

A & G Garages Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

Bright Partnership LLP
Chartered Accountants & Business Advisors
Victoria House
Victoria Road
Hale
Altrincham
WA15 9AF

A & G Garages Limited

Contents

Company Information	<u>1</u>
Directors' Report	<u>2</u>
Accountants' Report	<u>3</u>
Profit and Loss Account and Statement of Retained Earnings	<u>4</u>
Balance Sheet	<u>5 to 6</u>
Notes to the Financial Statements	<u>7 to 12</u>

A & G Garages Limited

Company Information

Directors	Mrs Karen Narnor Mr Dornu Narnor
Registered office	C/o Bright Partnership Victoria House Victoria Road Hale Altrincham WA15 9AF
Accountants	Bright Partnership LLP Chartered Accountants & Business Advisors Victoria House Victoria Road Hale Altrincham WA15 9AF

A & G Garages Limited

Directors' Report for the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors of the company

The directors who held office during the year were as follows:

Mrs Karen Narnor

Mr Dornu Narnor

Principal activity

The principal activity of the company is car repair and maintenance

Going concern

These financial statements show net liabilities at the year end of £326,123. Included in this balance is an amount of £112,655 due to the Directors. The Directors have stated that they will not demand repayment until the company is in a position to repay the balance and will continue to financially support the company to pay its creditors as they fall due. The directors therefore feel it appropriate to prepare these financial statements on a going concern basis.

Small companies provision statement

This report has 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.

Approved by the Board on 12 December 2019 and signed on its behalf by:

.....
Mr Dornu Narnor
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
A & G Garages Limited
for the Year Ended 31 March 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A & G Garages Limited for the year ended 31 March 2019 as set out on pages 4 to 12 from the company's 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 A & G Garages Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of A & G Garages Limited and state those matters that we have agreed to state to the Board of Directors of A & G Garages Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & G Garages Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A & G Garages Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A & G Garages Limited. You consider that A & G Garages Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A & G Garages 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 accounts.

.....
Bright Partnership LLP
Chartered Accountants & Business Advisors
Victoria House
Victoria Road
Hale
Altrincham
WA15 9AF

12 December 2019

A & G Garages Limited

Profit and Loss Account and Statement of Retained Earnings for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover		331,034	298,047
Cost of sales		<u>(195,303)</u>	<u>(222,542)</u>
Gross profit		135,731	75,505
Administrative expenses		<u>(126,020)</u>	<u>(137,107)</u>
Operating profit/(loss)		<u>9,711</u>	<u>(61,602)</u>
Interest payable and similar charges		<u>(2,987)</u>	<u>(2,117)</u>
		<u>(2,987)</u>	<u>(2,117)</u>
Profit/(loss) before tax		6,724	(63,719)
Taxation		<u>225</u>	<u>8,151</u>
Profit/(loss) for the financial year		6,949	(55,568)
Retained earnings brought forward		<u>(583,072)</u>	<u>(527,504)</u>
Retained earnings carried forward		<u><u>(576,123)</u></u>	<u><u>(583,072)</u></u>

The notes on pages 7 to 12 form an integral part of these financial statements.

A & G Garages Limited
(Registration number: 06855328)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	14,429	15,869
Tangible assets	<u>5</u>	13,440	15,696
		<u>27,869</u>	<u>31,565</u>
Current assets			
Stocks		2,500	2,500
Debtors	<u>6</u>	41,619	33,983
Cash at bank and in hand		-	263
		44,119	36,746
Creditors: Amounts falling due within one year	<u>7</u>	<u>(396,767)</u>	<u>(399,815)</u>
Net current liabilities		<u>(352,648)</u>	<u>(363,069)</u>
Total assets less current liabilities		(324,779)	(331,504)
Provisions for liabilities		<u>(1,344)</u>	<u>(1,568)</u>
Net liabilities		<u>(326,123)</u>	<u>(333,072)</u>
Capital and reserves			
Called up share capital	<u>8</u>	250,000	250,000
Profit and loss account		<u>(576,123)</u>	<u>(583,072)</u>
Total equity		<u>(326,123)</u>	<u>(333,072)</u>

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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 7 to 12 form an integral part of these financial statements.

A & G Garages Limited
(Registration number: 06855328)
Balance Sheet as at 31 March 2019

Approved and authorised by the Board on 12 December 2019 and signed on its behalf by:

.....

Mr Dornu Narnor
Director

The notes on pages 7 to 12 form an integral part of these financial statements.

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

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

The address of its registered office is:
C/o Bright Partnership Victoria House
Victoria Road
Hale
Altrincham
WA15 9AF
England

The principal place of business is:
Unit 4
Britannia Business House
Edwin Road
Manchester
M11 3ER

These financial statements were authorised for issue by the Board on 12 December 2019.

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.

These financial statements are presented in sterling, which is the functional currency of the entity.

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 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.

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

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
Plant and machinery	20% on reducing balance
Motor vehicles	25% on reducing balance

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	5% 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 initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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.

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

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.

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 5 (2018 - 8).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2018	28,833	28,833
At 31 March 2019	28,833	28,833
Amortisation		
At 1 April 2018	12,964	12,964
Amortisation charge	1,440	1,440
At 31 March 2019	14,404	14,404
Carrying amount		
At 31 March 2019	14,429	14,429
At 31 March 2018	15,869	15,869

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

5 Tangible assets

	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation			
At 1 April 2018	23,847	30,763	54,610
Additions	2,700	-	2,700
Disposals	(1,200)	-	(1,200)
	25,347	30,763	56,110
	Depreciation		
At 1 April 2018	14,497	24,417	38,914
Charge for the year	2,787	1,269	4,056
Eliminated on disposal	(300)	-	(300)
	16,984	25,686	42,670
	Carrying amount		
At 31 March 2019	8,363	5,077	13,440
At 31 March 2018	9,350	6,346	15,696

6 Debtors

	2019 £	2018 £
Trade debtors	39,619	31,983
Other debtors	2,000	2,000
	41,619	33,983
	41,619	33,983

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts		128,262	130,711
Trade creditors		32,661	27,066
Taxation and social security		16,289	12,719
Accruals and deferred income		9,811	5,083
Other creditors		209,744	224,236
		396,767	399,815
		396,767	399,815

A & G Garages Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	250,000	250,000	250,000	250,000

9 Related party transactions

Summary of transactions with other related parties

Included in creditors is a balance due to the Directors of £112,655 (2018: £117,949).

Page 12

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.