

REGISTERED NUMBER: OC314359

REGISTRAR OF
COMPANIES

Hobbs Parker Car Auctions LLP
Filleted Financial Statements
31 December 2019



BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Hobbs Parker Car Auctions LLP

Financial Statements

Year ended 31 December 2019

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Hobbs Parker Car Auctions LLP

Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	66,235	79,468
Current assets			
Stocks		22,638	15,050
Debtors	6	2,094,207	1,525,411
Cash at bank and in hand		1,123,077	781,515
		<u>3,239,922</u>	<u>2,321,976</u>
Creditors: amounts falling due within one year	7	<u>1,006,208</u>	<u>471,469</u>
Net current assets		<u>2,233,714</u>	<u>1,850,507</u>
Total assets less current liabilities		<u>2,299,949</u>	<u>1,929,975</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability	8	100	100
Other amounts	8	2,299,849	1,929,875
		<u>2,299,949</u>	<u>1,929,975</u>
Members' other interests			
Other reserves		—	—
		<u>2,299,949</u>	<u>1,929,975</u>
Total members' interests			
Loans and other debts due to members	8	2,299,949	1,929,975
Members' other interests		—	—
		<u>2,299,949</u>	<u>1,929,975</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to LLPs subject to the small LLPs' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006 (as applied to LLPs), the statement of comprehensive income has not been delivered.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) regulations 2008) with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

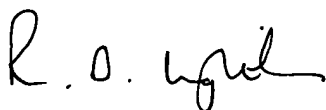
The notes on pages 3 to 6 form part of these financial statements.

Hobbs Parker Car Auctions LLP

Statement of Financial Position *(continued)*

31 December 2019

These financial statements were approved by the members and authorised for issue on 12.08.2020, and are signed on their behalf by:



R B Lightfoot
Designated Member



J B Rimmer
Designated Member

Registered number: OC314359

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

The LLP is registered in England and Wales.

The address of the registered office is Romney House, Monument Way, Orbital Park, Ashford, Kent, TN24 0HB, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in December 2018 (SORP 2018).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors have undertaken specific analysis into the potential business impact of Covid-19 and how this might also be managed and mitigated.

The directors are satisfied that the review showed no material risks to the business and conclude the financial statements should continue to be prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the statement of comprehensive income and are equity appropriations in the statement of financial position.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to property	- 10% straight line
Motor vehicles	- 25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangements entered into.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

4. Employee numbers

The average number of persons employed by the entity during the year amounted to nil (2018: nil).

5. Tangible assets

	Improvements to property £	Motor vehicles £	Total £
Cost			
At 1 January 2019 and 31 December 2019	<u>88,452</u>	<u>53,773</u>	<u>142,225</u>
Depreciation			
At 1 January 2019	26,535	36,222	62,757
Charge for the year	<u>8,845</u>	<u>4,388</u>	<u>13,233</u>
At 31 December 2019	<u>35,380</u>	<u>40,610</u>	<u>75,990</u>
Carrying amount			
At 31 December 2019	<u>53,072</u>	<u>13,163</u>	<u>66,235</u>
At 31 December 2018	<u>61,917</u>	<u>17,551</u>	<u>79,468</u>

6. Debtors

	2019 £	2018 £
Trade debtors	504,609	234,401
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	1,589,252	1,291,010
Other debtors	<u>346</u>	<u>-</u>
	<u>2,094,207</u>	<u>1,525,411</u>

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

7. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	293,205	–
Trade creditors	40,000	–
Amounts owed to group undertakings and undertakings in which the LLP has a participating interest	570,560	408,330
Social security and other taxes	18,795	32,551
Other creditors	83,648	30,588
	<u>1,006,208</u>	<u>471,469</u>

8. Loans and other debts due to members

	2019 £	2018 £
Amounts owed to members in respect of profits	2,299,849	1,929,875
Other amounts	100	100
	<u>2,299,949</u>	<u>1,929,975</u>

Amounts included in Loans and other debts due to members would rank *pari passu* with other unsecured creditors of the LLP in the event of a winding up.

There is no provision for specific legally enforceable protection afforded to creditors in such an event.

There are no restrictions or limitations on the ability of the members to reduce the amount of Members' other interests.

9. Summary audit opinion

The auditor's report for the year dated 29/1/20 was unqualified.

The senior statutory auditor was Colin Reid, for and on behalf of Burgess Hodgson LLP.

10. Related party transactions

Management fees of £830,971 (2018: £906,095) were charged by a group undertaking to the LLP in respect of staff costs and other direct expenses incurred throughout the year.

At the year end the company owed £570,560 (2018: £408,330) to group undertakings.

At the year end the company was owed £1,589,252 (2018: £1,291,010) by a group undertaking.

11. Controlling party

The LLP is a subsidiary of Hobbs Parker Ventures Limited, which is the ultimate parent company incorporated in the United Kingdom.

The results of the LLP are consolidated in the group headed by Hobbs Parker Ventures Limited. The registered office of Hobbs Parker Ventures Limited is Romney House, The New Ashford Market, Monument Way, Ashford, Kent, TN24 0HB.