

Imperial Motor Company Limited

Annual Report and Unaudited Filled Financial Statements
for the Year Ended 31 August 2018

Manningtons
7 Wellington Square
Hastings
East Sussex
TN34 1PD

Imperial Motor Company Limited

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Imperial Motor Company Limited

Company Information

Director Mr KR Freed

Company secretary Mrs MM Freed

Registered office 7 Wellington Square
Hastings
East Sussex
TN34 1PD

Accountants Manningtons
7 Wellington Square
Hastings
East Sussex
TN34 1PD

Imperial Motor Company Limited

(Registration number: 04477060)
Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>5</u>	4,221	4,132
Current assets			
Stocks	<u>6</u>	628,700	636,000
Debtors	<u>7</u>	1,248	29,970
Cash at bank and in hand		44,602	6,076
		<u>674,550</u>	<u>672,046</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(262,653)</u>	<u>(316,276)</u>
Net current assets		<u>411,897</u>	<u>355,770</u>
Total assets less current liabilities		416,118	359,902
Provisions for liabilities		<u>(801)</u>	<u>(1,181)</u>
Net assets		<u>415,317</u>	<u>358,721</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>415,217</u>	<u>358,621</u>
Total equity		<u>415,317</u>	<u>358,721</u>

For the financial year ending 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 8 form an integral part of these financial statements.

Imperial Motor Company Limited

(Registration number: 04477060)
Balance Sheet as at 31 August 2018

Approved and authorised by the director on 27 May 2019

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Mr KR Freed
Director

The notes on pages 4 to 8 form an integral part of these financial statements.
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Imperial Motor Company Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

7 Wellington Square
Hastings
East Sussex
TN34 1PD
England

The principal place of business is:

Unit 2B
Chichester Road
St Leonards on Sea
E Sussex
TN38 9BG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Imperial Motor Company Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixture, fittings and equipment	15% reducing balance
Motor vehicles	25% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Financial Statements for the Year Ended 31 August 2018

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 9 (2017 - 5).

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Notes to the Financial Statements for the Year Ended 31 August 2018

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 September 2017	26,217	26,217
At 31 August 2018	26,217	26,217
Amortisation		
At 1 September 2017	26,217	26,217
At 31 August 2018	26,217	26,217
Carrying amount		
At 31 August 2018	-	-

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 September 2017	11,290	4,167	15,457
Additions	835	-	835
At 31 August 2018	12,125	4,167	16,292
Depreciation			
At 1 September 2017	7,158	4,167	11,325
Charge for the year	746	-	746
At 31 August 2018	7,904	4,167	12,071
Carrying amount			
At 31 August 2018	4,221	-	4,221
At 31 August 2017	4,132	-	4,132

6 Stocks

	2018 £	2017 £
Other inventories	628,700	636,000

Imperial Motor Company Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

7 Debtors

	2018 £	2017 £
Prepayments	1,248	1,162
Other debtors	-	28,602
Director loan account	-	206
	<u>1,248</u>	<u>29,970</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	9	181,167	248,036
Trade creditors		3,150	2,810
Taxation and social security		73,093	60,651
Accruals and deferred income		4,645	4,645
Other creditors		218	134
Director loan account		380	-
		<u>262,653</u>	<u>316,276</u>

9 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	181,167	224,177
Bank overdrafts	-	23,859
	<u>181,167</u>	<u>248,036</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.