
Autosales Limited

Financial Statements

◆ *Year ended 31 December 2020* ◆



Company No: 3729441

AUTOSALES LIMITED

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AUTOSALES LIMITED

COMPANY INFORMATION

Directors M A Kibble
 S C Kibble
 D A Varnish

Secretary D A Varnish

Registered office Vulcan Road
 Bilston
 West Midlands

Registered number 3729441

Auditors Baxters Limited
 Chartered Accountants and Statutory Auditor
 3 Nightingale Place
 Pendeford Business Park
 Wobaston Road
 Wolverhampton
 West Midlands

Bankers Lloyds Bank PLC
 27 Lichfield Street
 Bilston
 West Midlands

STRATEGIC REPORT

Principal activity

The principal activity of the company during the year under review was that of a car dealership.

Review of business and future developments

The Directors are delighted to report that 2020 has proved to be a successful and profitable year despite the particular challenges that the Covid 19 pandemic brought.

With a number of lockdowns restricting sales opportunity in the year Turnover was impacted falling by £2,553,905 to £18,953,947. However with careful cost management and improved stock positioning the company again improved its Gross profit percentage to 8.6% an increase of 0.5% on 2019 and an increase of 2.3% from 5 years ago.

The UK car market registrations fell by an incredible 29.4% in 2020 and with the 3rd national lockdown in Quarter one 2021 registrations are estimated to be around 35% down for this quarter compared to the previous year. There is significant pent up demand and the company is confident that the market will bounce back to more usual levels by the end of the year.

The company is grateful to the business support measures provided by Her Majesty's Government throughout the pandemic. The company has been able to continue to employ all but two members of staff with the support of the furlough scheme. The company has paid all its tax due and repaid the business support loan before the end of 2020.

The company can also report that the loan from Vulcan Investments Limited has now been repaid in full. The company has no outstanding loans or mortgages.

Skoda continues to perform strongly with high quality products offering excellent value. The brand launched its new Octavia and introduced its first hybrids to market. Skoda is investing enormously in electrification of their range and in 2021 we are set to launch the Envaq our first full electric vehicle. There is a lot of excitement around this product and we are delighted to report that we have taken several orders before the vehicle has been launched. Further new models including a brand new designed Skoda Fabia are expected during 2021. We expect another very good year from the brand.

Suzuki had a steady year. Supply issues were highlighted in 2019 for 2020 however due to the pandemic stock never got too short though supply of popular models such as the Vitara automatic proved difficult. The brand launched two new cars the Swace and the Across. Both models produced in conjunction with the Suzuki and Toyota working agreement. This new partnership is exciting and will lead to further new models and technology development on a much faster scale. We expect the brand to grow significantly in 2021.

We would like to thank Skoda and Suzuki for the support they gave to the company during the pandemic.

AUTOSALES LIMITED

STRATEGIC REPORT (Continued)

The original lockdown started on March 23rd 2020 and we closed all sites for 6 weeks. We reopened the Burntwood site for aftersales on May 18th. We opened with 6 members of staff but as demand grew staff returned quickly and all 3 sites reopened. In subsequent lockdowns both Burntwood and Bilston sites have remained open in a limited capacity. Despite these challenges our Aftersales performance improved significantly with growth in total labour sales and parts gross profit.

The directors would like to thank all members of staff for their hard work, dedication and determination to ensure the business succeeded during the year. Their response to the many difficult issues the pandemic brought about was exemplary.

The directors are delighted with the company's performance in 2020 and look forward to 2021.

Covid 19 2021 Update

Both Bilston and Burntwood sites have remained open during the 2021 lockdown operating under the strict guidelines for servicing and click and collect selling. Though losses occurred in both January and February these were significantly smaller than anticipated and the Directors are confident that the business will have a good net profit by the 31st of March.

As per the guidelines the business is poised to reopen its sales doors from the 12th April.

Financial risks and uncertainties

The company is aware of the risks to the business should one of the Directors die whilst in service and has taken the following measures to ensure that the disruption to the business though significant would not be catastrophic. The Directors have completed a shareholder agreement which ensures that on the death of a shareholder the company has first option to purchase the shares. To ensure the company can afford to do so, it has taken out insurance to cover the death in service of the shareholders.

Risks associated with the running of a franchise agreement are fully recognised by the Directors, they have invested in ensuring that all the standards required by the brands to ensure the continual holding of the franchise are fully met.

