

Fords South West Limited

Filleted Unaudited Financial Statements
for the Year Ended 30 September 2023

Fords South West Limited
(Registration number: 10293411)

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Fords South West Limited
(Registration number: 10293411)

Company Information

Directors	Mr R P Flynn Mr M R Fisher Mr N A Jones Mr D Salter Mr A J Patch
Registered office	Unit 3 Alexandria Industrial Estate Alexandria Road Sidmouth Devon EX10 9HA
Accountants	Thompson Jenner LLP 1 Colleton Crescent Exeter Devon EX2 4DG

Fords South West Limited
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Balance Sheet as at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>4</u>	99,961	133,281
Tangible assets	<u>5</u>	<u>217,571</u>	<u>214,995</u>
		<u>317,532</u>	<u>348,276</u>
Current assets			
Stocks	<u>6</u>	79,220	109,478
Debtors	<u>7</u>	501,685	740,000
Cash at bank and in hand		<u>72,061</u>	<u>311</u>
		652,966	849,789
Creditors: Amounts falling due within one year	<u>8</u>	<u>(595,686)</u>	<u>(1,313,086)</u>
Net current assets/(liabilities)		<u>57,280</u>	<u>(463,297)</u>
Total assets less current liabilities		374,812	(115,021)
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(140,002)</u>	<u>(312,577)</u>
Provisions for liabilities		<u>(47,360)</u>	<u>(33,326)</u>
Net assets/(liabilities)		<u><u>187,450</u></u>	<u><u>(460,924)</u></u>
Capital and reserves			
Called up share capital		500,001	1
Profit and loss account		<u>(312,551)</u>	<u>(460,925)</u>
Total equity		<u><u>187,450</u></u>	<u><u>(460,924)</u></u>

For the financial year ending 30 September 2023 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.

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.

Approved and authorised by the Board on 20 March 2024 and signed on its behalf by:

Fords South West Limited
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Balance Sheet as at 30 September 2023

.....
Mr M R Fisher
Director

Fords South West Limited
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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

1 General information

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

The address of its registered office is:

Unit 3 Alexandria Industrial Estate
Alexandria Road
Sidmouth
Devon
EX10 9HA
United Kingdom

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

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.

Government grants

The Apprenticeship Incentive has been recognised under the accrual model and is credited to other income over the periods in which the compensated costs have been recognised.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

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 balance sheet 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 down to their residual value, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
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

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:

Asset class	Amortisation method and rate
Goodwill	10 % straight line

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

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.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

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.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 50 (2022 - 54).

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 October 2022	333,203	333,203
At 30 September 2023	333,203	333,203
Amortisation		
At 1 October 2022	199,922	199,922
Amortisation charge	33,320	33,320
At 30 September 2023	233,242	233,242
Carrying amount		
At 30 September 2023	99,961	99,961
At 30 September 2022	133,281	133,281

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 October 2022	235,038	452,392	29,880	717,310
Additions	28,025	48,844	4,804	81,673
Disposals	(15,400)	(34,263)	(8,728)	(58,391)
At 30 September 2023	247,663	466,973	25,956	740,592
Depreciation				
At 1 October 2022	162,982	318,907	20,426	502,315
Charge for the period	37,828	24,585	3,266	65,679
Eliminated on disposal	(15,363)	(22,200)	(7,410)	(44,973)
At 30 September 2023	185,447	321,292	16,282	523,021
Carrying amount				
At 30 September 2023	62,216	145,681	9,674	217,571
At 30 September 2022	72,056	133,485	9,454	214,995

Assets upon which security is offered have a net book value at the balance sheet date of £115,238 (2022- £127,107).

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

6 Stocks

	2023	2022
	£	£
Other stocks	79,220	109,478

7 Debtors

	2023	2022
	£	£
Trade debtors	278,627	465,058
Other debtors	207,402	250,166
Prepayments and accrued income	15,656	24,776
Total current trade and other debtors	501,685	740,000

8 Creditors

	2023	2022
	£	£
Due within one year		
Loans and borrowings	25,745	366,387
Trade creditors	282,674	309,037
Amounts owed to group undertakings and undertakings in which the company has a participating interest	39,324	363,557
Taxation and social security	124,577	173,911
Other creditors	25,505	20,344
Accrued expenses	97,861	79,850
	595,686	1,313,086

	2023	2022
	£	£
Due after one year		
Loans and borrowings	31,601	25,858
Amounts owed to group undertakings and undertakings in which the company has a participating interest	108,401	286,719
	140,002	312,577

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2023

9 Loans and borrowings

	2023	2022
	£	£
Current loans and borrowings		
Bank overdrafts	-	300,120
Finance lease and hire purchase liabilities	25,745	66,267
	<u>25,745</u>	<u>366,387</u>

	2023	2022
	£	£
Non-current loans and borrowings		
Finance lease and hire purchase liabilities	31,601	25,858
	<u>31,601</u>	<u>25,858</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, together with the group's other UK subsidiaries, has provided an unlimited guarantee for the bank borrowings of the parent company. The bank borrowings of the parent company at the year end stand at £275,000 (2022: £375,000). The amount expected to be paid by the company in respect of this guarantee is £nil (2022: £ nil).

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.