
DOCTOR AIR BRAKE LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2022

DOCTOR AIR BRAKE LIMITED
REGISTERED NUMBER: 13452368

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	2	2
Tangible assets	5	144,461	96,447
Investments	6	106	106
		<u>144,569</u>	<u>96,555</u>
Current assets			
Debtors: amounts falling due within one year	7	314,807	2
Cash at bank and in hand		460,725	150,098
		<u>775,532</u>	<u>150,100</u>
Creditors: amounts falling due within one year	8	(462,624)	(96,449)
Net current assets		<u>312,908</u>	<u>53,651</u>
Total assets less current liabilities		<u>457,477</u>	<u>150,206</u>
Provisions for liabilities			
Deferred tax		(27,230)	-
		<u>(27,230)</u>	<u>-</u>
Net assets		<u><u>430,247</u></u>	<u><u>150,206</u></u>
Capital and reserves			
Called up share capital	10	206	206
Profit and loss account		430,041	150,000
		<u><u>430,247</u></u>	<u><u>150,206</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 NOVEMBER 2022

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 May 2023.

Thomas Lowe
Director

The notes on pages 3 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

1. General information

The company is registered in England and Wales. The company's registered office is Parkside Garage, Unit 2 Old Stafford Road, Slade Heath, Wolverhampton, England, WV10 7PH. The principle activity of the company is that of the maintenance and repair of motor vehicles.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.3 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Current and deferred taxation

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

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of income and retained earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	15%	reducing balance
Motor vehicles	-	20%	reducing balance
Fixtures and fittings	-	20%	reducing balance
Office equipment	-	20%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the period was 20 (2021 - 2).

4. Intangible assets

	Goodwill £
Cost	
At 1 December 2021	2
At 30 November 2022	<u>2</u>
Net book value	
At 30 November 2022	<u>2</u>
<i>At 30 November 2021</i>	<u>2</u>

DOCTOR AIR BRAKE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 December 2021	17,331	54,733	22,983	1,400	96,447
Additions	48,042	23,284	-	-	71,326
At 30 November 2022	65,373	78,017	22,983	1,400	167,773
Depreciation					
Charge for the period on owned assets	6,551	11,883	4,598	280	23,312
At 30 November 2022	6,551	11,883	4,598	280	23,312
Net book value					
At 30 November 2022	58,822	66,134	18,385	1,120	144,461
<i>At 30 November 2021</i>	<i>17,331</i>	<i>54,733</i>	<i>22,983</i>	<i>1,400</i>	<i>96,447</i>

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 December 2021	106
At 30 November 2022	106

DOCTOR AIR BRAKE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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7. Debtors

	2022 £	2021 £
Trade debtors	262,310	-
Prepayments and accrued income	52,497	2
	<u>314,807</u>	<u>2</u>

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	113,567	-
Amounts owed to group undertakings	126,675	96,449
Corporation tax	34,294	-
Other taxation and social security	50,480	-
Other creditors	101,182	-
Accruals and deferred income	36,426	-
	<u>462,624</u>	<u>96,449</u>

9. Deferred taxation

	2022 £
Charged to profit or loss	27,230
At end of year	<u>27,230</u>

The deferred taxation balance is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	27,230	-
	<u>27,230</u>	<u>-</u>

DOCTOR AIR BRAKE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
186 (2021 - 186) Ordinary shares of £1.00 each	186	186
20 (2021 - 20) 'A' ordinary shares of £1.00 each	20	20
	<hr/>	<hr/>
	206	206
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