

**ADVANCE SPARES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Advance Spares Limited
Unaudited Financial Statements
For The Year Ended 31 December 2022

Contents

	Page
Balance Sheet	1–2
Notes to the Financial Statements	3–7

Advance Spares Limited
Balance Sheet
As At 31 December 2022

Registered number: 02013999

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		507,206		532,659
			507,206		532,659
CURRENT ASSETS					
Stocks	4	1,858,541		1,484,726	
Debtors	5	1,438,548		1,310,758	
Cash at bank and in hand		886,102		1,008,371	
			4,183,191		3,803,855
Creditors: Amounts Falling Due Within One Year	6	(282,081)		(310,466)	
NET CURRENT ASSETS (LIABILITIES)			3,901,110		3,493,389
TOTAL ASSETS LESS CURRENT LIABILITIES			4,408,316		4,026,048
PROVISIONS FOR LIABILITIES					
Deferred Taxation	7		(26,048)		(27,685)
NET ASSETS			4,382,268		3,998,363
CAPITAL AND RESERVES					
Called up share capital	8		410,080		410,080
Capital redemption reserve			20		20
Fair Value Reserve	12		97,200		97,200
Profit and Loss Account			3,874,968		3,491,063
SHAREHOLDERS' FUNDS			4,382,268		3,998,363

Advance Spares Limited
Balance Sheet (continued)
As At 31 December 2022

For the 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.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Thomas Wase

Director

28 March 2023

The notes on pages 3 to 7 form part of these financial statements.

Advance Spares Limited
Notes to the Financial Statements
For The Year Ended 31 December 2022

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern. The company has continued to trade successfully throughout the impact of COVID-19 and the directors do not foresee any complications arising from this.

1.3. Turnover

Turnover comprises the invoiced value of electrical goods and tubular rivets supplied by the company, net of Value Added Tax and trade discounts.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold	2% straight line
Plant & Machinery	12.5/33.33% straight line
Motor Vehicles	25% reducing balance
Fixtures, Fittings & Equipment	33.33% straight line

Depreciation is charged from the later of the month of acquisition or the date the asset is bought into use.

1.5. Investment Properties

Investment properties are accounted for in line with Section 16 FRS 102; where fair value can be reliably measured investment properties are included in the balance sheet at fair value with any gains or losses reported in the profit and loss account. Where fair value cannot be reliably measured investment properties are held at depreciated cost. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

1.6. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.7. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.8. Financial Instruments

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the profit and loss account. Outstanding derivatives at the reporting date are included under the appropriate format heading depending on the nature of the derivative.

The company does not currently apply hedge accounting for foreign exchange derivatives.

1.9. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Advance Spares Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

1.10. Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

1.11. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.12. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of value added tax, trade discount and customer returns. Revenue from the sale of goods is recognised when the risks and rewards of ownership of the goods have passed to the customer. Rental income is accrued over the period to which it relates.

1.13. Registrar Filing Requirements

The company has taken advantage of Companies Act 2006 section 444(1) and opted not to file the profit and loss account, directors report, and notes to the financial statements relating to the profit and loss account.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows:

	2022	2021
Office and administration	3	3
Sales, marketing and distribution	3	3
Manufacturing	3	3
	<u>9</u>	<u>9</u>

Advance Spares Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

3. Tangible Assets

	Land & Property				
	Freehold	Investment Properties	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£	£
Cost					
As at 1 January 2022	378,734	150,650	259,793	60,000	849,177
Additions	-	-	3,683	-	3,683
As at 31 December 2022	378,734	150,650	263,476	60,000	852,860
Depreciation					
As at 1 January 2022	72,801	-	243,717	-	316,518
Provided during the period	8,027	-	6,109	15,000	29,136
As at 31 December 2022	80,828	-	249,826	15,000	345,654
Net Book Value					
As at 31 December 2022	297,906	150,650	13,650	45,000	507,206
As at 1 January 2022	305,933	150,650	16,076	60,000	532,659

Investment property is recognised at fair value represented by:

Historical cost: £30,650 (2021: £30,650)

Valuation: £120,000 (2021: £120,000)

The director has considered the valuation of the investment properties and in their opinion the revalued amount shown is in line with the open market value. Revaluation gains and losses are taken to the fair value reserve in accordance with the accounting policy.

4. Stocks

	2022	2021
	£	£
Stock - materials and work in progress	1,858,541	1,484,726
	<u>1,858,541</u>	<u>1,484,726</u>

5. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	1,182,830	1,009,694
Prepayments and accrued income	154,928	204,602
Other debtors	12,485	13,447
Other financial assets	25,656	18,017
VAT	62,649	64,998
	<u>1,438,548</u>	<u>1,310,758</u>

Advance Spares Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

6. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	92,137	110,650
Corporation tax	111,805	77,825
Taxation and social security	25,790	19,988
Accruals and deferred income	52,349	102,003
	<u>282,081</u>	<u>310,466</u>

7. Deferred Taxation

The provision for deferred tax is made up as follows:

	2022	2021
	£	£
Deferred Tax	<u>26,048</u>	<u>27,685</u>

8. Share Capital

	2022	2021
	£	£
Allotted, Called up and fully paid	<u>410,080</u>	<u>410,080</u>

9. Foreign Currency Risk

All financial assets and liabilities are measured at amortised cost.

The company is exposed to currency exchange rate risk due to part of its operating income and expenditure being denominated in foreign currencies. The exposure is monitored and managed by the use of forward foreign exchange contracts.

The company had open forward foreign exchange contracts at the reporting date of the current period. The fair value of the derivatives is recognised within debtors as 'other financial assets'.

10. Other Commitments

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

	Other	
	2022	2021
	£	£
Within 1 year	9,399	9,399
Between 1 and 5 years	3,133	12,532
	<u>12,532</u>	<u>21,931</u>

11. Pension Commitments

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date unpaid contributions of £nil (2021: £nil) were due to the fund. They are included in Other Creditors.

12. Reserves

	Fair Value Reserve
	£
As at 1 January 2022	97,200
As at 31 December 2022	<u>97,200</u>

Advance Spares Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

13. Related Party Transactions

Birford Cable & Harness Limited

A company under the control of a director's son.

Included within other debtors is a balance of £11,285 (2021: £12,347) owed by the connected company. No interest has been charged on the outstanding balance and there were no conditions attached.

14. Ultimate Controlling Party

The company's ultimate controlling party is Mr Thomas Wase by virtue of his interest in the issued share capital in the company.

15. General Information

Advance Spares Limited Registered number 02013999 is a limited by shares company incorporated in England & Wales. The Registered Office is Unit 21 Vauxhall Ind. Estate, Ruabon, Wrexham, Clywd, LL14 6HA.

The financial statements are presented in pound sterling and rounded to the nearest whole £.

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.