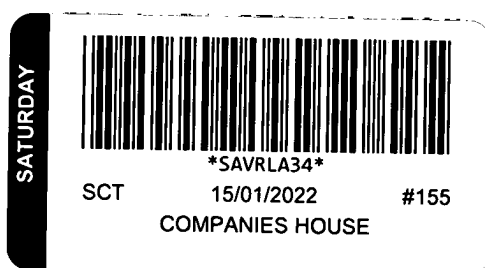


Company Registration No. SC026980 (Scotland)

**JOHN ADAMS (COACH SUPPLIES) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**



# JOHN ADAMS (COACH SUPPLIES) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	I.R.Adams J.A.Adams K.M.Adams G.S.Reid N.Shackleton D.R.Adams
<b>Secretary</b>	Mrs K M Adams
<b>Company number</b>	SC026980
<b>Registered office</b>	Atlas Industrial Estate Edgefauld Drive Springburn Glasgow G21 4UR
<b>Auditor</b>	Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP
<b>Bankers</b>	Clydesdale Bank PLC 30 St. Vincent Place Glasgow G1 2HL
<b>Solicitors</b>	Wright, Johnston & Mackenzie LLP 302 St Vincent Street Glasgow G2 5RZ

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# **JOHN ADAMS (COACH SUPPLIES) LIMITED**

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# JOHN ADAMS (COACH SUPPLIES) LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The directors present the strategic report for the year ended 30 September 2021.

### Fair review of the business

Established in 1946 in Glasgow, John Adams (Coach Supplies) Ltd is a family managed & owned business.

The company operates as a supplier of commercial vehicle body parts to commercial vehicle bodybuilders. It operates from three depots, the largest of which is located in Glasgow with the others in Huddersfield and Banbridge, Northern Ireland. It is, therefore, strategically placed to cover the UK.

During the year to 30th Sept 2021 the company ended its long association with D.W Marshall and Co Ltd based in Peterlee, a business in which John Adams Ltd has had a majority shareholding in for over 25 years. Sadly, a major fire broke out within a neighboring property and ultimately spread into the production facility causing unrepairable damage. Various plans were proposed to save the company however in the end the only viable business decision was to conduct an orderly closing down of the operation in Peterlee.

### Business Model, Markets and Trends

The company trades as a wholesaler with commercial vehicle trade manufacturers being its largest market. All three depots are long established and each with a loyal customer base to supply. The company also has a well-established online e-commerce presence allowing us to supply commercial vehicles parts & fitting to all corners of the UK and when required, overseas.

### Objectives

Management believes the company is well positioned within the industry to maintain strong relationships with existing customers and to be able to attract new business. The company has performed well over the past year despite the many external challenges. Although there is still a high level of economic uncertainty as the country continues to recover from the coronavirus pandemic, as a business our primary focus remains that of maintaining our strong performance and position within the industry, whatever the economic outlook.

### Strategy

The company will seek out new customers using contacts within the trade and by introducing itself to new business as they start up. Management feel they have the key personnel who can maintain the company's existing business and pursue new business opportunities as they arise.

### Key performance indicators

#### KPIs and Risk

The company's key financial indicators are: (ratios exclude exceptional items).

	2021	2020	2019	2018	2017
Gross Margin	24.03%	24.59%	22.92%	22.88%	22.3%
Return on Capital	7.98%	7.24%	14.64%	11.51%	16.09%
Operating Profit as percentage of sales	3.89%	3.91%	5.76%	3.93%	4.56%

Management believe that as the economy recovers there will be a continued demand within the transport industry for vehicles and their maintenance, the company's anticipated growth is based on the assumption that the economy will continue its recovery.

### Performance

John Adams (Coach Supplies) had another strong & profitable year. The company's management are confident the business can maintain its strong performance despite the current economic challenges


# **JOHN ADAMS (COACH SUPPLIES) LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 30 SEPTEMBER 2021***

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By order of the board

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K. M. Adams

**Secretary**

6 January 2022

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The directors present their annual report and financial statements for the year ended 30 September 2021.

