

Cheney Coaches Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2023

Cheney Coaches Limited

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Cheney Coaches Limited

Company Information

Directors Mr Andrew Graham Peace
Mr Mark Raymond Peace

Registration number 01493825

Registered office Cheney House
Thorpe Mead
Thorpe Industrial Estate
Banbury
Oxon
OX16 8RZ

Accountants mca business Ltd
Units 4-6 Wharf Centre
Wharf Street
Warwick
CV34 5LB

Cheney Coaches Limited

(Registration number: 01493825)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	1,202,217	855,809
Current assets			
Stocks	<u>5</u>	21,687	23,231
Debtors	<u>6</u>	1,217,086	1,144,346
Cash at bank and in hand		459,422	574,542
		1,698,195	1,742,119
Creditors: Amounts falling due within one year	<u>7</u>	(569,717)	(589,117)
Net current assets		1,128,478	1,153,002
Total assets less current liabilities		2,330,695	2,008,811
Creditors: Amounts falling due after more than one year	<u>8</u>	(617,356)	(425,471)
Provisions for liabilities		(45,288)	(45,288)
Net assets		1,668,051	1,538,052
Capital and reserves			
Called up share capital		12,000	12,000
Retained earnings		1,656,051	1,526,052
Shareholders' funds		1,668,051	1,538,052

Cheney Coaches Limited

(Registration number: 01493825) Balance Sheet as at 31 March 2023

For the financial year ending 31 March 2023 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.

Approved and authorised by the Board on 17 May 2023 and signed on its behalf by:

Mr Mark Raymond Peace

Director

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office is:

Cheney House
Thorpe Mead
Thorpe Industrial Estate
Banbury
Oxon
OX16 8RZ

The principal place of business is:

Cheney House
Thorpe Mead
Thorpe Industrial Estate
Banbury
Oxfordshire
OX16 4RZ

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.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

Going concern

The financial statements have been prepared on a going concern basis.

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Judgements and estimates

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 periods where the revision affects both current and future periods.

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 current 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, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Tangible assets

Tangible assets are stated in the balance sheet 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.

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

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
Land and buildings	2% on Cost
Other property plant and equipment	15% Reducing balance
Motor vehicles	20% Reducing balance

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.

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.

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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

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.

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic Financial Assets

Basic financial assets which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other Financial Assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt Instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Impairment of Financial Assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of Financial Assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other Financial Liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of Financial Liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 26 (2022 - 26).

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

4 tangible assets

	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation			
At 1 April 2022	2,277,424	227,198	2,504,622
Additions	608,000	7,049	615,049
Disposals	(262,335)	-	(262,335)
At 31 March 2023	2,623,089	234,247	2,857,336
Depreciation			
At 1 April 2022	1,441,831	206,982	1,648,813
Charge for the year	192,096	3,033	195,129
Eliminated on disposal	(188,823)	-	(188,823)
At 31 March 2023	1,445,104	210,015	1,655,119
Carrying amount			
At 31 March 2023	1,177,985	24,232	1,202,217
At 31 March 2022	835,593	20,216	855,809

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings.

5 Stocks

	2023 £	2022 £
Other inventories	21,687	23,231

6 Debtors

Current	Note	2023 £	2022 £
Trade debtors		176,822	181,547
Amounts owed by related parties		950,000	950,000
Other debtors		90,264	12,799
		1,217,086	1,144,346

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

7 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	8	319,836	336,616
Trade creditors		113,033	100,720
Taxation and social security		26,355	47,428
Accruals and deferred income		-	10,000
Other creditors		110,493	94,353
		<u>569,717</u>	<u>589,117</u>

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	8	<u>617,356</u>	<u>425,471</u>

8 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Other borrowings	88,695	61,667
HP and finance lease liabilities	528,661	363,804
	<u>617,356</u>	<u>425,471</u>

	2023 £	2022 £
Current loans and borrowings		
Other borrowings	47,640	120,000
HP and finance lease liabilities	272,196	216,616
	<u>319,836</u>	<u>336,616</u>

Cheney Coaches Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
A Ordinary of £1 each	2,000	2,000	2,000	2,000
B Ordinary of £1 each	5,000	5,000	5,000	5,000
C Ordinary of £1 each	4,000	4,000	4,000	4,000
D Ordinary of £1 each	1,000	1,000	1,000	1,000
	12,000	12,000	12,000	12,000

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.