

Sewell Auto Electric & Battery Centre Limited
Filleted Financial Statements
for the financial year ended 31 May 2022



Cremin McCarthy and Company
Chartered Accountants & Statutory Audit Firm
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Sandyford
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Company Number: 8736120

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Sewell Auto Electric & Battery Centre Limited

Company Registration Number: 8738120

BALANCE SHEET

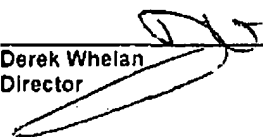
as at 31 May 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Fixed Assets	5	8,348	14,410
Current Assets			
Stocks	6	104,458	120,689
Debtors	7	237,703	189,401
Cash & Cash Equivalents		27,440	50,527
		369,601	360,617
Creditors: Amounts Falling Due Within One Financial Year	8	(221,644)	(233,512)
Net Current Assets		147,957	127,105
Total Assets Less Current Liabilities		156,305	141,515
Provisions for Liabilities	10	(1,365)	(2,469)
Net Assets		154,940	139,046
Equity			
Called-Up Share Capital		1	1
Share Premium Account		74,705	74,705
Retained Earnings		80,234	64,340
Shareholders' Funds		154,940	139,046

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

Approved by the Board and authorised for issue on 27 February 2023 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 2022

1. General Information

Sewell Auto Electric & Battery Centre Limited is a company limited by shares incorporated in the 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 Company Registration Number is 08736120. 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. Summary of Significant 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 2022 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2006.

Basis of Preparation

The Financial Statements have been prepared on the going concern basis and in accordance with the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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 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 assets, less their estimated residual value, over their expected useful lives as follows:

Short Leasehold Property	- 20% Straight-Line
Plant & Machinery	- 20% Straight-Line
Fixtures, Fittings & 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.

Leasing and Hire Purchases

Tangible assets held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the Company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

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.

Sewell Auto Electric & Battery Centre Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2022

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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 debtors are stated at cost less impairment losses for bad and doubtful debts.

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.

Government Grants

Capital grants received and receivable are treated as deferred income and amortised to the Profit and Loss Account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Profit & Loss Account when received.

Sewell Auto Electric & Battery Centre Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2022

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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 & Loss Account.

Ordinary Share Capital

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

3. Information Relating to the Auditor's Report

The Auditor's Report was qualified.

The Financial Statements were audited by Cremin McCarthy & Company. The Auditor's Report was signed by Alex Cremin (Senior Statutory Auditor) for and on behalf of Cremin McCarthy & Company on 27 February 2023.

4. Employees

The average monthly number of employees, including Directors, during the financial year was 4, (2021 - 5).

	2022 Number	2021 Number
Operations	2	3
Administration	2	2
	<u>4</u>	<u>5</u>

5. Tangible Fixed Assets

	Short Leasehold Property £	Plant & Machinery £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
Cost					
At 1 June 2021	10,236	4,013	59,724	10,651	84,624
Additions	-	1,100	575	-	1,675
At 31 May 2022	<u>10,236</u>	<u>5,113</u>	<u>60,299</u>	<u>10,651</u>	<u>86,299</u>
Depreciation					
At 1 June 2021	10,236	2,669	50,189	7,120	70,214
Charge for the Financial Year	-	591	5,010	2,136	7,737
At 31 May 2022	<u>10,236</u>	<u>3,260</u>	<u>55,199</u>	<u>9,256</u>	<u>77,951</u>
Net Book Value					
At 31 May 2022	<u>-</u>	<u>1,853</u>	<u>5,100</u>	<u>1,395</u>	<u>8,348</u>
At 31 May 2021	<u>-</u>	<u>1,344</u>	<u>9,535</u>	<u>3,531</u>	<u>14,410</u>

5.1. Tangible Fixed Assets (Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	2022 Net Book Value £	2022 Depreciation Charge £	2021 Net Book Value £	2021 Depreciation Charge £
Motor Vehicles	<u>1,395</u>	<u>(2,136)</u>	<u>3,531</u>	<u>(2,136)</u>

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6. Stocks	2022	2021
	£	£
Finished Goods	<u>104,458</u>	<u>120,689</u>

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

7. Debtors	2022	2021
	£	£
Trade Debtors	64,810	56,436
Amounts Owed by Group Undertakings (Note 12)	76,472	25,472
Prepayments and Accrued Income	<u>96,421</u>	<u>107,493</u>
	<u>237,703</u>	<u>189,401</u>

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

8. Creditors	2022	2021
Amounts Falling Due within One Financial Year	£	£
Net Obligations Under Finance Leases and Hire Purchase Contracts		1,258
Trade Creditors	79,983	66,775
Amounts Owed to Group Undertakings (Note 12)	99,454	128,534
Taxation (Note 9)	8,832	7,483
Accruals	<u>33,375</u>	<u>29,462</u>
	<u>221,644</u>	<u>233,512</u>

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

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.

9. Taxation	2022	2021
	£	£
Creditors:		
VAT	6,179	5,043
Corporation Tax	<u>2,653</u>	<u>2,440</u>
	<u>8,832</u>	<u>7,483</u>

Sewell Auto Electric & Battery Centre Limited
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10. Provisions for Liabilities

The amounts provided for Deferred Taxation are analysed below:

	Capital Allowances	Total	Total
	2022	2022	2021
	£	£	£
At Financial Year Start	2,469	2,469	3,928
Charged to Profit and Loss	(1,104)	(1,104)	(1,459)
At Financial Year End	<u>1,365</u>	<u>1,365</u>	<u>2,469</u>

11. Capital commitments

The Company had no material capital commitments at the financial year-ended 31 May 2022.

12. Related party transactions

Transactions and balances with group companies:

	2022	2021
	£	£
Group Undertaking Debtors		
Granning Axles & Suspensions Limited	66,472	15,472
Braketech Ireland Limited	10,000	10,000
	<u>76,472</u>	<u>25,472</u>
Group Undertaking Creditors		
Granning (U.K.) Limited	36,904	73,904
Granning Lynx (N.I.) Limited	17,440	17,440
Granning Ireland Limited	45,110	37,190
	<u>99,454</u>	<u>128,534</u>

13. Transactions Between Related Party Companies

The Company had the following transactions with group and connected companies during the financial year ended 31 May 2022:

	2022	2021
	£	£
Sales to Granning U.K. Limited	(12,000)	-
Purchases from Granning Ireland Limited	50,222	21,220
Purchases from Granning Lynx (N.I.) Limited	234	221
Purchases from Granning U.K. Limited	645	507
Purchases from Granning Axles & Suspensions Limited	13,200	55,886
Purchases from Granning Group Limited	4,950	-
Trade Creditor Balance with Granning Ireland Limited	(5,828)	(8,285)
Trade Creditor Balance with Granning Axles & Suspensions Limited	(823)	(10,700)
Trade Creditor Balance with Granning Group Limited	(408)	-
Trade Creditor Balance with Granning U.K. Limited	(35)	-
	<u>50,057</u>	<u>58,849</u>

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14. 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, a company incorporated in the Republic of Ireland. Granning Group Limited's registered address is Naas Industrial Estate, Naas, Co. Kildare, Ireland.

15. Controlling Interest

The Company is controlled by Patrick Carson.

16. Post-Balance Sheet Events

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