### Principal activities

The principal activity of the company remained that of the supply of commercial, private and bus body fittings and aluminium sheet and sections.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I.R.Adams  
J.A.Adams  
K.M.Adams  
G.S.Reid  
N.Shackleton  
D.R.Adams

### Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £200,000. The directors do not recommend payment of a final dividend.

### Auditor

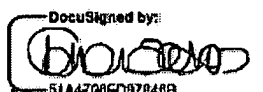
The auditor, Wylie & Bisset (Audit) Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

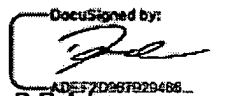
### Statement of disclosure to auditor

So far as the Board of Directors are aware, there is no relevant audit information of which the company's auditors are unaware.

It has taken all steps that it ought to have taken as a Board of directors to make itself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board

DocuSigned by:  
  
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Mrs K M Adams  
Secretary

DocuSigned by:  
  
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D.R.Adams  
Director

6 January 2022

## **JOHN ADAMS (COACH SUPPLIES) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2021***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF JOHN ADAMS (COACH SUPPLIES) LIMITED

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#### Opinion

We have audited the financial statements of John Adams (Coach Supplies) Limited (the 'company') for the year ended 30 September 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other Information

The directors are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



## **JOHN ADAMS (COACH SUPPLIES) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF JOHN ADAMS (COACH SUPPLIES) LIMITED**

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##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

##### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

##### **Explanation as to what extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- *The nature of the company and the industry, control environment and business performance; and*
- *Our enquiries of management about their identification and assessment of the risks of irregularities.*

Based on our understanding of the company and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- *Regulations and legislation pertinent to the company's industry operations; and*
- *UK tax legislation.*

## JOHN ADAMS (COACH SUPPLIES) LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF JOHN ADAMS (COACH SUPPLIES) LIMITED

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We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- *Posting inappropriate journal entries.*

Our procedures to respond to the risks identified included the following:

- *Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates;*
- *Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;*
- *Enquiring of management and legal advisors concerning actual and potential litigation and claims;*
- *Reviewing correspondence with HMRC;*
- *In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.*

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Jenny Bisset (Audit) Limited.*

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**Jenny Simpson (Senior Statutory Auditor)**

**For and on behalf of Wylie & Bisset (Audit) Limited**

**6 January 2022**

**Chartered Accountants**

**Statutory Auditor**

**168 Bath Street  
Glasgow**

**G2 4TP**

**JOHN ADAMS (COACH SUPPLIES) LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

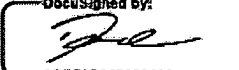
		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>£</b>	<b>as restated £</b>
<b>Turnover</b>	<b>3</b>	12,643,236	10,287,046
<b>Cost of sales</b>		(9,605,181)	(7,757,972)
<b>Gross profit</b>		3,038,055	2,529,074
<b>Administrative expenses</b>		(2,560,070)	(2,294,097)
<b>Other operating income</b>		14,437	167,720
<b>Operating profit</b>	<b>4</b>	492,422	402,697
<b>Interest receivable and similar income</b>	<b>7</b>	52,368	67,791
<b>Interest payable and similar expenses</b>	<b>8</b>	(474)	(2,215)
<b>Profit before taxation</b>		544,316	468,273
<b>Tax on profit</b>	<b>9</b>	(103,514)	(85,814)
<b>Profit for the financial year</b>		440,802	382,459
<b>Other comprehensive income</b>			
<b>Unrealised gain on fair value adjustment of investment</b>	<b>12</b>	-	177,091
<b>Total comprehensive income for the year</b>		440,802	559,550

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**JOHN ADAMS (COACH SUPPLIES) LIMITED****BALANCE SHEET****AS AT 30 SEPTEMBER 2021**

