

The Clitheroe Auction Mart Company Limited

Unaudited Financial Statements
for the Year Ended 31 December 2022

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The Clitheroe Auction Mart Company Limited

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The Clitheroe Auction Mart Company Limited
(Registration number: 00054139)
Statement of Financial Position as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	1,313,000	1,874,126
Investment property	<u>6</u>	770,000	-
Investments	<u>7</u>	1	1
		<u>2,083,001</u>	<u>1,874,127</u>
Current assets			
Debtors	<u>8</u>	259,153	272,846
Investments	<u>9</u>	381,602	481,367
Cash at bank and in hand		<u>2,092</u>	<u>3,125</u>
		642,847	757,338
Creditors: Amounts falling due within one year	<u>10</u>	<u>(325,711)</u>	<u>(207,256)</u>
Net current assets		<u>317,136</u>	<u>550,082</u>
Total assets less current liabilities		2,400,137	2,424,209
Creditors: Amounts falling due after more than one year	<u>10</u>	(29,612)	(39,509)
Provisions for liabilities		<u>(130,938)</u>	<u>(74,489)</u>
Net assets		<u>2,239,587</u>	<u>2,310,211</u>
Capital and reserves			
Called up share capital		386,880	386,880
Share premium reserve		1,167	1,167
Capital redemption reserve		110,000	110,000
Revaluation reserve		952,351	960,593
Retained earnings		<u>789,189</u>	<u>851,571</u>
Shareholders' funds		<u>2,239,587</u>	<u>2,310,211</u>

For the financial year ending 31 December 2022 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.

The Clitheroe Auction Mart Company Limited

(Registration number: 00054139)

Statement of Financial Position as at 31 December 2022

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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income Statement.

Approved and authorised by the Board on 25 April 2023 and signed on its behalf by:

.....

RR Parker

Director

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

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:

Ribblesdale Centre
Lincoln Way
Clitheroe
Lancashire
BB7 1QD
United Kingdom

These financial statements were authorised for issue by the Board on 25 April 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group.

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The directors do not consider there are any significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies.

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received,

Government grants are recognised using the accrual model.

Under the accrual model government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in the period in which it becomes receivable.

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.

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.

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.

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

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
Freehold property	2% straight line
Fixtures and fittings	10% - 25% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

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.

All goodwill has been fully amortised and thus has a carrying value of nil.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

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.

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 35 (2021 - 40).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2022	34,000	34,000
At 31 December 2022	34,000	34,000
Amortisation		
At 1 January 2022	34,000	34,000
At 31 December 2022	34,000	34,000
Carrying amount		
At 31 December 2022	-	-

Goodwill acquired in respect of the Auction Mart café Bar

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2022	1,830,000	687,252	2,517,252
Additions	-	38,199	38,199
Transfers to/from investment property	(600,000)	-	(600,000)
	<u>1,230,000</u>	<u>725,451</u>	<u>1,955,451</u>
At 31 December 2022			
Depreciation			
At 1 January 2022	119,030	524,096	643,126
Charge for the year	10,400	32,825	43,225
Impairment	(43,900)	-	(43,900)
	<u>85,530</u>	<u>556,921</u>	<u>642,451</u>
At 31 December 2022			
Carrying amount			
At 31 December 2022	<u>1,144,470</u>	<u>168,530</u>	<u>1,313,000</u>
At 31 December 2021	<u>1,710,970</u>	<u>163,156</u>	<u>1,874,126</u>
			Freehold Property £
As at December 2022			
Aggregate cost			809,847
Aggregate depreciation			<u>(182,859)</u>
Carrying value			<u>626,988</u>
As at December 2021			
Aggregate cost			1,041,093
Aggregate depreciation			<u>(289,477)</u>
Carrying value			<u>751,616</u>

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

Included within the net book value of land and buildings above is £1,144,470 (2021 - £1,710,970) in respect of freehold land and buildings.

Land and buildings utilised in the operations of the business have been revalued on 18 May 2015 at an open market value of £1,830,000, by Trevor Dawson, a firm of Chartered Surveyors. During the year one of the properties, due to a change in the use of the property, is now an Investment Property and has been transferred to Investment Properties in the balance sheet. The remaining property was valued on 18 May 2015 at £1,230,000. The directors believe this is a reasonable value of this property at the company's FRS 102 transition date and as such have adopted this valuation as 'deemed cost' on transition to FRS 102.

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

6 Investment properties

	2022 £
Transfers to and from owner-occupied property	556,100
Fair value adjustments	213,900
	<hr/>
At 31 December	<hr/> <hr/> 770,000

The Directors valued the property at the date of transfer from fixed assets on an open market value basis. The Directors also consider this value to also reflect the value at the year end date.

7 Investments

	2022 £	2021 £
Investments in subsidiaries	1	1
	<hr/> <hr/>	<hr/> <hr/>

8 Debtors

	2022 £	2021 £
Current		
Trade debtors	211,169	241,331
Prepayments	25,817	22,149
Other debtors	22,167	9,366
	<hr/>	<hr/>
	259,153	272,846
	<hr/> <hr/>	<hr/> <hr/>

9 Current asset investments

	2022 £	2021 £
Other investments	381,602	481,367
	<hr/> <hr/>	<hr/> <hr/>

The Clitheroe Auction Mart Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

10 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings		265,419	121,343
Trade creditors		17,638	15,351
Taxation and social security		27,630	49,099
Accruals and deferred income		15,024	21,463
		<u>325,711</u>	<u>207,256</u>

Included within creditors due within one year are a Covid Bounceback loan balance of £9,901 (2021: £9,658) and a bank overdraft balance of £255,518 (2021: £111,685).

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings		<u>29,612</u>	<u>39,509</u>

Included within creditors due after one year is a Covid Bounceback loan balance of £29,612 (2021: £39,509).

11 Capital Commitments

Capital expenditure contracted for but not provided for in the financial statements is £Nil (2021 - £14,823).

12 Operating Leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than 1 year	26,661	23,922
Later than 1 year and not later than 5 years	54,468	61,512
	<u>81,129</u>	<u>85,434</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.