

REGISTERED NUMBER: 01454914 (England and Wales)

West Country Motor Homes Limited
Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2022

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West Country Motor Homes Limited

Contents of the Financial Statements for the year ended 31 December 2022

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Profit and Loss Account	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

West Country Motor Homes Limited

**Company Information
for the year ended 31 December 2022**

DIRECTORS:

S G Pike
M A Pike
P R Shaw
S R Taylor

REGISTERED OFFICE:

Bristol Road
Brent Knoll
Highbridge
Somerset
TA9 4HG

REGISTERED NUMBER:

01454914 (England and Wales)

AUDITORS:

Webb & Co Ltd
Accountants and Business Advisers
& Statutory Auditor
One New Street
Wells
Somerset
BA5 2LA

West Country Motor Homes Limited

Strategic Report for the year ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

REVIEW OF BUSINESS

The company had another successful year in 2022 with increased margins and profits being achieved.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to the company are the continuing uncertainty over manufacturing delays caused by Brexit and the ongoing war in Ukraine, along with a significant number of competitors locally.

We expect the excellent recent performance to continue into 2023 and will continue to place emphasis on customer service and retention in order to maintain turnover and a healthy margin.

The company continues to maintain a strong balance sheet with no debt and therefore the wider economic implications have less impact than they otherwise might as far as the company itself is concerned.

KEY PERFORMANCE INDICATORS

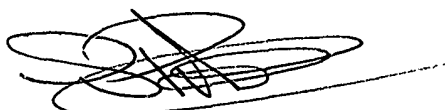
The key financial highlights are as follows;

	2022	2021	2020	2019
	£	£	£	£
Turnover (£000)	25,651	24,853	19,644	22,448
Turnover Growth (%)	3	26	-14	-5
Gross Profit Margin (%)	18	16	14	12
Profit Before Tax (£000)	2,446	2,288	1,430	1,108

DEVELOPMENT AND PERFORMANCE

The company does not have any particular plans for future development other than to maintain its current level of turnover and operations and to build on its reputation for good quality and customer service.

ON BEHALF OF THE BOARD:



.....
S G Pike - Director

Date: 22 September 2023

West Country Motor Homes Limited

Report of the Directors for the year ended 31 December 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the retail of motor homes.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2022 will be £287,918.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

S G Pike
P R Shaw

Other changes in directors holding office are as follows:

M A Pike - appointed 20 January 2022
S R Taylor - appointed 20 January 2022

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, trade creditors and consignment stock facilities. The main purpose of these instruments is to raise funds for and to finance the company's operations.

Due to the nature of these financial instruments there is no exposure to price risk. In addition, as the company does not have significant debtors there is little exposure to credit risk. The company's approach to managing other risks applicable to the financial instruments is set out below.

In respect of bank balances the liquidity risk is managed by maintaining healthy surplus cash balances available at short notice by retaining profits within the company. Interest rate risk is managed by securing the best available interest rates wherever possible.

Trade creditors and consignment stock facilities liquidity risk is managed by ensuring that sufficient funds are available to meet payments as they fall due. Interest rate risk is managed by ensuring that balances are settled on or before their due date wherever possible.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

West Country Motor Homes Limited

**Report of the Directors
for the year ended 31 December 2022**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Webb & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

.....
S G Pike - Director

Date: 22 September 2023

Report of the Independent Auditors to the Members of West Country Motor Homes Limited

Opinion

We have audited the financial statements of West Country Motor Homes Limited (the 'company') for the year ended 31 December 2022 which comprise the Profit and Loss Account, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of West Country Motor Homes Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with the Managing Director and Financial Controller including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing correspondence with legal advisors;
- Identifying and testing the validity of journal entries;
- Challenging assumptions made by management in its significant accounting estimates;
- Reviewing disclosures for accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery of intentional misrepresentations, or through collusion.

