basis.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

4. Stocks

	2021	2020
	£	£
Parts stock	88,735	49,997
Vehicle stock	1,537,654	2,036,196
	<u>1,626,389</u>	<u>2,086,193</u>

5. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	175,383	217,727
Prepayments and accrued income	23,060	36,010
Other debtors	5,948	-
VAT	36,533	-
	<u>240,924</u>	<u>253,737</u>

6. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	1,020,392	1,366,293
Bank loans and overdrafts	76,450	60,618
Corporation tax	29,830	36,321
Other taxes and social security	18,094	63,156
Other creditors	738,082	705,777
Accruals and deferred income	17,869	28,560
Directors' loan accounts	30,340	39,464
	<u>1,931,057</u>	<u>2,300,189</u>

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

	2021	2020
	£	£
Bank loans	627,534	707,645
Other creditors	56,522	106,061
	<u>684,056</u>	<u>813,706</u>

Included in bank loans is an amount of £150,000 (2020: £150,000) which is a Coronavirus Business interruption loan for which the UK Government is covering 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.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

8. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured.

	2021	2020
	£	£
Bank loans and overdrafts	566,484	618,263
Other Creditors	1,517,508	1,506,606

9. Share Capital

	2021	2020
Allotted, Called up and fully paid	355,264	355,264

10. Other Commitments

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

	Land and buildings	
	2021	2020
	£	£
Within 1 year	18,000	18,000
	18,000	18,000

11. 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 £23,789 (2020: £23,295). There were no amounts owed to the scheme at the year end (2020: £1,010).

12. Dividends

	2021	2020
	£	£
On equity shares:		
Final dividend paid	22,750	-
	22,750	-

Dividends of £22,750 (2020: £nil) were paid to the directors in the year.

13. 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.

14. 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.

Close Motor Company Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2021

15. 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.

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.