

Company Registration No. 07953262 (England and Wales)

LIXWM GARAGE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
PAGES FOR FILING WITH REGISTRAR



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LIXWM GARAGE LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Director | Mr G W Davies |
| Company number | 07953262 |
| Registered office | Lixwm Garage Berthen Road Lixwm Holywell Flintshire Wales CH8 8LT |
| Accountants | Azets Brynford House 21 Brynford Street Holywell Flintshire Wales CH8 7RD |

LIXWM GARAGE LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Balance sheet | 1 |
| Notes to the financial statements | 2 - 7 |

LIXWM GARAGE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|---------------|-----------------|---------------|-----------------|
| Fixed assets | | | | | |
| Intangible assets | 3 | | 9,000 | | - |
| Tangible assets | 4 | | 9,105 | | 12,147 |
| | | | <u>18,105</u> | | <u>12,147</u> |
| Current assets | | | | | |
| Stocks | | 36,719 | | 49,793 | |
| Debtors | 5 | 26,740 | | 15,216 | |
| Cash at bank and in hand | | - | | 117 | |
| | | <u>63,459</u> | | <u>65,126</u> | |
| Creditors: amounts falling due within one year | 6 | (91,616) | | (90,929) | |
| Net current liabilities | | | <u>(28,157)</u> | | <u>(25,803)</u> |
| Total assets less current liabilities | | | <u>(10,052)</u> | | <u>(13,656)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | | 100 | | 100 |
| Profit and loss reserves | | | <u>(10,152)</u> | | <u>(13,756)</u> |
| Total equity | | | <u>(10,052)</u> | | <u>(13,656)</u> |

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved and signed by the director and authorised for issue on 21 January 2021

Mr G W Davies

Director

Company Registration No. 07953262

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Lixwm Garage Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lixwm Garage, Berthen Road, Lixwm, Holywell, Flintshire, Wales, CH8 8LT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|------------------------------------|
| Plant and equipment | 25% reducing balance & 20% on cost |
| Fixtures and fittings | 25% reducing balance |
| Motor vehicles | 25% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. All financial assets are classified within one year, they are not amortised but carried at face value.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are carried at face value.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and continue to be measured at face value.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2020 Number | 2019 Number |
|-------|----------------|----------------|
| Total | 2 | 4 |

3 Intangible fixed assets

| | Goodwill £ |
|------------------------------------|---------------|
| Cost | |
| At 1 April 2019 | 20,000 |
| Additions | 9,000 |
| | <hr/> |
| At 31 March 2020 | 29,000 |
| | <hr/> |
| Amortisation and impairment | |
| At 1 April 2019 and 31 March 2020 | 20,000 |
| | <hr/> |
| Carrying amount | |
| At 31 March 2020 | 9,000 |
| | <hr/> |
| At 31 March 2019 | - |
| | <hr/> |

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Tangible fixed assets

| | Plant and equipment £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|-----------------------------|-------------------------------|---------------------|------------|
| Cost | | | | |
| At 1 April 2019 and 31 March 2020 | 15,950 | 3,503 | 21,525 | 40,978 |
| Depreciation and impairment | | | | |
| At 1 April 2019 | 11,140 | 1,985 | 15,706 | 28,831 |
| Depreciation charged in the year | 1,207 | 380 | 1,455 | 3,042 |
| At 31 March 2020 | 12,347 | 2,365 | 17,161 | 31,873 |
| Carrying amount | | | | |
| At 31 March 2020 | 3,603 | 1,138 | 4,364 | 9,105 |
| At 31 March 2019 | 4,810 | 1,518 | 5,819 | 12,147 |

5 Debtors

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 18,336 | 14,756 |
| Other debtors | 8,404 | 460 |
| | 26,740 | 15,216 |

6 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|-----------|-----------|
| Bank loans and overdrafts | 71,565 | 66,401 |
| Trade creditors | 16,299 | 20,955 |
| Taxation and social security | 2,996 | 2,671 |
| Other creditors | 756 | 902 |
| | 91,616 | 90,929 |

LIXWM GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Called up share capital

| | 2020 £ | 2019 £ |
|-------------------------------|-------------------|-------------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 80 A Ordinary of £1 each | 80 | 80 |
| 20 B Ordinary of £1 each | 20 | 20 |
| | <u>100</u> | <u>100</u> |
| | <u><u>100</u></u> | <u><u>100</u></u> |

8 Directors' transactions

The balance is interest free and repayable on demand,

| Description | % Rate | Opening balance £ | Amounts advanced £ | Amounts repaid £ | Closing balance £ |
|----------------|--------|-------------------------|--------------------------|------------------------|----------------------|
| Overdrawn loan | - | (648) | 37,818 | (28,766) | 8,404 |
| | | <u>(648)</u> | <u>37,818</u> | <u>(28,766)</u> | <u>8,404</u> |
| | | <u><u>(648)</u></u> | <u><u>37,818</u></u> | <u><u>(28,766)</u></u> | <u><u>8,404</u></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.