The company has agreed banking facilities and access to a mixture of short-term and long-term debt finance which are regarded as sufficient to cover any financing requirements for the foreseeable future.

AUTOSALES LIMITED

STRATEGIC REPORT (Continued)

Key performance indicators

The Directors have identified the following key financial performance indicators:

	2020	2019
Turnover	£18,953,947	£21,507,852
Gross profit	8.6%	7.5%
Net assets	£915,936	£455,016

This report was approved by the board of directors on 30 March 2021 and signed on behalf of the board by:



D A VARNISH
Director

AUTOSALES LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements of the company for the year ended 31 December 2020.

Dividends

Dividends of £80,000 were declared and paid during the year (2019 - £127,500).

Directors

The present directors of the company are set out on page 1. All of the directors served throughout the year.

Directors responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report 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). 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 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 to 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.

AUTOSALES LIMITED

REPORT OF THE DIRECTORS
(Continued)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The report of the directors was approved by the Board on 30 March 2021 and signed on its behalf by:



D A VARNISH
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSALES LIMITED

Year ended 31 December 2020

Opinion

We have audited the financial statements of Autosales Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accountings Standards, including FRS 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 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 auditor's 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSALES LIMITED
(Continued)
Year ended 31 December 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSALES LIMITED
(Continued)
Year ended 31 December 2020

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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.

Auditor's 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

On occasion, we may also have determined that certain matters relating to non-compliance with laws and regulations are key audit matters, we must still include the required explanation, in our report, as to what extent the audit was considered capable of detecting irregularities, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSALES LIMITED
(Continued)
Year ended 31 December 2020

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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 an auditor's report 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.



A G Baxter (Senior statutory auditor)
for and on behalf of Baxters Limited
Statutory Auditor
3 Nightingale Place
Pendeford Business Park
Wobaston Road
Wolverhampton
WV9 5HF

30 March 2021

AUTOSALES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	4	18,953,947	21,507,852
Cost of sales		(17,322,000)	(19,892,588)
		<hr/>	<hr/>
Gross profit		1,631,947	1,615,264
Distribution costs		(694,256)	(641,917)
Administrative expenses		(584,803)	(845,635)
Other operating income	5	327,952	157,349
		<hr/>	<hr/>
Operating profit	6	680,840	285,061
Interest payable	9	(12,063)	(8,008)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		668,777	277,053
Tax on profit on ordinary activities	10	(127,857)	(55,991)
		<hr/>	<hr/>
Profit for the financial year		540,920	221,062
		<hr/> <hr/>	<hr/> <hr/>

All the activities of the company are from continuing operations.

AUTOSALES LIMITED**STATEMENT OF FINANCIAL POSITION
at 31 December 2020****Company No: 3729441**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	200,614	224,371
Current assets			
Stocks	13	3,897,991	3,332,228
Debtors	14	80,797	124,812
Cash at bank and in hand		55,458	22,935
Creditors: Amounts falling due within one year	16	4,034,246 (3,295,525)	3,479,975 (2,922,665)
Net current assets		738,721	557,310
Total assets less current liabilities		939,335	781,681
Creditors: Amounts falling due after more than one year	17	-	(300,000)
Provision for liabilities and charges	18	(23,399)	(26,665)
Net assets		915,936	455,016
Capital and reserves			
Called up share capital	20	100,000	100,000
Profit and loss account	21	815,936	355,016
Shareholders' funds		915,936	455,016

These financial statements were approved by the board of directors and authorised for issue on 30 March 2021 and are signed on behalf of the board by:



S C KIBBLE
Director

AUTOSALES LIMITED**STATEMENT OF CHANGES IN EQUITY**
year ended 31 December 2020

	Note	Called up share capital £	Profit and loss account £	Total £
At 1 January 2019		100,000	261,454	361,454
Profit for the year			221,062	221,062
Total comprehensive income for the year		-	221,062	221,062
Dividends paid and payable	11	-	(127,500)	(127,500)
Total investments by and distributions to owners		-	(127,500)	(127,500)
At 31 December 2019		100,000	355,016	455,016
Profit for the year			540,920	540,920
Total comprehensive income for the year		-	540,920	540,920
Dividends paid and payable	11	-	(80,000)	(80,000)
Total investments by and distributions to owners		-	(80,000)	(80,000)
At 31 December 2020		100,000	815,936	915,936

