

# Fords South West Limited

Filleted Unaudited Financial Statements  
for the Year Ended 30 September 2019

Thompson Jenner LLP  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

**Fords South West Limited**  
**(Registration number: 10293411)**

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**Fords South West Limited**  
**(Registration number: 10293411)**

**Company Information**

<b>Directors</b>	Mr R P Flynn Mr M R Fisher Mr D R Whelan Mr N A Jones Mr D Salter
<b>Registered office</b>	1 Colleton Crescent Exeter Devon EX2 4DG
<b>Accountants</b>	Thompson Jenner LLP 1 Colleton Crescent Exeter Devon EX2 4DG

**Fords South West Limited**  
**(Registration number: 10293411)**

**Balance Sheet as at 30 September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	233,242	266,562
Tangible assets	<u>5</u>	<u>457,998</u>	<u>291,007</u>
		<u>691,240</u>	<u>557,569</u>
<b>Current assets</b>			
Stocks	<u>6</u>	243,865	228,698
Debtors	<u>7</u>	769,581	816,435
Cash at bank and in hand		<u>101,995</u>	<u>129,686</u>
		1,115,441	1,174,819
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(1,103,185)</u>	<u>(1,288,002)</u>
<b>Net current assets/(liabilities)</b>		<u>12,256</u>	<u>(113,183)</u>
<b>Total assets less current liabilities</b>		703,496	444,386
<b>Creditors:</b> Amounts falling due after more than one year	<u>8</u>	(572,430)	(299,206)
<b>Provisions for liabilities</b>		<u>(74,090)</u>	<u>(45,907)</u>
<b>Net assets</b>		<u><u>56,976</u></u>	<u><u>99,273</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		<u>56,975</u>	<u>99,272</u>
<b>Total equity</b>		<u><u>56,976</u></u>	<u><u>99,273</u></u>

For the financial year ending 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 4 to 10 form an integral part of these financial statements.

**Fords South West Limited**  
**(Registration number: 10293411)**

**Balance Sheet as at 30 September 2019**

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

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 June 2020 and signed on its behalf by:

.....

Mr R P Flynn  
Director

The notes on pages 4 to 10 form an integral part of these financial statements.  
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**Fords South West Limited**  
**(Registration number: 10293411)**

**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

**2 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

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

**Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The directors have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements.

In addition, the Directors do not consider it to cast any significant doubt upon the company's ability to continue to trade as a going concern.

The directors have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due, managing staffing levels and monitoring key customer and supplier activity.

The directors have implemented a robust system of procedures and controls in order to deal with any associated risks.

**Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	20 % straight line
Fixtures and fittings	20 % straight line
Computer equipment	20 % straight line
Motor vehicles	20 % straight line
Plant and tools	20 % straight line
Short leasehold	Over life of lease

**Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

**Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10 % straight line

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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

**Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.



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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

**3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 66 (2018 - 65).

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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**4 Intangible assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 October 2018	333,203	333,203
At 30 September 2019	333,203	333,203
<b>Amortisation</b>		
At 1 October 2018	66,641	66,641
Amortisation charge	33,320	33,320
At 30 September 2019	99,961	99,961
<b>Carrying amount</b>		
At 30 September 2019	233,242	233,242
At 30 September 2018	266,562	266,562

**5 Tangible assets**

	<b>Land and buildings £</b>	<b>Furniture, fittings and equipment £</b>	<b>Motor vehicles £</b>	<b>Other property, plant and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 October 2018	3,090	64,871	319,076	13,585	400,622
Additions	-	154,679	102,931	6,964	264,574
At 30 September 2019	3,090	219,550	422,007	20,549	665,196
<b>Depreciation</b>					
At 1 October 2018	1,236	19,424	84,958	3,997	109,615
Charge for the period	618	16,690	76,789	3,486	97,583
At 30 September 2019	1,854	36,114	161,747	7,483	207,198
<b>Carrying amount</b>					
At 30 September 2019	1,236	183,436	260,260	13,066	457,998
At 30 September					

2018	<u>1,854</u>	<u>45,447</u>	<u>234,118</u>	<u>9,588</u>	<u>291,007</u>
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Assets upon which security is offered have a net book value at the balance sheet date of £235,361 (2018 - £196,949).

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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

Included within the net book value of land and buildings above is £1,236 (2018 - £1,854) in respect of short leasehold land and buildings.

**6 Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other stocks	<u>243,865</u>	<u>228,698</u>

**7 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	449,734	395,698
Other debtors	292,758	393,746
Prepayments and accrued income	<u>27,089</u>	<u>26,991</u>
Total current trade and other debtors	<u>769,581</u>	<u>816,435</u>

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**Notes to the Unaudited Financial Statements for the Year Ended 30 September 2019**

**8 Creditors**

	Note	2019 £	2018 £
<b>Due within one year</b>			
Loans and borrowings	<u>9</u>	89,032	67,016
Trade creditors		433,230	439,453
Amounts owed to group undertakings and undertakings in which the company has a participating interest		318,495	554,109
Taxation and social security		167,497	114,503
Other creditors		77,795	99,706
Accrued expenses		17,136	13,215
		<u>1,103,185</u>	<u>1,288,002</u>

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>9</u>	122,430	149,206
Other non-current financial liabilities		450,000	150,000
		<u>572,430</u>	<u>299,206</u>

**9 Loans and borrowings**

	2019 £	2018 £
<b>Current loans and borrowings</b>		
Finance lease and hire purchase liabilities	<u>89,032</u>	<u>67,016</u>

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Finance lease and hire purchase liabilities	<u>122,430</u>	<u>149,206</u>

Hire purchase liabilities are secured over the assets upon which the liability relates.

**10 Financial commitments, guarantees and contingencies**

**Amounts not provided for in the balance sheet**

The company has offered an unlimited guarantee for the bank borrowings of its parent company.

registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.