		2021		2020 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		939,835		957,011
Investments	12		1,470,650		1,470,650
			<u>2,410,485</u>		<u>2,427,661</u>
<b>Current assets</b>					
Stocks	14	2,874,735		2,098,455	
Debtors	15	2,442,186		2,341,580	
Cash at bank and in hand		628,791		1,250,891	
		<u>5,945,712</u>		<u>5,690,926</u>	
<b>Creditors: amounts falling due within one year</b>	16	(2,791,036)		(2,792,386)	
<b>Net current assets</b>			<u>3,154,676</u>		<u>2,898,540</u>
<b>Total assets less current liabilities</b>			<u>5,565,161</u>		<u>5,326,201</u>
<b>Creditors: amounts falling due after more than one year</b>	17		-		(19,800)
<b>Provisions for liabilities</b>					
Deferred tax liability	19	43,722		25,764	
		<u>(43,722)</u>		<u>(25,764)</u>	
<b>Net assets</b>			<u><u>5,521,439</u></u>		<u><u>5,280,637</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		6,410		6,410
Capital redemption reserve			2,140		2,140
Profit and loss reserves			5,512,889		5,272,087
<b>Total equity</b>			<u><u>5,521,439</u></u>		<u><u>5,280,637</u></u>

The financial statements were approved by the board of directors and authorised for issue on 6 January 2022 and are signed on its behalf by:

DocuSigned by:  
  
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 D.R. Adams  
 Director

Company Registration No. SC026980

**JOHN ADAMS (COACH SUPPLIES) LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>As restated for the period ended 30 September 2020:</b>					
Balance at 1 October 2019		6,410	2,140	3,750,160	3,758,710
Effect of change in accounting policy		-	-	1,042,377	1,042,377
<b>As restated</b>		<b>6,410</b>	<b>2,140</b>	<b>4,792,537</b>	<b>4,801,087</b>
<b>Year ended 30 September 2020:</b>					
Profit for the year		-	-	382,459	382,459
Other comprehensive income:					
Unrealised gain on fair value as restated		-	-	177,091	177,091
Total comprehensive income for the year as restated		-	-	559,550	559,550
Dividends	10	-	-	(80,000)	(80,000)
<b>Balance at 30 September 2020 as restated</b>		<b>6,410</b>	<b>2,140</b>	<b>5,272,087</b>	<b>5,280,637</b>
<b>Year ended 30 September 2021:</b>					
Profit and total comprehensive income for the year		-	-	440,802	440,802
Dividends	10	-	-	(200,000)	(200,000)
<b>Balance at 30 September 2021</b>		<b>6,410</b>	<b>2,140</b>	<b>5,512,889</b>	<b>5,521,439</b>

**JOHN ADAMS (COACH SUPPLIES) LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 SEPTEMBER 2021**

		<b>2021</b>		<b>2020</b> <b>as restated</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	<b>25</b>		(252,343)		914,172
Interest paid			(474)		(2,215)
Income taxes paid			(83,014)		(149,732)
<b>Net cash (outflow)/inflow from operating activities</b>			<b>(335,831)</b>		<b>762,225</b>
<b>Investing activities</b>					
Purchase of tangible fixed assets		(142,096)		(124,500)	
Proceeds on disposal of tangible fixed assets		54,850		29,600	
Interest received		1,856		991	
Dividends received		50,512		66,800	
<b>Net cash used in investing activities</b>			<b>(34,878)</b>		<b>(27,109)</b>
<b>Financing activities</b>					
Repayment of borrowings		(31,591)		(30,000)	
Payment of hire purchase obligations		(19,800)		-	
Dividends paid		(200,000)		(80,000)	
<b>Net cash used in financing activities</b>			<b>(251,391)</b>		<b>(110,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			<b>(622,100)</b>		<b>625,116</b>
<b>Cash and cash equivalents at beginning of year</b>			<b>1,250,891</b>		<b>625,775</b>
<b>Cash and cash equivalents at end of year</b>			<b>628,791</b>		<b>1,250,891</b>

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1 Accounting policies

#### Company information

John Adams (Coach Supplies) Limited is a company limited by shares incorporated in Scotland. The registered office is Atlas Industrial Estate, Edgefauld Road, Springburn, Glasgow, G21 4UR.

#### 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.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the inclusion of investments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

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.

