

Company Registration No. 00968279 (England and Wales)

**CAR SPARES NECHELLS LIMITED**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2021**

# CAR SPARES NECHELLS LIMITED

## COMPANY INFORMATION

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<b>Director</b>	M J Gardner Jnr
<b>Secretary</b>	T Gardner
<b>Company number</b>	00968279
<b>Registered office</b>	90 Summer Lane Newtown Birmingham B19 3ND
<b>Auditor</b>	Cheesmans 4 Aztec Row Berners Road London N1 0PW
<b>Bankers</b>	HSBC Bank Plc 34 Poplar Road Solihull West Midlands B91 3AF

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# **CAR SPARES NECHELLS LIMITED**

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# **CAR SPARES NECHELLS LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The director presents his annual report and financial statements for the year ended 31 December 2021.

### **Principal activities**

In the prior year, the company sold its rights to the High Speed Railway Link 2 claim that was still being negotiated to its parent company, and has therefore ceased to trade during the year. On this basis the company is not a going concern and accordingly has adopted the break up basis of accounting for the year.

### **Director**

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

M J Gardner Jnr

### **Auditor**

The auditor, Cheesmans, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of director's responsibilities**

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

## **CAR SPARES NECHELLS LIMITED**

### **DIRECTOR'S REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the Sole Director

T Gardner

**Secretary**

9 August 2022

# **CAR SPARES NECHELLS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBER OF CAR SPARES NECHELLS LIMITED**

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#### **Opinion**

We have audited the financial statements of Car Spares Nechells Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 Financial Reporting Standard 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 31 December 2021 and of its loss 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.

#### **Emphasis of Matter**

We draw attention to note 1.2 of the financial statements, which describes the choice by the director to prepare the financial statements on a basis other than going concern. Our opinion is not modified in this respect.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

# **CAR SPARES NECHELLS LIMITED**

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

### **TO THE MEMBER OF CAR SPARES NECHELLS 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 director's report. We have nothing to report in respect of the following matters in relation to which 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report and from the requirement to prepare a strategic report.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that 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 override of controls), and determined that the principal risks were related to posting inappropriate journals to increase revenue or reduce expenditure and management bias in accounting estimates. Audit procedures performed by the engagement team included:

#### **Audit response to risks identified**

- Discussions with management in respect of known or suspected instances of non-compliance with laws and regulation and fraud, and review of board minutes and internal reports;
- Reviewing journal entries, unusual account combinations, such as those with unusual or unexpected journal postings to the profit and loss as well as journals which contain unusual words.

## **CAR SPARES NECHELLS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)** **TO THE MEMBER OF CAR SPARES NECHELLS LIMITED**

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There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also the risk of not detecting 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 member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

**Carol Cheesman (Senior Statutory Auditor)**  
**For and on behalf of Cheesmans**

9 August 2022

**Chartered Accountants**  
**Statutory Auditor**

4 Aztec Row  
Berners Road  
London  
N1 0PW



# CAR SPARES NECHELLS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Administrative expenses		(220,345)	(93)
Income received in respect of compensation claim	3	-	230,411
<b>Operating (loss)/profit</b>		<b>(220,345)</b>	<b>230,318</b>
Interest receivable and similar income		-	4
<b>(Loss)/profit before taxation</b>		<b>(220,345)</b>	<b>230,322</b>
Taxation		56	(43,800)
<b>(Loss)/profit for the financial year</b>		<b>(220,289)</b>	<b>186,522</b>

# CAR SPARES NECHELLS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Debtors falling due after one year	5	-		223,403	
Cash at bank and in hand		1,375		2,754	
		<u>1,375</u>		<u>226,157</u>	
<b>Creditors: amounts falling due within one year</b>	6	(221,564)		(179,840)	
<b>Net current (liabilities)/assets</b>			(220,189)		46,317
			<u></u>		<u></u>
<b>Capital and reserves</b>					
Called up share capital			50		50
Capital redemption reserve			50		50
Profit and loss reserves			(220,289)		46,217
			<u></u>		<u></u>
<b>Total equity</b>			(220,189)		46,317
			<u></u>		<u></u>

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

The financial statements were approved and signed by the Director and authorised for issue on 9 August 2022

M J Gardner Jnr

**Sole Director**

**Company Registration No. 00968279**

# CAR SPARES NECHELLS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 January 2020</b>	50	50	(140,305)	(140,205)
<b>Year ended 31 December 2020:</b>				
Profit and total comprehensive income for the year	-	-	186,522	186,522
<b>Balance at 31 December 2020</b>	50	50	46,217	46,317
<b>Year ended 31 December 2021:</b>				
Loss and total comprehensive income for the year	-	-	(220,289)	(220,289)
Dividends	-	-	(46,217)	(46,217)
<b>Balance at 31 December 2021</b>	50	50	(220,289)	(220,189)

# CAR SPARES NECHELLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Company information**

Car Spares Nechells Limited is a private company limited by shares incorporated in England and Wales. The registered office is 90 Summer Lane, Newtown, Birmingham, B19 3ND.

#### **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 £.

#### **1.2 Going concern**

Due to the compulsory purchase of the company's trading address which occurred on 26 September 2018, which caused the company to cease to trade the sole director considers it inappropriate to prepare the financial statements on a going concern basis and therefore the sole director has prepared the financial statements on a break up basis.

#### **1.3 Cash at bank and in hand**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts.

#### **1.4 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

# CAR SPARES NECHELLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.5 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.6 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.

### 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.

# CAR SPARES NECHELLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Recoverability of debtors

When assessing the recoverability of debtors, the directors consider the likelihood of future economic inflows to determine if the carrying value is appropriate or if a provision is required.

### 3 Exceptional item

	2021	2020
	£	£
<b>Income</b>		
Income received for compensation claim	-	(230,411)

### 4 Employees

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

	2021	2020
	Number	Number
Total	-	-

### 5 Debtors

	2021	2020
	£	£
<b>Amounts falling due after more than one year:</b>		
Other debtors	-	223,403

### 6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts due to group undertakings	221,533	102,631
Corporation tax	-	43,800
Other creditors	31	33,409
	221,564	179,840

## **CAR SPARES NECHELLS LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **7 Financial commitments, guarantees and contingent liabilities**

A charge of £39,000 (2020: £39,000) is secured on the assets of the company to a third party. At 31 December 2021 there were no amounts that could be called under this arrangement and it is therefore being released.

There is an limited multilateral guarantee between the companies of the Car Spares (Distribution) Holdings Limited group and HSBC Bank PLC whereby amounts due to and from HSBC Bank PLC can be offset, both in terms of capital and interest calculation.

#### **8 Parent company**

The company is a wholly owned subsidiary undertaking of Car Spares (Distribution) Holdings Limited, a company registered in England and Wales, in which the results of the company are consolidated. Copies of these consolidated financial statements can be obtained from the Registrar of Companies, Companies House, Maindy, Cardiff CF4 3UZ.

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.