AUTOSALES LIMITED

STATEMENT OF CASH FLOWS
year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows and operating activities			
Profit for the financial year		540,920	221,062
Adjustments for:			
Depreciation of tangible assets		52,208	55,825
Interest payable and similar charges		12,063	8,008
Tax on profit on ordinary activities		127,857	55,991
Accrued expenses		7,736	4,902
Changes in:			
Stocks		(565,763)	(146,577)
Trade and other debtors		44,015	13,861
Trade and other creditors		292,537	41,067
		<hr/>	<hr/>
Cash generated from operations		511,573	254,139
Interest paid		(12,063)	(8,008)
Tax paid		(58,537)	(77,392)
		<hr/>	<hr/>
Net cash from operating activities		440,973	168,739
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible assets		(28,450)	(19,351)
		<hr/>	<hr/>
Net cash used in investing activities		(28,450)	(19,351)
		<hr/>	<hr/>
Cash flows from financing activities			
Movement in loans from participating interests		(300,000)	(100,000)
Dividends paid		(80,000)	(127,500)
		<hr/>	<hr/>
Net cash used in financing activities		(380,000)	(227,500)
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents		32,523	(78,112)
Cash and cash equivalents at beginning of year		22,935	101,047
		<hr/>	<hr/>
Cash and cash equivalents at end of year	15	55,458	22,935
		<hr/>	<hr/>

AUTOSALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS **31 December 2020**

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Vulcan Road, Bilston, West Midlands, WV14 7JW.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services supplied to customers during the year, stated net of discounts and Value Added Tax.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the costs of an asset less its residual value, over the useful life of that asset as follows:

Property alterations	10% straight line
Plant and fixtures	20% straight line
Computers	25% straight line
Motor vehicles	25% written down value

NOTES TO THE FINANCIAL STATEMENTS
31 December 2020

3. ACCOUNTING POLICIES (Continued)

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.

Stocks

(i) Motor vehicle stocks are stated at the lower of cost and net realisable value. Cost is net of incentives received from manufacturers in respect of target achievements. Fair values of motor vehicle stocks are determined by assessing the estimated sales point and sales price using historical trends for vehicles categorised by their time in stock and stock classification. The assessment of fair values involves an element of judgement and estimation, examples of which include assessing the current state of the market and, assessing the impact of the age and condition of the vehicle on its fair value. Whilst this data is deemed representative of current values it is possible that ultimate sales values can vary from those applied.

(ii) Consignment vehicles are new unregistered vehicles owned by the manufacturers, mainly located at the Company's premises, and insured by the Company.

(iii) Parts inventories are based on purchase cost and are written down to net realisable value by providing for obsolescence on a time in stock based formula approach.

New consignment vehicles in respect of which finance charges are levied are regarded as being effectively under the control of the Company and are included within stocks on the balance sheet even though legal title has not yet passed to the Company. The corresponding liability is included in creditors.

Debtors

Trade and other debtors are recognised at fair value.

Creditors

Trade and other creditors are recognised at fair value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Financial instruments

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowings. Subsequent valuations will depend on the specific terms and repayment arrangements connected therewith.

NOTES TO THE FINANCIAL STATEMENTS**31 December 2020****3. ACCOUNTING POLICIES (Continued)****Operating leases**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

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 and 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 and loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which 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.

4. TURNOVER

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	2020	2019
	£	£
Commission receivable	135,239	157,349
CJRS grants	192,713	-
	<hr/>	<hr/>
	327,952	157,349
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
31 December 2020**6. OPERATING PROFIT**

Operating profit is stated after charging:

	2020	2019
	£	£
Depreciation of tangible assets	52,208	55,825
Auditors' remuneration - audit	11,260	11,700
- non audit	1,850	717
	<u> </u>	<u> </u>

7. DIRECTORS EMOLUMENTS

	2020	2019
	£	£
Emoluments	55,437	77,926
	<u> </u>	<u> </u>

8. STAFF COSTS

The average number of persons employed by the company, including directors, during the year was as follows:

	2020	2019
	No.	No.
Production	15	17
Sales and distribution	17	16
Administration	15	16
	<u> </u>	<u> </u>
	47	49
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£	£
Wages and salaries	1,073,451	1,098,663
Social security	93,442	94,694
Pension contributions	20,506	39,427
	<u> </u>	<u> </u>
	1,187,399	1,232,784
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS**31 December 2020****9. INTEREST PAYABLE**

	2020	2019
	£	£
Bank interest	34	8
Other interest	12,029	8,000
	<u>12,063</u>	<u>8,008</u>

10. TAX ON PROFIT ON ORDINARY ACTIVITIES

Major components of tax expense.