#### 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.

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:

Buildings	2% Straight line
Plant and machinery	25% Reducing Balance
Fixtures, fittings & equipment	10 % Reducing Balance
Motor vehicles	25% Reducing Balance

Assets in the course of construction are not depreciated.

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 Fixed asset investments

Fixed asset investments are accounted for at fair value. Transaction costs are expensed to profit or loss as incurred. Changes in fair value are recognised in other comprehensive income except to the extent that a gain reverses a loss previously recognised in profit or loss, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in profit or loss.

## **JOHN ADAMS (COACH SUPPLIES) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2021**

---

#### **1 Accounting policies**

**(Continued)**

##### **1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

##### **1.7 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.

##### **1.8 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.

##### **1.9 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.



## JOHN ADAMS (COACH SUPPLIES) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

(Continued)

##### **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.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.10 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.

#### 1.11 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.

##### *Deferred tax*

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.12 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.

#### 1.13 Retirement benefits

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

#### 1.14 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.

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.15 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.

##### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Depreciation of fixed assets**

Fixed assets are depreciated over the useful life of the assets. The useful lives of fixed assets are based on the knowledge of senior management, with reference to the assets expected life cycle.

##### **Stock Provision**

Old or obsolete stock is written down using standard methodology based on the aging of stock movements. This methodology has been designed by senior management experienced with the stock items in question and the likely realisable value of these.

##### **Valuation of Investments**

The carrying value of investments is measured at their fair value at the accounting date. The fair value at 30 September 2019 was determined by reference to a relevant share valuation prepared as part of a binding sale agreement. The fair value at 30 September 2020 and 30 September 2021 was determined by reference to cessation accounts prepared after the company ceased trading in March 2021.

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****3 Turnover and other revenue**

	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
UK	12,235,264	10,073,898
Non-UK	407,972	213,148
	<u>12,643,236</u>	<u>10,287,046</u>
	2021 £	2020 £
<b>Other significant revenue</b>		
Interest income	1,856	991
Dividends received	50,512	66,800
Grants received	8,935	165,561
	<u>59,303</u>	<u>173,352</u>

**4 Operating profit**

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(5,502)	(2,159)
Government grants	(8,935)	(165,561)
Fees payable to the company's auditor for the audit of the company's financial statements	14,053	12,452
Depreciation of owned tangible fixed assets	119,920	109,315
(Profit)/loss on disposal of tangible fixed assets	(15,498)	268
Operating lease charges	28,100	33,842
	<u>138,128</u>	<u>87,157</u>

**5 Employees**

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

	2021 Number	2020 Number
Management and administration	12	12
Sales and distribution	23	24
	<u>35</u>	<u>36</u>
<b>Total</b>	<u>35</u>	<u>36</u>

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****5 Employees****(Continued)**

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	1,425,541	1,372,021
Social security costs	189,809	165,376
Pension costs	85,692	75,439
	<u>1,701,042</u>	<u>1,612,836</u>

**6 Directors' remuneration**

	2021 £	2020 £
Remuneration for qualifying services	555,638	543,463
Company pension contributions to defined contribution schemes	50,159	54,973
	<u>605,797</u>	<u>598,436</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020 - 4).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	233,333	143,050
Company pension contributions to defined contribution schemes	12,240	7,031
	<u>245,573</u>	<u>150,081</u>

**7 Interest receivable and similar income**

	2021 £	2020 £
Interest income		
Other interest income	1,856	991
Income from fixed asset investments		
Income from shares in group undertakings	50,512	66,800
Total income	<u>52,368</u>	<u>67,791</u>

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****8 Interest payable and similar expenses**

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	8
<b>Other finance costs:</b>		
Other interest	474	2,207
	<u>474</u>	<u>2,215</u>