**Report of the Independent Auditors to the Members of
West Country Motor Homes Limited**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Barry Davidson FCA FCCA (Senior Statutory Auditor)
for and on behalf of Webb & Co Ltd
Accountants and Business Advisers
& Statutory Auditor
One New Street
Wells
Somerset
BA5 2LA

Date: 26 September 2023

West Country Motor Homes Limited

**Profit and Loss Account
for the year ended 31 December 2022**

	Notes	2022 £	2021 £
TURNOVER	3	25,651,286	24,853,439
Cost of sales		<u>(21,157,360)</u>	<u>(20,994,958)</u>
GROSS PROFIT		4,493,926	3,858,481
Distribution and other direct costs		(82,822)	(61,766)
Administrative expenses		<u>(2,198,660)</u>	<u>(1,916,329)</u>
		2,212,444	1,880,386
Other operating income		<u>110,886</u>	<u>329,413</u>
OPERATING PROFIT	5	2,323,330	2,209,799
Interest receivable and similar income		<u>122,283</u>	<u>78,270</u>
PROFIT BEFORE TAXATION		2,445,613	2,288,069
Tax on profit	6	<u>(428,189)</u>	<u>(480,211)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>2,017,424</u></u>	<u><u>1,807,858</u></u>

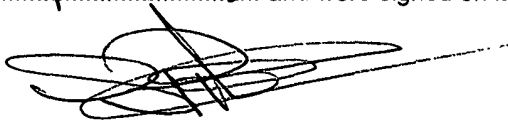
The notes form part of these financial statements

West Country Motor Homes Limited (Registered number: 01454914)

**Statement of Financial Position
31 December 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	8	320,456	273,010
CURRENT ASSETS			
Stocks	9	9,656,811	7,066,232
Debtors	10	10,181,147	8,622,943
Cash at bank		<u>3,042,109</u>	<u>4,997,373</u>
		22,880,067	20,686,548
CREDITORS			
Amounts falling due within one year	11	<u>5,585,657</u>	<u>5,074,198</u>
NET CURRENT ASSETS		<u>17,294,410</u>	<u>15,612,350</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,614,866</u>	<u>15,885,360</u>
CAPITAL AND RESERVES			
Called up share capital	13	863,000	863,000
Capital redemption reserve		137,000	137,000
Retained earnings		<u>16,614,866</u>	<u>14,885,360</u>
SHAREHOLDERS' FUNDS		<u>17,614,866</u>	<u>15,885,360</u>

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2023 and were signed on its behalf by:


.....
S G Pike - Director

The notes form part of these financial statements

West Country Motor Homes Limited

**Statement of Changes in Equity
for the year ended 31 December 2022**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2021	863,000	13,254,921	137,000	14,254,921
Changes in equity				
Dividends	-	(177,419)	-	(177,419)
Total comprehensive income	-	<u>1,807,858</u>	-	<u>1,807,858</u>
Balance at 31 December 2021	<u>863,000</u>	<u>14,885,360</u>	<u>137,000</u>	<u>15,885,360</u>
Changes in equity				
Dividends	-	(287,918)	-	(287,918)
Total comprehensive income	-	<u>2,017,424</u>	-	<u>2,017,424</u>
Balance at 31 December 2022	<u>863,000</u>	<u>16,614,866</u>	<u>137,000</u>	<u>17,614,866</u>

The notes form part of these financial statements

West Country Motor Homes Limited

**Statement of Cash Flows
for the year ended 31 December 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	15	(1,177,722)	(511,638)
Tax paid		<u>(480,211)</u>	<u>(270,902)</u>
Net cash from operating activities		<u>(1,657,933)</u>	<u>(782,540)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(81,421)	(4,245)
Interest received		<u>122,283</u>	<u>78,270</u>
Net cash from investing activities		<u>40,862</u>	<u>74,025</u>
 Cash flows from financing activities			
Amount introduced by directors		-	39,084
Amount withdrawn by directors		(50,686)	-
Government grant income		411	247,966
Equity dividends paid		<u>(287,918)</u>	<u>(177,419)</u>
Net cash from financing activities		<u>(338,193)</u>	<u>109,631</u>
 Decrease in cash and cash equivalents		<u>(1,955,264)</u>	<u>(598,884)</u>
Cash and cash equivalents at beginning of year	16	4,997,373	5,596,257
 Cash and cash equivalents at end of year	16	<u>3,042,109</u>	<u>4,997,373</u>

The notes form part of these financial statements

West Country Motor Homes Limited

Notes to the Financial Statements for the year ended 31 December 2022

1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future period where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of assets

The tangible fixed assets are periodically reviewed for impairment by the directors based on their knowledge and judgements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The directors use their knowledge of the business and the industry to estimate the useful life and residual value of tangible assets in order to arrive at applicable depreciation and amortisation rates. In accordance with section 17 of FRS 102, the directors review and update these estimates if there are indicators that current estimates should change.

