

Company registration number 13830565 (England and Wales)

MG ACCIDENT REPAIR CENTRE LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023
PAGES FOR FILING WITH REGISTRAR

MG ACCIDENT REPAIR CENTRE LTD

COMPANY INFORMATION

Director	Mr Denver Hughes
Company number	13830565
Registered office	Enterprise Drive Four Ashes Wolverhampton West Midlands United Kingdom WV10 7DF
Accountants	Jamieson Alexander Audit Limited Unit B2 The Point Weaver Road Lincoln LN6 3QN

MG ACCIDENT REPAIR CENTRE LTD

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MG ACCIDENT REPAIR CENTRE LTD

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MG ACCIDENT REPAIR CENTRE LTD FOR THE YEAR ENDED 30 APRIL 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of MG Accident Repair Centre Ltd for the year ended 30 April 2023 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the board of directors of MG Accident Repair Centre Ltd, as a body, in accordance with the terms of our engagement letter dated 25 March 2022. Our work has been undertaken solely to prepare for your approval the financial statements of MG Accident Repair Centre Ltd and state those matters that we have agreed to state to the board of directors of MG Accident Repair Centre Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MG Accident Repair Centre Ltd and its board of directors as a body, for our work or for this report.

It is your duty to ensure that MG Accident Repair Centre Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of MG Accident Repair Centre Ltd. You consider that MG Accident Repair Centre Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of MG Accident Repair Centre Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Jamieson Alexander Audit Limited

26 April 2024

Chartered Accountants

Unit B2
The Point
Weaver Road
Lincoln
LN6 3QN

MG ACCIDENT REPAIR CENTRE LTD

BALANCE SHEET

AS AT 30 APRIL 2023

		2023	2022
	Notes	£	£
Fixed assets			
Intangible assets	4	37,366	46,906
Tangible assets	5	317,900	236,917
		<u>355,266</u>	<u>283,823</u>
Current assets			
Stocks		315,742	122,395
Debtors	6	137,194	130,434
Cash at bank and in hand		5,925	640
		<u>458,861</u>	<u>253,469</u>
Creditors: amounts falling due within one year	7	<u>(667,795)</u>	<u>(214,706)</u>
Net current (liabilities)/assets		<u>(208,934)</u>	<u>38,763</u>
Total assets less current liabilities		<u>146,332</u>	<u>322,586</u>
Creditors: amounts falling due after more than one year	8	(112,758)	(304,598)
Provisions for liabilities		<u>(18,261)</u>	<u>(15,807)</u>
Net assets		<u>15,313</u>	<u>2,181</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss reserves		15,213	2,081
Total equity		<u>15,313</u>	<u>2,181</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

MG ACCIDENT REPAIR CENTRE LTD

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2023

The financial statements were approved and signed by the director and authorised for issue on 26 April 2024

Mr Denver Hughes
Director

Company registration number 13830565 (England and Wales)

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

Company information

MG Accident Repair Centre Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Enterprise Drive, Four Ashes, Wolverhampton, West Midlands, United Kingdom, WV10 7DF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	5 - 7 years straight line
Computers	4 years straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	24	30

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2022 and 30 April 2023	47,701
Amortisation and impairment	
At 1 May 2022	795
Amortisation charged for the year	9,540
At 30 April 2023	10,335
Carrying amount	
At 30 April 2023	37,366
At 30 April 2022	46,906

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

5 Tangible fixed assets

	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 May 2022	132,954	16,500	100,900	250,354
Additions	87,636	4,442	37,698	129,776
	<u>220,590</u>	<u>20,942</u>	<u>138,598</u>	<u>380,130</u>
At 30 April 2023				
Depreciation and impairment				
At 1 May 2022	10,935	400	2,102	13,437
Depreciation charged in the year	16,965	5,285	26,543	48,793
	<u>27,900</u>	<u>5,685</u>	<u>28,645</u>	<u>62,230</u>
At 30 April 2023				
Carrying amount				
At 30 April 2023	192,690	15,257	109,953	317,900
	<u>122,019</u>	<u>16,100</u>	<u>98,798</u>	<u>236,917</u>
At 30 April 2022				

6 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	103,881	130,434
Corporation tax recoverable	1,044	-
Other debtors	32,269	-
	<u>137,194</u>	<u>130,434</u>
	<u>137,194</u>	<u>130,434</u>

7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	1,003	-
Trade creditors	351,455	97,823
Corporation tax	17,757	3,309
Other taxation and social security	252,254	28,216
Other creditors	45,326	85,358
	<u>667,795</u>	<u>214,706</u>
	<u>667,795</u>	<u>214,706</u>

MG ACCIDENT REPAIR CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

8 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	31,721	-
Other creditors	81,037	304,598
	<u>112,758</u>	<u>304,598</u>

9 Finance lease obligations

	2023 £	2022 £
Future minimum lease payments due under finance leases:		
Within one year	14,482	-
In two to five years	53,104	-
	<u>67,586</u>	<u>-</u>
Less: future finance charges	(11,597)	-
	<u>55,989</u>	<u>-</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

10 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Loan repayable on demand	2.00	-	483,971	1,162	(482,040)	3,093
		<u>-</u>	<u>483,971</u>	<u>1,162</u>	<u>(482,040)</u>	<u>3,093</u>

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.