**9 Taxation**

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	85,556	81,710
<b>Deferred tax</b>		
Origination and reversal of timing differences	17,958	4,104
	<u>103,514</u>	<u>85,814</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	<u>544,316</u>	<u>468,273</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	103,420	88,972
Tax effect of expenses that are not deductible in determining taxable profit	3,676	6,736
Permanent capital allowances in excess of depreciation	(40,068)	(20,773)
Depreciation on assets not qualifying for tax allowances	22,784	20,770
Dividend income	(12,541)	(12,692)
Deferred tax charge	17,958	4,104
s455 tax repayment	(4,587)	(1,303)
Capital items expensed	12,872	-
	<u>103,514</u>	<u>85,814</u>
Tax expense for the year	<u>103,514</u>	<u>85,814</u>

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021****10 Dividends**

	2021 £	2020 £
Interim paid	200,000	80,000

**11 Tangible fixed assets**

	Buildings £	Assets under construction £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 October 2020	1,054,735	39,600	264,283	143,791	655,062	2,157,471
Additions	-	-	12,887	-	129,209	142,096
Disposals	-	-	-	-	(121,046)	(121,046)
Transfers	-	(39,600)	-	-	39,600	-
At 30 September 2021	1,054,735	-	277,170	143,791	702,825	2,178,521
<b>Depreciation and impairment</b>						
At 1 October 2020	413,967	-	229,307	125,810	431,376	1,200,460
Depreciation charged in the year	21,096	-	8,744	1,798	88,282	119,920
Eliminated in respect of disposals	-	-	-	-	(81,694)	(81,694)
At 30 September 2021	435,063	-	238,051	127,608	437,964	1,238,686
<b>Carrying amount</b>						
At 30 September 2021	619,672	-	39,119	16,183	264,861	939,835
At 30 September 2020	640,768	39,600	34,976	17,981	223,686	957,011

**12 Fixed asset investments**

	Notes	2021 £	2020 As restated £
Opening balance	13	1,470,650	1,293,559
Unrealised gain on fair value		-	177,091
		1,470,650	1,470,650

On the 7th October 2021 John Adams (Coach Supplies) Limited received an interim distribution of £1,177,890 from the liquidator in respect of its shares in D. W. Marshall and Co. Limited.

**JOHN ADAMS (COACH SUPPLIES) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**13 Investments**

Details of the company's investments at 30 September 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
D W Marshall & Co Ltd	England	In Members Voluntary Liquidation	Ordinary Shares £1	83.57 -



**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021****14 Stocks**

	2021 £	2020 £
Finished goods and goods for resale	2,874,735	2,098,455

**15 Debtors**

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	2,291,874	2,080,831
Amounts owed by group undertakings	-	94,378
Other debtors	21,814	33,429
Prepayments and accrued income	128,498	132,942
	<u>2,442,186</u>	<u>2,341,580</u>

**16 Creditors: amounts falling due within one year**

	2021 £	2020 £
	Notes	
Obligations under finance leases	19,800	19,800
Loans from related party	18 -	31,591
Trade creditors	2,162,891	2,003,187
Amounts due to group undertakings	-	9,604
Corporation tax	81,795	79,253
Other taxation and social security	240,647	252,653
Other creditors	5,974	12,881
Accruals and deferred income	279,929	383,417
	<u>2,791,036</u>	<u>2,792,386</u>

Liabilities under hire purchase contracts are secured on the assets concerned

**17 Creditors: amounts falling due after more than one year**

	2021 £	2020 £
Obligations under finance leases	-	19,800

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****18 Loans and overdrafts**

	2021 £	2020 £
Loans from related parties	-	31,591
	<u>          </u>	<u>          </u>
Payable within one year	-	31,591
	<u>          </u>	<u>          </u>

**19 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
<b>Balances:</b>		
Accelerated capital allowances	43,722	25,764
	<u>          </u>	<u>          </u>
<b>Movements in the year:</b>		2021 £
Liability at 1 October 2020		25,764
Charge to profit or loss		17,958
		<u>          </u>
Liability at 30 September 2021		43,722
		<u>          </u>

The deferred tax liability set out above is expected to reverse after more than 12 months and relates to accelerated capital allowances that are expected to mature within that period.

