

Concours Motor Company (1962) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2019

TM Accountancy Ltd
Chartered Accountants
54 Milverton Road
Knowle
Solihull
West Midlands
B93 0HY

Concours Motor Company (1962) Limited

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Concours Motor Company (1962) Limited

Company Information

Chairman Mr R B Hildick

Company secretary Mr A Millner

Registered office 54 Milverton Road
Knowle
Solihull
West Midlands
B93 0HY

Accountants TM Accountancy Ltd
Chartered Accountants
54 Milverton Road
Knowle
Solihull
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Concours Motor Company (1962) Limited

Director's Report for the Year Ended 30 June 2019

The director presents his report and the financial statements for the year ended 30 June 2019.

Director of the company

The director who held office during the year was as follows:

Mr R B Hildick - Chairman

Principal activity

The principal activity of the company is the sale, service, repair and restoration of motor vehicles

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 director on 18 March 2020 and signed on its behalf by:

.....
Mr R B Hildick
Chairman

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
Concours Motor Company (1962) Limited
for the Year Ended 30 June 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Concours Motor Company (1962) Limited for the year ended 30 June 2019 as set out on pages 4 to 15 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/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Concours Motor Company (1962) Limited, as a body, in accordance with the terms of our engagement letter dated 17 August 2007. Our work has been undertaken solely to prepare for your approval the accounts of Concours Motor Company (1962) Limited and state those matters that we have agreed to state to the Board of Directors of Concours Motor Company (1962) 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 Concours Motor Company (1962) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Concours Motor Company (1962) 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 Concours Motor Company (1962) Limited. You consider that Concours Motor Company (1962) 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 Concours Motor Company (1962) 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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TM Accountancy Ltd
Chartered Accountants
54 Milverton Road
Knowle
Solihull
West Midlands
B93 0HY

18 March 2020

Concours Motor Company (1962) Limited

Profit and Loss Account for the Year Ended 30 June 2019

	Note	2019 £	2018 £
Turnover		970,555	841,983
Cost of sales		<u>(630,950)</u>	<u>(571,142)</u>
Gross profit		339,605	270,841
Administrative expenses		(182,241)	(164,178)
Other operating income		<u>-</u>	<u>6,520</u>
Operating profit		<u>157,364</u>	<u>113,183</u>
Interest payable and similar expenses		<u>(2,572)</u>	<u>(2,512)</u>
		<u>(2,572)</u>	<u>(2,512)</u>
Profit before tax	<u>4</u>	154,792	110,671
Taxation		<u>(29,438)</u>	<u>(19,621)</u>
Profit for the financial year		<u><u>125,354</u></u>	<u><u>91,050</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 8 to 15 form an integral part of these financial statements.

Concours Motor Company (1962) Limited

Statement of Comprehensive Income for the Year Ended 30 June 2019

	2019	2018
	£	£
Profit for the year	<u>125,354</u>	<u>91,050</u>
Total comprehensive income for the year	<u><u>125,354</u></u>	<u><u>91,050</u></u>

The notes on pages 8 to 15 form an integral part of these financial statements.

Concours Motor Company (1962) Limited

(Registration number: 6227403)

Balance Sheet as at 30 June 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>6</u>	695,223	704,492
Current assets			
Stocks	<u>7</u>	311,147	244,460
Debtors	<u>8</u>	48,664	43,815
Cash at bank and in hand		<u>20,895</u>	<u>127</u>
		380,706	288,402
Creditors: Amounts falling due within one year	<u>9</u>	<u>(157,267)</u>	<u>(134,195)</u>
Net current assets		<u>223,439</u>	<u>154,207</u>
Total assets less current liabilities		918,662	858,699
Creditors: Amounts falling due after more than one year	<u>9</u>	(629,239)	(664,465)
Provisions for liabilities		<u>(10,501)</u>	<u>(11,941)</u>
Net assets		<u>278,922</u>	<u>182,293</u>
Capital and reserves			
Called up share capital	<u>10</u>	200	200
Profit and loss account		<u>278,722</u>	<u>182,093</u>
Total equity		<u>278,922</u>	<u>182,293</u>

For the financial year ending 30 June 2019 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 18 March 2020

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Mr R B Hildick
Chairman

The notes on pages 8 to 15 form an integral part of these financial statements.
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Concours Motor Company (1962) Limited

