

THE VELOCETTE MOTOR CYCLE COMPANY LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

Burrows Scarborough
Sovereign House
12 Warwick Street
Coventry
West Midlands
CV5 6ET

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FOR THE YEAR ENDED 31 JANUARY 2022**

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THE VELOCETTE MOTOR CYCLE COMPANY LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2022**

DIRECTORS:

Mr David Holder
Mrs Susan Holder

REGISTERED OFFICE:

Meriden Works
Birmingham Road
Millisons Wood
Coventry
West Midlands
CV5 9AZ

REGISTERED NUMBER:

07405259 (England and Wales)

ACCOUNTANTS:

Burrows Scarborough
Sovereign House
12 Warwick Street
Coventry
West Midlands
CV5 6ET

BANKERS:

Barclays Bank Plc
Mill Lane
Solihull
West Midlands
B91 3AR

BALANCE SHEET
31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	4		371,250		412,500
Tangible assets	5		<u>19,913</u>		<u>26,549</u>
			391,163		439,049
CURRENT ASSETS					
Stocks		125,250		96,750	
Debtors	6	910,697		186,232	
Prepayments and accrued income		24,084		24,403	
Cash at bank		<u>317,910</u>		<u>1,008,213</u>	
		1,377,941		1,315,598	
CREDITORS					
Amounts falling due within one year	7	<u>142,416</u>		<u>207,696</u>	
NET CURRENT ASSETS			<u>1,235,525</u>		<u>1,107,902</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,626,688		1,546,951
PROVISIONS FOR LIABILITIES			(4,522)		(4,621)
ACCRUALS AND DEFERRED INCOME			<u>(20,161)</u>		<u>(22,414)</u>
NET ASSETS			<u>1,602,005</u>		<u>1,519,916</u>
CAPITAL AND RESERVES					
Called up share capital	8		200		200
Retained earnings			<u>1,601,805</u>		<u>1,519,716</u>
SHAREHOLDERS' FUNDS			<u>1,602,005</u>		<u>1,519,916</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued
31 JANUARY 2022**

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 9 June 2022 and were signed on its behalf by:

Mr David Holder - Director

Mrs Susan Holder - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

1. STATUTORY INFORMATION

The Velocette Motor Cycle Company Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

The significant accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) including the provisions of Section 1A 'Small Entities' and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified as necessary to include certain items at fair value.

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Sale of goods

Turnover from the sale of motorcycle spares is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on insert detail on dispatch of goods.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of twenty years.

Goodwill is considered to be a long life asset by reference to the nature of the trading activities and the demand and market for vintage motorcycle products and the company's profitability maintained and increased indicating there is no short term impairment.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and machinery - 25% Reducing balance
Fixtures and fittings - 25% Reducing balance
Motor Vehicles - 25% Reducing balance
Computer Equipment - 33% On cost

Government grants

The company received government grants in relation to COVID-19. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the performance/accrual model.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Foreign currencies

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2021 - 12) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 February 2021 and 31 January 2022	<u>825,000</u>
AMORTISATION	
At 1 February 2021	412,500
Charge for year	<u>41,250</u>
At 31 January 2022	<u>453,750</u>
NET BOOK VALUE	
At 31 January 2022	<u>371,250</u>
At 31 January 2021	<u>412,500</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 February 2021 and 31 January 2022	<u>159,880</u>
DEPRECIATION	
At 1 February 2021	133,331
Charge for year	6,636
At 31 January 2022	<u>139,967</u>
NET BOOK VALUE	
At 31 January 2022	<u>19,913</u>
At 31 January 2021	<u>26,549</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	158,353	177,249
Other debtors	<u>752,344</u>	<u>8,983</u>
	<u>910,697</u>	<u>186,232</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	54,066	12,878
Taxation and social security	84,015	186,863
Other creditors	<u>4,335</u>	<u>7,955</u>
	<u>142,416</u>	<u>207,696</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2022 £	2021 £
100	Ordinary	£1.00	100	100
100	'A' Ordinary	£1.00	<u>100</u>	<u>100</u>
			<u>200</u>	<u>200</u>

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.