

REGISTRAR

Registered number: 07215684

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

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THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED
REGISTERED NUMBER:07215684

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	586,674	660,006
Tangible assets	5	26,411	31,812
		<u>613,085</u>	<u>691,818</u>
Current assets			
Stocks	6	639,158	656,375
Debtors: amounts falling due within one year	7	82,736	218,414
Cash at bank and in hand	8	3,277	8,899
		<u>725,171</u>	<u>883,688</u>
Creditors: amounts falling due within one year	9	(905,491)	(1,182,024)
Net current liabilities		<u>(180,320)</u>	<u>(298,336)</u>
Total assets less current liabilities		<u>432,765</u>	<u>393,482</u>
Provisions for liabilities			
Deferred tax	11	(2,818)	(3,358)
		<u>(2,818)</u>	<u>(3,358)</u>
Net assets		<u>429,947</u>	<u>390,124</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		429,847	390,024
		<u>429,947</u>	<u>390,124</u>

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED
REGISTERED NUMBER:07215684

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2017

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.

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 statement of income and retained earnings 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 by:

S W Porter
Director



Date: 18 APRIL 2018

The notes on pages 3 to 13 form part of these financial statements.

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

1. General information

Thrapston Garage and Titty Ho Motor Company Limited is a limited company incorporated in England. The addresses of its registered office and principal place of business are disclosed on the company information page.

The company's principal activity is the sale and repair of motor vehicles and ancillary services.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

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 company transitioned to FRS102 Section 1A on 1 July 2015. Information on the impact of first-time adoption of FRS 102 Section 1A is given in note 17.

The company previously prepared its financial statements under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The last financial statements available using the previous financial reporting standard was the year ended 30 June 2016.

The following principal accounting policies have been applied:

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

2. Accounting policies (continued)

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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

Revenue 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 revenue 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.

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 Statement of income and retained earnings over its useful economic life.

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.

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

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 33% reducing balance

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 Statement of income and retained earnings.

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. Work in progress and finished goods include labour and attributable overheads.

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 instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

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

2. Accounting policies (continued)

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 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 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.

2.12 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 Statement of income and retained earnings 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.

2.13 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.14 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 Statement of income and retained earnings 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.

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

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 27 (2016 - 27).

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

4. Intangible assets

	Goodwill £
Cost	
At 1 July 2016	1,100,000
At 30 June 2017	1,100,000
Amortisation	
At 1 July 2016	439,994
Charge for the year	73,332
At 30 June 2017	513,326
Net book value	
At 30 June 2017	586,674
At 30 June 2016	660,006

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 July 2016	23,175	9,637	50,387	23,641	106,840
Additions	-	-	-	1,604	1,604
At 30 June 2017	23,175	9,637	50,387	25,245	108,444
Depreciation					
At 1 July 2016	16,814	6,968	32,497	18,749	75,028
Charge for the year on owned assets	1,394	667	2,475	2,469	7,005
At 30 June 2017	18,208	7,635	34,972	21,218	82,033
Net book value					
At 30 June 2017	4,967	2,002	15,415	4,027	26,411
At 30 June 2016	6,361	2,669	17,890	4,892	31,812

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

6. Stocks

	2017 £	2016 £
Vehicle and parts stock	639,158	656,375
	639,158	656,375

Stock recognised in cost of sales during the year as an expense was £9,645,700 (2016 - £8,671,855).

7. Debtors

	2017 £	2016 £
Trade debtors	24,564	152,308
Prepayments and accrued income	58,172	66,106
	82,736	218,414

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	3,277	8,899
Less: bank overdrafts	-	(39,841)
	3,277	(30,942)

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	-	39,841
Trade creditors	434,605	305,591
Corporation tax	28,689	105,376
Other taxation and social security	51,897	74,337
Other creditors	375,838	591,692
Accruals and deferred income	14,462	65,187
	<u>905,491</u>	<u>1,182,024</u>

Vehicle stocking funding of £197,810 (2016 - £249,360) included within other creditors, are secured on the vehicles to which they relate.

	2017 £	2016 £
Other taxation and social security		
PAYE/NI control	14,513	11,849
VAT control	37,384	62,488
	<u>51,897</u>	<u>74,337</u>

10. Financial instruments

All financial instruments are included at amortised cost.

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

11. Deferred taxation

	2017 £	2016 £
At beginning of year	3,358	4,399
Charged to profit or loss	(540)	(1,041)
At end of year	2,818	3,358

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	2,818	3,358
	2,818	3,358

12. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

13. Reserves**Profit and loss account**

The profit and loss account reserve includes all current and prior period retained profits and losses.

14. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £6,944 (2016 - £Nil)). Contributions of £Nil (2016 - £Nil) were payable to the fund as at 30 June 2017.

THRAPSTON GARAGE AND TITTY HO MOTOR COMPANY LIMITED

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

15. Related party transactions

The company was under the control of S W Porter and M J Porter throughout the period by virtue of their majority shareholding in the company.

The directors of the company are all partners in a property business. At 30 June 2017 the company owed the partnership £175,062 (2016 - £329,853). No interest is charged on this balance.

During the period the company paid rent of £87,500 (2016 - £87,500) to the partnership in respect of premises occupied by the company and owned by the partnership. No balance is outstanding in relation to rent at either year end.

The directors' have given a joint personal guarantee of £400,000 in respect of the company's bank facilities.

16. 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.