

AEROLITE GARAGE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

AEROLITE GARAGE LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AEROLITE GARAGE LIMITED FOR THE YEAR ENDED 30 NOVEMBER 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Aerolite Garage Limited for the year ended 30 November 2017 which comprise the Profit and loss account, the Balance sheet and the related notes from the Company accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of directors of Aerolite Garage Limited, as a body, in accordance with the terms of our engagement letter dated 30 April 2012. Our work has been undertaken solely to prepare for your approval the financial statements of Aerolite Garage Limited and state those matters that we have agreed to state to the Board of directors of Aerolite Garage Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aerolite Garage Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Aerolite Garage Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Aerolite Garage Limited. You consider that Aerolite Garage Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Aerolite Garage Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

MA Partners LLP

Chartered Accountants

7 The Close
Norwich
Norfolk
NR1 4DJ

7 February 2018

AEROLITE GARAGE LIMITED
REGISTERED NUMBER: 05246833

BALANCE SHEET
AS AT 30 NOVEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	70,000	80,000
Tangible assets	5	38,556	30,594
		<u>108,556</u>	<u>110,594</u>
Current assets			
Stocks		36,197	43,087
Debtors: amounts falling due within one year	6	31,835	18,730
Cash at bank and in hand		168,087	135,515
		<u>236,119</u>	<u>197,332</u>
Creditors: amounts falling due within one year	7	(146,673)	(182,519)
Net current assets		<u>89,446</u>	<u>14,813</u>
Total assets less current liabilities		<u>198,002</u>	<u>125,407</u>
Provisions for liabilities			
Deferred tax		(6,796)	-
		<u>(6,796)</u>	<u>-</u>
Net assets		<u><u>191,206</u></u>	<u><u>125,407</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		191,106	125,307
		<u>191,206</u>	<u>125,407</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

AEROLITE GARAGE LIMITED
REGISTERED NUMBER: 05246833

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2017

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 February 2018.

S Parrott

Director

The notes on pages 4 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

1. General information

The Company is a private company limited by shares. It is incorporated and domiciled in England and Wales. The address of its registered office is 7 The Close, Norwich, Norfolk, NR1 4DJ.

The Company's principal activity is that of garage proprietors.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The financial statements for the year ended 30 November 2017 are the company's first financial statements that comply with FRS102. The company's date of transition to FRS102 was 1 December 2015. The company's last financial statements prepared in accordance with previous GAAP were for the year ended 30 November 2016.

Information on the impact of first-time adoption of FRS102 is given in note 11.

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

2. Accounting policies (continued)

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	20	years
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2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance basis..

Depreciation is provided on the following basis:

Plant & machinery	-	15%	reducing balance
Motor vehicles	-	25%	reducing balance
Computer equipment	-	33%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.12 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 9 (2016 - 9).

AEROLITE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

4. Intangible assets

	Goodwill £
Cost	
At 1 December 2016	200,000
At 30 November 2017	<u>200,000</u>
Amortisation	
At 1 December 2016	120,000
Charge for the year	10,000
At 30 November 2017	<u>130,000</u>
Net book value	
At 30 November 2017	<u><u>70,000</u></u>
At 30 November 2016	<u><u>80,000</u></u>

AEROLITE GARAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

5. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 December 2016	55,967	16,980	72,947
Additions	17,926	-	17,926
Disposals	(5,780)	-	(5,780)
	<u>68,113</u>	<u>16,980</u>	<u>85,093</u>
At 30 November 2017			
Depreciation			
At 1 December 2016	36,007	6,346	42,353
Charge for the year on owned assets	5,711	2,658	8,369
Disposals	(4,186)	-	(4,186)
	<u>37,532</u>	<u>9,004</u>	<u>46,536</u>
At 30 November 2017			
Net book value			
At 30 November 2017	<u>30,581</u>	<u>7,976</u>	<u>38,557</u>
At 30 November 2016	<u>19,960</u>	<u>10,634</u>	<u>30,594</u>

6. Debtors

	2017 £	2016 £
Trade debtors	31,835	18,730
	<u>31,835</u>	<u>18,730</u>

AEROLITE GARAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	32,904	28,893
Corporation tax	24,568	24,600
Other taxation and social security	15,731	8,455
Other creditors	67,215	117,819
Accruals and deferred income	6,255	2,752
	<u>146,673</u>	<u>182,519</u>

8. Deferred taxation

	2017 £
Charged to profit or loss	(6,796)
At end of year	<u><u>(6,796)</u></u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(6,796)	-
	<u><u>(6,796)</u></u>	<u><u>-</u></u>

9. Commitments under operating leases

At 30 November 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	2,053	2,053
Later than 1 year and not later than 5 years	3,763	5,816
	<u><u>5,816</u></u>	<u><u>7,869</u></u>

AEROLITE GARAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

10. Related party transactions

As at 30 November 2017 the company owed the directors **£65,457** (2016 - £116,144).

Dividends of **£26,200** (2016 - £99,250) were paid to the directors during the year.

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.