

Hobbs Parker Car Auctions LLP
Filleted Financial Statements
31 December 2022



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 2022

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Hobbs Parker Car Auctions LLP

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	93,570	42,786
Current assets			
Stocks		6,800	5,750
Debtors	6	3,321,045	2,240,832
Cash at bank and in hand		1,114,546	1,638,369
		<u>4,442,391</u>	<u>3,884,951</u>
Creditors: amounts falling due within one year	7	<u>1,013,893</u>	<u>840,800</u>
Net current assets		<u>3,428,498</u>	<u>3,044,151</u>
Total assets less current liabilities		<u>3,522,068</u>	<u>3,086,937</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability	8	100	100
Other amounts	8	3,521,968	3,086,837
		<u>3,522,068</u>	<u>3,086,937</u>
Members' other interests			
Other reserves		—	—
		<u>3,522,068</u>	<u>3,086,937</u>
Total members' interests			
Loans and other debts due to members	8	3,522,068	3,086,937
Members' other interests		—	—
		<u>3,522,068</u>	<u>3,086,937</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.

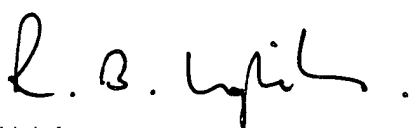
The notes on pages 3 to 7 form part of these financial statements.

Hobbs Parker Car Auctions LLP

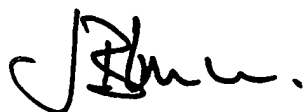
Statement of Financial Position *(continued)*

31 December 2022

These financial statements were approved by the members and authorised for issue on ~~19.9.2023~~, 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 2022

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.

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 members continue to review the potential business impact of COVID-19 on costs and revenues and how these might also be managed and mitigated. They have also considered the potential business impact of the events in Ukraine with particular reference to how these may disrupt their business model, strategy and operations. The members are satisfied that these reviews showed no material risks to the business and conclude that the financial statements should continue to be prepared on a going concern basis.

Overall, the members are satisfied that there are 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).

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

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.

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

Hobbs Parker Car Auctions LLP**Notes to the Financial Statements** *(continued)***Year ended 31 December 2022****3. Accounting policies** *(continued)***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.

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.

Government grants

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the LLP recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

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 (2021: nil).

Hobbs Parker Car Auctions LLP

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Tangible assets

	Improvement s to property £	Motor vehicles £	Total £
Cost			
At 1 January 2022	88,452	53,773	142,225
Additions	—	61,480	61,480
At 31 December 2022	88,452	115,253	203,705
Depreciation			
At 1 January 2022	53,070	46,369	99,439
Charge for the year	8,845	1,851	10,696
At 31 December 2022	61,915	48,220	110,135
Carrying amount			
At 31 December 2022	26,537	67,033	93,570
At 31 December 2021	35,382	7,404	42,786

6. Debtors

	2022 £	2021 £
Trade debtors	22,463	1,690
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	3,298,245	2,239,142
Other debtors	337	—
	3,321,045	2,240,832

7. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	177,094	240,000
Amounts owed to group undertakings and undertakings in which the LLP has a participating interest	775,365	580,922
Social security and other taxes	17,766	13,599
Other creditors	43,668	6,279
	1,013,893	840,800

Hobbs Parker Car Auctions LLP
Notes to the Financial Statements *(continued)*
Year ended 31 December 2022

8. Loans and other debts due to members

	2022	2021
	£	£
Amounts owed to members in respect of profits	3,521,968	3,086,837
Other amounts	100	100
	<u>3,522,068</u>	<u>3,086,937</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 dated **27/9/23** was unqualified.

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

10. Related party transactions

Management fees of £720,318 (2021: £822,860) 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 LLP owed £775,341 (2021: £580,922) to group undertakings.

At the year end the LLP was owed £3,121,151 (2021: £1,999,142) by a group undertaking.

11. Controlling party

The LLP is a subsidiary of Hobbs Parker 1850 LLP, incorporated in the United Kingdom. Hobbs Parker Ventures Limited is the ultimate parent company.

The smallest group in which the results of the LLP are consolidated is that 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.