**20 Retirement benefit schemes**

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	85,692	75,439
	<u>          </u>	<u>          </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 21 Share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
9,000 Ordinary Shares of £1 each	9,000	9,000
<b>Issued and fully paid</b>		
6,410 Ordinary Shares of £1 each	6,410	6,410

### 22 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	28,100	28,100
Between two and five years	40,400	40,400
In over five years	252,500	262,600
	321,000	331,100

### 23 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	<b>Sales</b>		<b>Purchases</b>	
	2021 £	2020 £	2021 £	2020 £
D.W. Marshall and Co. Limited	59,557	141,358	130,795	36,056

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
<b>Amounts due to related parties</b>		
D.W. Marshall and Co. Limited	-	9,604

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2021

#### 23 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2021	2020
Amounts due from related parties	£	£
D.W. Marshall and Co. Limited	-	94,378
	<u>          </u>	<u>          </u>

#### 24 Directors' transactions

Dividends totalling £200,000 (2020: £80,000) were paid in the year in respect of shares held by the company's directors.

The company received £50,512 (2020: £66,800) from D. W. Marshall and Co. Limited representing the total dividends declared for the year under review.

During the year under review donations totalling £8,025 were made to Rock Projects Uganda, a charity of whom director D R Adams is a trustee. (2020: £8,475)

Included within other debtors is a loan advanced to one director.

The loan was for £45,000 and was advanced on 9 March 2018. This was repayable over a maximum of five years, with a interest rate of 2.75% pre 30 June 2018 and 2.65% post 30 June 2018. A summary of the movements during the current year are as follows:

	£
Balance at 1 October 2020 :	33,429
Interest charged:	885
Repaid during the year:	<u>(15,000)</u>
Balance at 30 September 2021:	<u>19,314</u>

# JOHN ADAMS (COACH SUPPLIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 25 Cash (absorbed by)/generated from operations

	2021 £	2020 £
Profit for the year after tax	440,802	382,459
<b>Adjustments for:</b>		
Taxation charged	103,514	85,814
Finance costs	474	2,215
Investment income	(52,368)	(67,791)
(Gain)/loss on disposal of tangible fixed assets	(15,498)	268
Depreciation and impairment of tangible fixed assets	119,920	109,315
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(776,280)	100,901
(Increase)/decrease in debtors	(100,606)	210,450
Increase in creditors	27,699	90,541
<b>Cash (absorbed by)/generated from operations</b>	<b>(252,343)</b>	<b>914,172</b>

### 26 Analysis of changes in net funds

	1 October 2020 £	Cash flows 30 September 2021 £	£
Cash at bank and in hand	1,250,891	(622,100)	628,791
Borrowings excluding overdrafts	(31,591)	31,591	-
Obligations under finance leases	(39,600)	19,800	(19,800)
	<b>1,179,700</b>	<b>(570,709)</b>	<b>608,991</b>

### 27 Prior period adjustment

The company owns a majority shareholding in D W Marshall & Co. Limited, which was previously accounted for as a subsidiary. During the year D W Marshall & Co. Limited entered Members Voluntary Liquidation and accordingly it is no longer controlled by the company and does not meet the definition of a subsidiary.

The investment is now accounted for at fair value which represents a change in accounting policy. Accordingly the comparatives have been restated to record the investment at fair value.

The prior year adjustment has had the following impact on previously reported figures:

#### Changes to the balance sheet

	As previously reported £	Adjustment £	As restated at 30 Sep 2020 £
<b>Fixed assets</b>			
Investments	251,182	1,219,468	1,470,650

**JOHN ADAMS (COACH SUPPLIES) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****27 Prior period adjustment****(Continued)**

	<b>As previously reported £</b>	<b>Adjustment £</b>	<b>As restated at 30 Sep 2020 £</b>
<b>Capital and reserves</b>			
Profit and loss reserves brought forward	3,750,160	1,042,377	4,792,537
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Changes to the statement of comprehensive income</b>			
	<b>As previously reported £</b>	<b>Adjustment £</b>	<b>As restated at 30 Sep 2020 £</b>
<b>Period ended 30 September 2020</b>			
Unrealised gain on fair value adjustment	-	177,091	177,091
	<u>          </u>	<u>          </u>	<u>          </u>