It must be noted that there is inherent uncertainty within these estimates as factors such as unexpected wear and tear, technological advancement and changes in market prices may result in future changes to the appropriate rate of depreciation.

The estimation of consumable stocks and the calculation of the general stock provision

The directors use their knowledge of the business and the industry to estimate the value of certain items of consumable stocks and to calculate the general stock provision.

West Country Motor Homes Limited

Notes to the Financial Statements - continued for the year ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost (except land)
Long leasehold	- 4% on cost
Fixtures and fittings	- 20% on cost

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. The cost formula used to value stock is actual cost. Provision is made for damaged, obsolete and slow moving stock where appropriate.

Vehicles held on consignment are included at cost within the balance sheet value of stocks with a corresponding amount being included within trade creditors to recognise the liability.

Financial instruments

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.

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.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

West Country Motor Homes Limited

Notes to the Financial Statements - continued for the year ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The ongoing Covid-19 pandemic has not had any detrimental impact on the business.

The directors have used their extensive knowledge of the industry, along with taking account of the above in forming their opinion, and are satisfied that the going concern basis of preparation of accounts remains appropriate.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Sale of goods	25,395,703	24,596,250
Rendering of services	<u>255,583</u>	<u>257,189</u>
	<u>25,651,286</u>	<u>24,853,439</u>

West Country Motor Homes Limited

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

3. TURNOVER - continued

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	25,651,286	24,812,609
Overseas	<u>-</u>	<u>40,830</u>
	<u>25,651,286</u>	<u>24,853,439</u>

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	1,400,574	1,240,307
Social security costs	136,065	107,044
Other pension costs	<u>130,193</u>	<u>146,232</u>
	<u>1,666,832</u>	<u>1,493,583</u>

The average number of employees during the year was as follows:

	2022	2021
Distribution staff	33	38
Administrative staff	13	9
Management staff	<u>4</u>	<u>2</u>
	<u>50</u>	<u>49</u>

	2022	2021
	£	£
Directors' remuneration	419,602	73,444
Directors' pension contributions to money purchase schemes	<u>113,056</u>	<u>124,317</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>2</u>
------------------------	-----------------	-----------------

Information regarding the highest paid director for the year ended 31 December 2022 is as follows:

	2022
	£
Emoluments etc	160,919
Pension contributions to money purchase schemes	<u>6,400</u>

West Country Motor Homes Limited

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Hire of plant and machinery	841	841
Other operating leases	209,680	212,127
Depreciation - owned assets	33,975	18,485
Auditors' remuneration	<u>5,000</u>	<u>5,000</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	<u>428,189</u>	<u>480,211</u>
Tax on profit	<u>428,189</u>	<u>480,211</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before tax	<u>2,445,613</u>	<u>2,288,069</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	464,666	434,733
Effects of:		
Expenses not deductible for tax purposes	(25,908)	43,070
Capital allowances in excess of depreciation	(10,569)	-
Depreciation in excess of capital allowances	<u>-</u>	<u>2,408</u>
Total tax charge	<u>428,189</u>	<u>480,211</u>

If profits remain above £250,000, the company's corporation tax rate will be 25% from 1 April 2023.

