
A & E AUTOMOTIVE LIMITED

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

A & E AUTOMOTIVE LIMITED

COMPANY INFORMATION

Director	E D Mackintosh
Registered number	7229521
Registered office	50 Northwood Lane Clayton Newcastle Under Lyme Staffordshire ST5 4BN
Accountants	Whittingham Riddell LLP Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

A & E AUTOMOTIVE LIMITED

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A & E AUTOMOTIVE LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The director presents her report and the financial statements for the year ended 30 June 2016.

Director

The director who served during the year was:

E D Mackintosh

Small companies note

In preparing this report, the director have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 June 2017 and signed on its behalf.

E D Mackintosh
Director

WR

A & E AUTOMOTIVE LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY
FINANCIAL STATEMENTS OF A & E AUTOMOTIVE LIMITED
FOR THE YEAR ENDED 30 JUNE 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A & E Automotive Limited for the year ended 30 June 2016 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 director of A & E Automotive Limited in accordance with the terms of our engagement letter dated 31 March 2016. Our work has been undertaken solely to prepare for your approval the financial statements of A & E Automotive Limited and state those matters that we have agreed to state to the director of A & E Automotive Limited 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 A & E Automotive Limited and its director for our work or for this report.

It is your duty to ensure that A & E Automotive 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 A & E Automotive Limited. You consider that A & E Automotive 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 A & E Automotive 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.

Whittingham Riddell LLP

Chartered Accountants

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG
29 June 2017

WR

A & E AUTOMOTIVE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 £	2015 £
Turnover		61,289	69,524
Cost of sales		(34,713)	(32,506)
Gross profit		26,576	37,018
Administrative expenses		(38,829)	(39,597)
Operating loss		(12,253)	(2,579)
Interest payable and similar charges		(137)	(268)
Loss before tax		(12,390)	(2,847)
Tax on loss on ordinary activities		129	131
Loss for the year		(12,261)	(2,716)

The notes on pages 6 to 11 form part of these financial statements.

WR

A & E AUTOMOTIVE LIMITED
REGISTERED NUMBER: 7229521

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	4,752	5,935
		<u>4,752</u>	<u>5,935</u>
Current assets			
Stocks		800	800
Debtors: amounts falling due within one year	5	1,681	4,232
		<u>2,481</u>	<u>5,032</u>
Creditors: amounts falling due within one year	6	(36,474)	(24,332)
		<u>(33,993)</u>	<u>(19,300)</u>
Net current liabilities		(33,993)	(19,300)
Total assets less current liabilities		(29,241)	(13,365)
Provisions for liabilities			
Deferred tax	7	(460)	(589)
		<u>(460)</u>	<u>(589)</u>
Net liabilities		(29,701)	(13,954)
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(29,703)	(13,956)
		<u>(29,701)</u>	<u>(13,954)</u>

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A & E AUTOMOTIVE LIMITED
REGISTERED NUMBER: 7229521

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2016

The director considers 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 director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's 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 authorised for issue by the board and were signed on its behalf on 29 June 2017.

E D Mackintosh

Director

The notes on pages 6 to 11 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1. General information

A & E Automotive Limited, is a private limited company, limited by shares, incorporated in England and Wales, with its registered office address and principal place of business at 50 Northwood Lane, Clayton, Newcastle Under Lyme, Staffordshire, ST5 4BN.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 10.

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 accounting policies.

The following principal accounting policies have been applied:

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:

2.3 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.

Depreciation is provided on the following basis:

Motor vehicles	- 20% straight line
Plant & machinery	- 10% straight line
Office equipment	- 10% 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 JUNE 2016

2. Accounting policies (continued)

2.4 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.

2.5 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.

2.6 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.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.8 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

	2016	2015
	£	£
Wages and salaries	15,500	18,500
Social security costs	368	605
	<u>15,868</u>	<u>19,105</u>

The average monthly number of employees, including the director, during the year was as follows:

	2016	2015
	No.	No.
Director	1	1
Employees	2	2
	<u>3</u>	<u>3</u>

A & E AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

4. Tangible fixed assets

	Motor vehicles £	Plant & machinery £	Office equipment £	Total £
Cost or valuation				
At 1 July 2015	800	10,920	589	12,309
At 30 June 2016	800	10,920	589	12,309
Depreciation				
At 1 July 2015	768	5,356	250	6,374
Charge for the year on owned assets	32	1,092	59	1,183
At 30 June 2016	800	6,448	309	7,557
Net book value				
At 30 June 2016	-	4,472	280	4,752
<i>At 30 June 2015</i>	<i>32</i>	<i>5,564</i>	<i>339</i>	<i>5,935</i>

5. Debtors

	2016 £	2015 £
Trade debtors	31	2,582
Other debtors	1,650	1,650
	<u>1,681</u>	<u>4,232</u>

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A & E AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

6. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Bank overdrafts	1,891	2,188
Trade creditors	22,586	12,264
Other taxation and social security	2,009	1,338
Other creditors	7,388	6,542
Accruals and deferred income	2,600	2,000
	36,474	24,332
	36,474	24,332

7. Deferred taxation

	2016
	£
At beginning of year	(589)
Charged to profit or loss	129
At end of year	(460)

The provision for deferred taxation is made up as follows:

	2016
	£
Accelerated capital allowances	(460)
	(460)

8. Related party transactions

Included within other creditors due within one year is a loan to E D Mackintosh, the director, of £7,388 (2015: £6,707).

9. Controlling party

The company is controlled by the director, Mrs E D Mackintosh, who owns 100% of the issued share capital.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

10. 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.

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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.