	2020	2019
	£	£
Current tax		
UK current tax expense	131,123	58,536
Deferred tax		
Origination and reversal of timing differences	(3,266)	(2,545)
	<u>127,857</u>	<u>55,991</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020	2019
	£	£
Profit on ordinary activities before taxation	668,777	277,053
Profit on ordinary activities by rate of tax	127,068	52,640
Effect of capital allowances and depreciation	789	3,351
Tax on profit	<u>127,857</u>	<u>55,991</u>

11. DIVIDENDS

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2020	2019
	£	£
Equity dividends	80,000	127,500

NOTES TO THE FINANCIAL STATEMENTS**31 December 2020****12. TANGIBLE ASSETS**

	Property alterations	Plant and vehicles	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2020	761,130	240,451	36,056	37,098	1,074,735
Additions	-	14,742	-	13,708	28,450
Disposals	-	-	-	(7,113)	(7,113)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	761,130	255,193	36,056	43,693	1,096,072
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2020	624,498	154,250	34,517	37,098	850,363
Charge for the year	22,279	24,962	1,539	3,428	52,208
Disposals	-	-	-	(7,113)	(7,113)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	646,777	179,212	36,056	33,413	895,458
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2020	114,353	75,981	-	10,280	200,614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	136,631	86,201	1,539	-	224,371
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

13. STOCKS

	2020	2019
	£	£
Motor vehicles	1,963,983	2,150,115
Consignment stock	1,934,008	1,182,113
	<hr/>	<hr/>
	3,897,991	3,332,228
	<hr/>	<hr/>

Consignment stock is subject to minimum vehicle holding levels as stipulated by the manufacturer. Consignment periods are 180 days.

The replacement cost of the above stocks would not be significantly different from the values stated.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2020**14. DEBTORS**

	2020	2019
	£	£
Trade debtors	37,337	61,831
Corporation tax recoverable	6,869	9,375
Prepayments and accrued income	36,091	50,306
Other debtors	500	3,300
	<hr/>	<hr/>
	80,797	124,812
	<hr/>	<hr/>

15. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	22,935	32,523	55,458
Debt due after one year	(300,000)	300,000	-
	<hr/>	<hr/>	<hr/>
	(277,065)	332,523	55,458
	<hr/>	<hr/>	<hr/>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	1,018,074	1,419,995
Corporation tax	131,123	58,536
Other taxation and social security	69,831	119,854
Other creditors	72,746	80,160
Accruals and deferred income	69,743	62,007
Consignment stock	1,934,008	1,182,113
	<hr/>	<hr/>
	3,295,525	2,922,665
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS**31 December 2020****17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020	2019
	£	£
Amount owed to related company	-	300,000
	<u> </u>	<u> </u>

18. PROVISION FOR LIABILITIES AND CHARGES

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2020
	£
At 1 January 2020	26,665
Charge against provision	(3,266)
	<u> </u>
At 31 December 2020	<u>23,399</u>

19. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in provisions (note 18)	23,399	26,665
	<u> </u>	<u> </u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	23,399	26,665
	<u> </u>	<u> </u>

AUTOSALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

20. CALLED UP SHARE CAPITAL

	2020		2019	
	No	£	No	£
Issued, called up and fully paid				
Ordinary shares of £1 each	100,000	100,000	100,000	100,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All shares carry full voting rights.

21. RESERVES

Profit and loss account - This reserve records retained earnings and accumulated losses.

22. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,506 (2019: £39,427).

23. RELATED PARTY TRANSACTIONS

The company trades from 2 properties owned by a company under common control. £120,000 was paid for rent during the year, charged on a normal commercial basis.

The balance due to this company at 31 December 2020 amounted to £Nil (2019 - £300,000).

24. OPERATING LEASES

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

	2020	2019
	£	£
Not later than 1 year	146,000	146,000
Later than 1 year and not later than 5 years	584,000	584,000
Later than 5 years	317,250	461,083
	<u> </u>	<u> </u>
	1,047,250	1,191,083
	<u> </u>	<u> </u>

The above leases relate to the 3 properties occupied by the company.