Statement of Changes in Equity for the Year Ended 30 June 2019

	Share capital £	Profit and loss account £	Total £
At 1 July 2018	200	182,093	182,293
Profit for the year	-	125,354	125,354
Total comprehensive income	-	125,354	125,354
Dividends	-	(28,725)	(28,725)
At 30 June 2019	200	278,722	278,922

	Share capital £	Profit and loss account £	Total £
At 1 July 2017	200	108,543	108,743
Profit for the year	-	91,050	91,050
Total comprehensive income	-	91,050	91,050
Dividends	-	(17,500)	(17,500)
At 30 June 2018	200	182,093	182,293

The notes on pages 8 to 15 form an integral part of these financial statements.

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

1 General information

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

The address of its registered office is:

54 Milverton Road
Knowle
Solihull
West Midlands
B93 0HY

The principal place of business is:

2113 Warwick Road
Knowle
Solihull
B93 0EF

These financial statements were authorised for issue by the director on 18 March 2020.

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.

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

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 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
Freehold Property	Straight line basis 2% per annum
Plant and machinery	Straight line basis 20% per annum
Fixtures and fittings	Straight line basis 20% per annum
Office equipment	Straight line 20 % per annum
Computer equipment	Straight line 33% per annum

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line 20% per annum

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.

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

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.

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

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 4 (2018 - 4).

4 Profit before tax

Arrived at after charging/(crediting)

	2019	2018
	£	£
Depreciation expense	12,728	10,983

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 July 2018	40,000	40,000
At 30 June 2019	40,000	40,000
Amortisation		
At 1 July 2018	40,000	40,000
At 30 June 2019	40,000	40,000
Carrying amount		
At 30 June 2019	-	-

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation				
At 1 July 2018	745,638	9,493	76,297	831,428
Additions	-	1,070	2,389	3,459
At 30 June 2019	745,638	10,563	78,686	834,887
Depreciation				
At 1 July 2018	74,240	7,415	45,281	126,936
Charge for the year	813	2,137	9,778	12,728
At 30 June 2019	75,053	9,552	55,059	139,664
Carrying amount				
At 30 June 2019	670,585	1,011	23,627	695,223
At 30 June 2018	671,398	2,078	31,016	704,492

Included within the net book value of land and buildings above is £670,585 (2018 - £671,398) in respect of freehold land and buildings.

7 Stocks

2019

2018

Other inventories

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£	£
311,147	244,460

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

Impairment of stocks

The amount of impairment loss included in profit or loss is £20,250 (2018 - £4,750). The reversal of impairment is included in stock net realisable value provisions .

8 Debtors

	2019	2018
	£	£
Trade debtors	36,729	29,612
Prepayments	11,721	8,795
Other debtors	214	5,408
	<u>48,664</u>	<u>43,815</u>

9 Creditors

Creditors: amounts falling due within one year

	2019	2018
	£	£
Due within one year		
Bank loans and overdrafts	<u>11</u> 90,837	85,391
Trade creditors	20,510	25,648
Taxation and social security	9,367	609
Accruals and deferred income	999	157
Other creditors	<u>35,554</u>	<u>22,390</u>
	<u>157,267</u>	<u>134,195</u>

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £1120 (2018 - £9323).

Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Due after one year		
Loans and borrowings	<u>11</u> 367,719	664,465
Other non-current financial liabilities	<u>261,520</u>	-
	<u>629,239</u>	<u>664,465</u>

10 Share capital

Allotted, called up and fully paid shares

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	200	200	200	200

11 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Other borrowings	367,719	664,465

Other borrowings include amounts due to the director of £ 333,086 (2017 £295,618) and bank borrowings stated below.

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	30,408	33,576
Bank overdrafts	1	16,354
Finance lease liabilities	1,120	9,323
Other borrowings	59,308	26,138
	90,837	85,391

Bank borrowings

A commercial mortgage is denominated in sterling with a nominal interest rate of 3.95%, and the final instalment is due on 30 June 2028. The carrying amount at year end is £347,409 (2018 - £386,107).

The commercial mortgage is secured against the Freehold property and workshop

12 Dividends

Interim dividends paid

	2019 £	2018 £
Interim dividend of £143.625 (2018 - £87.50) per each Ordinary shares	28,725	17,500

13 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

Concours Motor Company (1962) Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

	2019	2018
	£	£
Remuneration	<u>12,013</u>	<u>11,588</u>

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