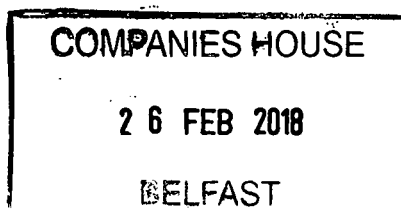


Sewell Auto Electric & Battery Centre Limited

Filleted Financial Statements

for the financial year ended 31 May 2017



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COMPANIES HOUSE

Cremin McCarthy and Company
Chartered Accountants and Statutory Auditors
Suite 23, The Cubes Offices
Beacon South Quarter
Sandyford
Dublin 18
Ireland

Company Number: 8736120

Sewell Auto Electric & Battery Centre Limited
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Sewell Auto Electric & Battery Centre Limited

Company Number: 8736120

BALANCE SHEET

as at 31 May 2017

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	8	<u>27,321</u>	<u>27,180</u>
Current Assets			
Stocks	9	132,222	128,616
Debtors	10	167,884	174,709
Cash and cash equivalents		<u>21,087</u>	<u>18,439</u>
		<u>321,193</u>	<u>321,764</u>
Creditors: Amounts falling due within one financial year	11	<u>(252,601)</u>	<u>(259,789)</u>
Net Current Assets		<u>68,592</u>	<u>61,975</u>
Total Assets less Current Liabilities		<u>95,913</u>	<u>89,155</u>
Provisions for liabilities	13	<u>(4,379)</u>	<u>(3,644)</u>
Net Assets		<u>91,534</u>	<u>85,511</u>
Capital and Reserves			
Called up share capital		1	1
Share premium account	15	74,705	74,705
Profit and Loss Account		<u>16,828</u>	<u>10,805</u>
Equity attributable to owners of the company		<u>91,534</u>	<u>85,511</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The company has taken advantage of the exemption under section 444 not to file the Profit and Loss Account and Directors' Report.

Approved by the Board and authorised for issue on 23 February 2018 and signed on its behalf by


Derek Whelan
Director

Sewell Auto Electric & Battery Centre Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2017

1. GENERAL INFORMATION

Sewell Auto Electric & Battery Centre Limited is a company limited by shares incorporated in United Kingdom 36-37 Melford Court, Hardwicke Grange, Warrington WA1 4RZ, is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 31 May 2017 have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council and in accordance with the Companies Act 2006

Basis of preparation

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks, other third parties and loans to related parties.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Short leasehold property	-	20% Straight Line
Plant and machinery	-	20% Straight Line
Fixtures, fittings and equipment	-	20% Straight Line
Motor vehicles	-	20% Straight Line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. A full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 May 2017

continued

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Related parties

For the purposes of these financial statements a party is considered to be related to the company if:

- the party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial and operating policy decisions or has joint control over the company;
- the company and the party are subject to common control;
- the party is an associate of the company or forms part of a joint venture with the company;
- the party is a member of key management personnel of the company or the company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Share capital of the company

Ordinary share capital

The ordinary share capital of the company is presented as equity.

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 May 2017

continued

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period.

(b) Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

4. INFORMATION RELATING TO THE AUDITOR'S REPORT

The Audit Report was unqualified. There were no matters to which the auditor was required to refer by way of emphasis.

The financial statements were audited by Cremin McCarthy and Company.

The Auditor's Report was signed by Alex Cremin (Senior Statutory Auditor) for and on behalf of Cremin McCarthy and Company on 23rd February 2018.

5. OPERATING PROFIT

	2017 £	2016 £
Operating profit is stated after charging:		
- Audit services	<u>5,816</u>	<u>5,998</u>

6. EMPLOYEES

The average monthly number of employees, including directors, during the financial year was as follows:

	2017 Number	2016 Number
Warehousing	4	4
Administration	2	2
	<u>6</u>	<u>6</u>

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 May 2017

continued

7. TAX ON PROFIT

	2017 £	2016 £
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 20.00%/19.00% (2016 - 20.00%) (Note 7 (b))	1,247	-
Deferred tax:		
Origination and reversal of timing differences	735	(467)
Total deferred tax	735	(467)
Tax on profit (Note 7 (b))	1,982	(467)

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the United Kingdom 20.00%/19.00% (2016 - 20.00%). The differences are explained below:

