

Swale MOT Centre Ltd

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 January 2022



Swale MOT Centre Ltd
Registered number: 06892350

Balance Sheet
As at 31 January 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	7,985	3,109
Current assets			
Stocks	5	8,115	10,000
Debtors: amounts falling due within one year	6	11,541	17,064
Cash at bank and in hand		19,805	96,131
		<u>39,461</u>	<u>123,195</u>
Creditors: amounts falling due within one year	7	(163,990)	(224,366)
Net current liabilities		<u>(124,529)</u>	<u>(101,171)</u>
Total assets less current liabilities		<u>(116,544)</u>	<u>(98,062)</u>
Creditors: amounts falling due after more than one year	8	(33,333)	(43,842)
Net liabilities		<u><u>(149,877)</u></u>	<u><u>(141,904)</u></u>
Capital and reserves			
Called up share capital		4	4
Profit and loss account		(149,881)	(141,908)
		<u><u>(149,877)</u></u>	<u><u>(141,904)</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 09/09/22



R. Robertson
Director

The notes on pages 2 to 5 form part of these financial statements.

Swale MOT Centre Ltd**Notes to the Financial Statements
For the Year Ended 31 January 2022****1. General information**

Swale MOT Centre Ltd is a limited liability company, incorporated in England and Wales, registration number 06892350. The company's registered office is Unit 4, D2 Trading Estate, Sittingbourne, Kent ME10 3RH.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

These accounts have been prepared on the going concern basis, on the understanding that the directors will continue to financially support the company.

The financial statements are prepared on the basis that the company will continue in operational existence for the foreseeable future. This means, in particular, that the Profit and loss account and Balance sheet assume no intention or necessity to liquidate or significantly curtail the scale of operations.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Profit and loss account in the same period as the related expenditure.

Swale MOT Centre Ltd

Notes to the Financial Statements
For the Year Ended 31 January 2022

2. Accounting policies (continued)**2.6 Pensions****Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Motor vehicles	-	25%
Fixtures and fittings	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from banks and other third parties.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2021 - 6).

Swale MOT Centre Ltd

Notes to the Financial Statements
For the Year Ended 31 January 2022
4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 February 2021	20,089	610	1,373	22,072
Additions	6,047	-	241	6,288
At 31 January 2022	26,136	610	1,614	28,360
Depreciation				
At 1 February 2021	17,673	610	680	18,963
Charge for the year on owned assets	1,167	-	245	1,412
At 31 January 2022	18,840	610	925	20,375
Net book value				
At 31 January 2022	7,296	-	689	7,985
At 31 January 2021	2,416	-	693	3,109

5. Stocks

	2022 £	2021 £
Raw materials and consumables	8,115	10,000

6. Debtors

	2022 £	2021 £
Trade debtors	6,442	13,136
Prepayments and accrued income	5,099	3,928
	11,541	17,064

Swale MOT Centre Ltd

Notes to the Financial Statements
For the Year Ended 31 January 2022
7. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans	10,460	8,756
Trade creditors	10,729	12,814
Other taxation and social security	7,596	9,070
Other creditors	130,879	189,266
Accruals and deferred income	4,326	4,460
	<u>163,990</u>	<u>224,366</u>

8. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	33,333	43,842
	<u>33,333</u>	<u>43,842</u>

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2022	2021
	£	£
Bank loan repayable by instalments	-	3,333
	<u>-</u>	<u>3,333</u>

£10,000 of bank loans shown in note 7 and the £33,333 bank loan shown in note 8 relate to a Covid-19 Bounce Back Loan. Repayments began in June 2021, thirteen months after the loan was received, and will be made in 60 instalments, with interest of 2.5% per annum payable. Interest in the initial twelve months have been covered by the UK Government's Business Interruption Payment ("BIP").

The other bank loan shown in note 7 is secured on the assets of the company.

9. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £681 (2021 - £630) were payable to the fund at the balance sheet date and are included in creditors.