

COMPANY REGISTRATION NUMBER: 06310642

**Twisted Automotive Limited**  
**Filleted Unaudited Financial Statements**  
**31 December 2019**



# Twisted Automotive Limited

## Statement of Financial Position

31 December 2019

	Note	2019 £	2018 (restated) £
<b>Fixed assets</b>			
Intangible assets	5	15,000	15,000
Tangible assets	6	179,340	156,403
		<u>194,340</u>	<u>171,403</u>
<b>Current assets</b>			
Stocks		1,897,278	1,930,038
Debtors	7	961,851	1,228,325
Cash at bank and in hand		210,269	70,586
		<u>3,069,398</u>	<u>3,228,949</u>
<b>Creditors: amounts falling due within one year</b>	8	1,858,660	1,812,235
<b>Net current assets</b>		<u>1,210,738</u>	<u>1,416,714</u>
<b>Total assets less current liabilities</b>		<u>1,405,078</u>	<u>1,588,117</u>
<b>Creditors: amounts falling due after more than one year</b>	9	50,262	14,242
<b>Provisions</b>		<u>15,149</u>	<u>25,222</u>
<b>Net assets</b>		<u><u>1,339,667</u></u>	<u><u>1,548,653</u></u>
<b>Capital and reserves</b>			
Called up share capital		200	200
Profit and loss account		1,339,467	1,548,453
<b>Shareholders funds</b>		<u><u>1,339,667</u></u>	<u><u>1,548,653</u></u>

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 income and retained earnings has not been delivered.

For the year ending 31 December 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 financial statements for the year in question in accordance with section 476;
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position  
continues on the following page.

The notes on pages 3 to 9 form part of these financial statements.

# **Twisted Automotive Limited**

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

**31 December 2019**

These financial statements were approved by the board of directors and authorised for issue on 12 October 2020, and are signed on behalf of the board by:



Mr C Fawcett  
Director

Company registration number: 06310642

The notes on pages 3 to 9 form part of these financial statements.

# **Twisted Automotive Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2019**

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 1 & 2 Sussex Court, Thirsk Industrial Estate, Thirsk, YO7 3TA.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 reporting date that are expected to apply to the reversal of the timing difference.

#### **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.

# Twisted Automotive Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### **Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

##### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

##### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 11% reducing balance

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

##### **Research and development**

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

# Twisted Automotive Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 3. Accounting policies *(continued)*

#### 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:

Long leasehold property	-	Over life of the lease
Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	25% reducing balance

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### 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.

# **Twisted Automotive Limited**

## **Notes to the Financial Statements *(continued)***

### **Year ended 31 December 2019**

#### **3. Accounting policies *(continued)***

##### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

##### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

# Twisted Automotive Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 25 (2018: 28).

#### 5. Intangible assets

	Goodwill £	Research & Development £	Total £
<b>Cost</b>			
At 1 January 2019 (as restated) and 31 December 2019	96,829	15,000	111,829
<b>Amortisation</b>			
At 1 January 2019 and 31 December 2019	96,829	—	96,829
<b>Carrying amount</b>			
At 31 December 2019	—	15,000	15,000
At 31 December 2018	—	15,000	15,000



# Twisted Automotive Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 6. Tangible assets

	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>						
At 1 Jan 2019 (as restated)	52,716	41,508	40,763	260,651	38,935	434,573
Additions	–	22,763	6,512	76,000	9,669	114,944
Disposals	–	–	–	(112,058)	–	(112,058)
<b>At 31 Dec 2019</b>	<u>52,716</u>	<u>64,271</u>	<u>47,275</u>	<u>224,593</u>	<u>48,604</u>	<u>437,459</u>
<b>Depreciation</b>						
At 1 Jan 2019	44,270	32,354	32,805	138,320	30,421	278,170
Charge for the year	8,014	7,127	3,184	37,319	4,180	59,824
Disposals	–	–	–	(79,875)	–	(79,875)
<b>At 31 Dec 2019</b>	<u>52,284</u>	<u>39,481</u>	<u>35,989</u>	<u>95,764</u>	<u>34,601</u>	<u>258,119</u>
<b>Carrying amount</b>						
<b>At 31 Dec 2019</b>	<u>432</u>	<u>24,790</u>	<u>11,286</u>	<u>128,829</u>	<u>14,003</u>	<u>179,340</u>
At 31 Dec 2018	<u>8,446</u>	<u>9,154</u>	<u>7,958</u>	<u>122,331</u>	<u>8,514</u>	<u>156,403</u>

### 7. Debtors

	2019 £	2018 (restated) £
Trade debtors	216,198	310,932
Amounts owed by group undertakings and undertakings in which the company has a participating interest	702,368	688,107
Other debtors	43,285	229,286
	<u>961,851</u>	<u>1,228,325</u>

### 8. Creditors: amounts falling due within one year

	2019 £	2018 (restated) £
Trade creditors	324,025	445,894
Corporation tax	21,119	–
Social security and other taxes	54,817	35,837
Other creditors	1,458,699	1,330,504
	<u>1,858,660</u>	<u>1,812,235</u>

# Twisted Automotive Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

**9. Creditors: amounts falling due after more than one year**

	2019	2018 <i>(restated)</i>
	£	£
Other creditors	<u>50,262</u>	<u>14,242</u>

**10. Prior period adjustment**

The comparative figures have been restated to correct an error in turnover, cost of sales and gross margin. This restatement has reduced profit before tax in the previous year by £304,429 and net assets by £246,587.

**11. Director's advances, credits and guarantees**

There were no transactions with the Directors during the year that are required to be disclosed under FRS 102.