7. DIVIDENDS

	2022	2021
	£	£
Ordinary shares of £1 each		
Interim	<u>287,918</u>	<u>177,419</u>

West Country Motor Homes Limited

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	279,529	74,097	361,903	715,529
Additions	<u>-</u>	<u>-</u>	<u>81,421</u>	<u>81,421</u>
At 31 December 2022	<u>279,529</u>	<u>74,097</u>	<u>443,324</u>	<u>796,950</u>
DEPRECIATION				
At 1 January 2022	50,400	54,448	337,671	442,519
Charge for year	<u>5,600</u>	<u>2,964</u>	<u>25,411</u>	<u>33,975</u>
At 31 December 2022	<u>56,000</u>	<u>57,412</u>	<u>363,082</u>	<u>476,494</u>
NET BOOK VALUE				
At 31 December 2022	<u>223,529</u>	<u>16,685</u>	<u>80,242</u>	<u>320,456</u>
At 31 December 2021	<u>229,129</u>	<u>19,649</u>	<u>24,232</u>	<u>273,010</u>

9. STOCKS

	2022 £	2021 £
Goods for resale	<u>9,656,811</u>	<u>7,066,232</u>

Included above is consignment stock of £72,160 (2021 £1,076,265) held at the year end.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	21,197	17,046
Other debtors	9,982,376	8,587,249
VAT	145,235	-
Prepayments	<u>32,339</u>	<u>18,648</u>
	<u>10,181,147</u>	<u>8,622,943</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	4,041,177	3,108,571
Taxation	428,189	480,211
Social security and other taxes	29,653	218,345
Other creditors	3,415	2,185
Directors' current accounts	12,598	63,284
Accruals and deferred income	<u>1,070,625</u>	<u>1,201,602</u>
	<u>5,585,657</u>	<u>5,074,198</u>

Included in trade creditors are secured amounts relating to consignment stock of £72,160 (2021 £1,076,265)

West Country Motor Homes Limited

Notes to the Financial Statements - continued for the year ended 31 December 2022

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	147,179	139,640
Between one and five years	<u>377,937</u>	<u>507,073</u>
	<u>525,116</u>	<u>646,713</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
118,000	Ordinary	£1	118,000	118,000
632,000	Ordinary A	£1	632,000	632,000
30,000	Ordinary B	£1	30,000	30,000
41,500	Ordinary C	£1	41,500	41,500
41,500	Ordinary D	£1	<u>41,500</u>	<u>41,500</u>
			<u>863,000</u>	<u>863,000</u>

The ordinary shares, ordinary A shares, ordinary B shares, ordinary C shares and ordinary D shares issued by the company have full voting rights and full participating rights to distributions or in winding up.

14. RELATED PARTY TRANSACTIONS

Rent of £59,000 (2021 £59,000) was paid to key management personnel. Rent of £138,680 (2021 £141,127) was paid to the West Country Motor Homes Retirement Benefit Scheme.

Included within other debtors is an amount of £9,674,163 (2021 £8,509,040) due from Motorhome Finance Limited, on which interest of £91,216 (2021 £68,245) has been charged. Motorhome Finance Limited is a company in which key management personnel are directors and shareholders.

Included within other debtors is an amount of £308,213 (2021 £53,209) due from West Country Motor Homes Retirement Benefit Scheme.

Included within creditors are amounts due to key management personnel of £16,013 (2021 £65,469).

Other related parties received dividends totalling £287,919 (2021 £177,419) during the year.

West Country Motor Homes Limited

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

15. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Profit before taxation	2,445,613	2,288,069
Depreciation charges	33,975	18,485
Government grants	(411)	(247,966)
Finance income	<u>(122,283)</u>	<u>(78,270)</u>
	2,356,894	1,980,318
Increase in stocks	(2,590,579)	(1,051,696)
Increase in trade and other debtors	(1,558,204)	(3,137,702)
Increase in trade and other creditors	<u>614,167</u>	<u>1,697,442</u>
Cash generated from operations	<u><u>(1,177,722)</u></u>	<u><u>(511,638)</u></u>

16. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	<u><u>3,042,109</u></u>	<u><u>4,997,373</u></u>

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	<u><u>4,997,373</u></u>	<u><u>5,596,257</u></u>

17. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22	Cash flow	At 31/12/22
	£	£	£
Net cash			
Cash at bank	<u>4,997,373</u>	<u>(1,955,264)</u>	<u>3,042,109</u>
	<u>4,997,373</u>	<u>(1,955,264)</u>	<u>3,042,109</u>
Total	<u><u>4,997,373</u></u>	<u><u>(1,955,264)</u></u>	<u><u>3,042,109</u></u>