	2017 £	2016 £
Profit before tax	8,005	8,580
Profit before tax multiplied by the standard rate of corporation tax in the United Kingdom at 20.00%/19.00% (2016 - 20.00%)	1,601	1,716
Effects of:		
Capital allowances for period in excess of depreciation	(354)	286
Utilisation of tax losses	-	(2,002)
Deferred tax	735	(467)
Total tax charge for the financial year (Note 7 (a))	1,982	(467)

8. TANGIBLE FIXED ASSETS

	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2016	9,786	1,765	32,485	7,000	51,036
Additions	-	-	10,656	-	10,656
At 31 May 2017	9,786	1,765	43,141	7,000	61,692
Depreciation					
At 1 June 2016	5,383	860	14,346	3,267	23,856
Charge for the financial year	1,957	353	6,805	1,400	10,515
At 31 May 2017	7,340	1,213	21,151	4,667	34,371
Net book value					
At 31 May 2017	2,446	552	21,990	2,333	27,321
At 31 May 2016	4,403	905	18,139	3,733	27,180

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2017

continued

9. STOCKS	2017 £	2016 £
Finished goods and goods for resale	<u>132,222</u>	<u>128,616</u>

The replacement cost of stock did not differ significantly from the figures shown.

10. DEBTORS	2017 £	2016 £
Trade debtors	89,851	52,529
Other debtors	101	3,939
Taxation (Note 12)	-	98
Prepayments and accrued income	<u>77,932</u>	<u>118,143</u>
	<u>167,884</u>	<u>174,709</u>

The carrying amounts of trade receivables and other receivables approximate their fair value largely due to the short-term maturities and nature of these instruments. All trade receivables are due with the company's normal terms, which is 30-60 days. Trade receivables are shown net of impairment in respect of doubtful debts.

11. CREDITORS	2017 £	2016 £
Amounts falling due within one financial year		
Trade creditors	91,383	95,523
Amounts owed to connected parties (Note 17)	150,000	150,000
Taxation (Note 12)	9,554	5,990
Accruals	<u>1,664</u>	<u>8,276</u>
	<u>252,601</u>	<u>259,789</u>

The carrying amounts of trade and other payables approximate their fair value largely due to the short-term maturities and nature of these instruments. The repayment terms of trade payables vary between on demand and 90 days. No interest is paid on trade payables.

The terms of accruals are based on underlying contracts.

Taxes and social welfare costs are subject to the terms of the relevant legislation. Interest accrues on late payments. No interest was due at the financial year-end date.

12. TAXATION	2017 £	2016 £
Debtors:		
Corporation tax	<u>-</u>	<u>98</u>
Creditors:		
VAT	8,405	5,990
Corporation tax	<u>1,149</u>	<u>-</u>
	<u>9,554</u>	<u>5,990</u>

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2017

continued

13. PROVISIONS FOR LIABILITIES

The amounts provided for deferred taxation are analysed below:

	Capital allowances	Total	Total
	£	2017 £	2016 £
At financial year start	3,644	3,644	4,111
Charged to profit and loss	735	735	(467)
At financial year end	<u>4,379</u>	<u>4,379</u>	<u>3,644</u>

14. FINANCIAL INSTRUMENTS

The company has chosen to apply the provisions of Section 11 and 12 of FRS 102 to account for all of its financial instruments.

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost		
Trade receivables	89,851	52,529
Other debtors	101	3,939
Cash at bank and in hand	21,087	18,439
	<u>111,039</u>	<u>74,907</u>
Financial liabilities at amortised cost		
Trade payables	91,383	95,523
Amounts owed to related parties	150,000	150,000
	<u>241,383</u>	<u>245,523</u>

15. RESERVES

Share Premium Reserve

The amount carried forward is the premium that arose from the issue of shares in 2010.

16. CAPITAL COMMITMENTS

The company had no material capital commitments at the financial year-ended 31 May 2017.

17. RELATED PARTY TRANSACTIONS

	2017 £	2016 £
The following amounts are due to other connected parties:		
Vehicle Asset Management Limited	<u>150,000</u>	<u>150,000</u>

18. PARENT AND ULTIMATE PARENT COMPANY

The company regards Granning U.K. Limited as its parent company.

The company's ultimate parent undertaking is Granning Group Limited.

The parent of the largest group in which the results are consolidated is Granning Group Limited. Granning Group Limited is registered in Ireland.

Sewell Auto Electric & Battery Centre Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 May 2017

continued

19. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the company since the financial year-end.

20. CASH AND CASH EQUIVALENTS

	2017	2016
	£	£
Cash and bank balances	<u>21,087</u>	<u>18,439</u>