

Company Registration Number: 04056688

Charlton Bodies Limited

Financial Statements

for the financial year ended 30 September 2021

**O'Neill Foley Unlimited Company
Chartered Accountants and Statutory Auditors
The Brewhouse
Abbey Quarter
Kilkenny
Ireland**



Charlton Bodies Limited
Company Registration Number: 04056688

BALANCE SHEET

as at 30 September 2021

	Notes	2021 £	2020 £
Fixed Assets			
Tangible assets	7	225,457	175,509
Investments	8	1	1
		<u>225,458</u>	<u>175,510</u>
Current Assets			
Stocks	9	1,007,976	268,532
Debtors	10	1,648,054	1,275,729
Cash and cash equivalents		1,603,738	2,037,513
		<u>4,259,768</u>	<u>3,581,774</u>
Creditors: amounts falling due within one year	11	<u>(1,512,106)</u>	<u>(920,092)</u>
Net Current Assets		<u>2,747,662</u>	<u>2,661,682</u>
Total Assets less Current Liabilities		<u>2,973,120</u>	<u>2,837,192</u>
Provisions for liabilities	13	<u>(14,915)</u>	<u>(4,410)</u>
Net Assets		<u><u>2,958,205</u></u>	<u><u>2,832,782</u></u>
Capital and Reserves			
Called up share capital		1,000	1,000
Retained earnings		2,957,205	2,831,782
Shareholders' Funds		<u><u>2,958,205</u></u>	<u><u>2,832,782</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A (Small Entities).

The company has taken advantage of the exemption under section 444 not to file the Profit and Loss Account and Directors' Report.

Approved by the Board and authorised for issue on 16 June 2022 and signed on its behalf by



Scott Burton
Director



Margaret Burton
Director

Charlton Bodies Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 September 2021

1. General Information

Charlton Bodies Limited is a company limited by shares incorporated and registered in the United Kingdom. The registered number of the company is 04056688. The registered office of the company is Vulcan Way, New Addington, Croydon. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 30 September 2021 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Turnover

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

Tangible assets and depreciation

Tangible assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Long leasehold property	- 7%
Plant and machinery	- 10% / 20%
Fixtures, fittings and equipment	- 10% / 20%
Motor vehicles	- 25%

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing

Rentals payable under operating leases are dealt with in the Profit and Loss Account as incurred over the period of the rental agreement.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation.

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Related parties

For the purposes of these financial statements a party is considered to be related to the company if:

- the party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial and operating policy decisions or has joint control over the company;
- the company and the party are subject to common control;
- the party is an associate of the company or forms part of a joint venture with the company;
- the party is a member of key management personnel of the company or the company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Profit and Loss Account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Profit and Loss Account when received.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Annual contributions payable to the company's pension scheme are charged to the Profit and Loss Account in the period to which they relate.

Charlton Bodies Limited

NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 30 September 2021

Financial Instruments

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related tax credit is recognised in the profit and loss account in the year in which it is receivable.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

3. Significant accounting judgements and key sources of estimation uncertainty

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Useful Lives of Tangible Fixed Assets

Long-lived assets comprising primarily of property, plant and machinery, fixtures, fittings and equipment and motor vehicles assets represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was £225,457 (2020: £175,509).

Impairment of Stocks

The group holds stocks amounting to £1,007,976 (2020: £268,532) at the financial year end date. The directors are of the view that an adequate charge has been made to reflect the possibility of stocks being sold at less than cost. However, this estimate is subject to inherent uncertainty.

Impairment of Trade Debtors

The companies within the group trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The group uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amount of trade debtors is £1,539,581 (2020: £1,048,234).

4. INFORMATION RELATING TO THE AUDITOR'S REPORT

The Audit Report was unqualified. There were no matters to which the auditor was required to refer by way of emphasis.

The financial statements were audited by O'Neill Foley Unlimited Company.

The Auditor's Report was signed by John Conway (Senior Statutory Auditor) for and on behalf of O'Neill Foley Unlimited Company on 31st May 2022.

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 30 September 2021

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5. Provisions Available for Audits of Small Entities

In common with many other businesses of our size and nature, we use our auditors to prepare and submit tax returns to Her Majesty's Revenue and Customs and to assist with the preparation of the financial statements.

6. Employees

The average monthly number of employees, including directors, during the financial year was 43, (2020 - 43).

7. Tangible assets

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 October 2020	46,708	795,600	104,624	36,395	983,327
Additions	-	111,677	10,566	-	122,243
Disposals	-	(88,495)	-	-	(88,495)
At 30 September 2021	46,708	818,782	115,190	36,395	1,017,075
Depreciation					
At 1 October 2020	46,708	620,989	103,726	36,395	807,818
Charge for the financial year	-	42,732	3,011	-	45,743
On disposals	-	(61,943)	-	-	(61,943)
At 30 September 2021	46,708	601,778	106,737	36,395	791,618
Net book value					
At 30 September 2021	-	217,004	8,453	-	225,457
At 30 September 2020	-	174,611	898	-	175,509

8. Investments

	Group and participating interests/ joint ventures £	Total £
Investments		
Cost		
At 30 September 2021	1	1
Net book value		
At 30 September 2021	1	1
At 30 September 2020	1	1

8.1. Holdings in related undertakings

The company holds 20% or more of the share capital of the following company:

Name	Country of incorporation and address of Registered Office	Nature of business	Details of investment	Proportion held by company
Subsidiary undertaking				
Charlton (Vehicle Finishers) Limited	United Kingdom	Non-trading	Ordinary	100

Charlton Bodies Limited
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for the financial year ended 30 September 2021

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Year ended	Capital and reserves £	Profit for the year £
Charlton (Vehicle Finishers) Limited	30 September 2021	1	-

In the opinion of the directors, the value to the company of the unlisted investments is not less than the book amount shown above.

9. Stocks	2021 £	2020 £
Raw materials	344,852	161,717
Work in progress	661,797	105,710
Expense stock	1,327	1,105
	<u>1,007,976</u>	<u>268,532</u>

The replacement cost of stock did not differ significantly from the figures shown.

10. Debtors	2021 £	2020 £
Trade debtors	1,539,581	1,048,234
Amounts owed by group undertakings	-	145,767
Taxation (Note 12)	25,001	-
Prepayments and accrued income	83,472	81,728
	<u>1,648,054</u>	<u>1,275,729</u>

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is thirty days. Trade debtors are shown net of impairment in respect of doubtful debts.

11. Creditors Amounts falling due within one year	2021 £	2020 £
Trade creditors	982,578	510,995
Amounts owed to group undertakings	102,065	-
Taxation (Note 12)	105,715	111,367
Accruals	321,748	297,730
	<u>1,512,106</u>	<u>920,092</u>

Trade creditors include amounts owing to suppliers, who purport to include reservation of title clauses in their conditions of sales. It is not practicable to quantify this amount, or how much of it is included in stocks.

The repayment terms of trade creditors vary between on demand and ninety days. No interest is payable on trade creditors.

The terms of the accruals are based on the underlying contracts.

Amounts owed to group companies are unsecured, interest free and repayable on demand.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

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12. Taxation	2021 £	2020 £
Debtors:		
Corporation tax	25,001	-
Creditors:		
VAT	72,550	78,834
Corporation tax	-	8,474
PAYE / NI	33,165	24,059
	105,715	111,367

13. Provisions for liabilities

The amounts provided for deferred taxation are analysed below:

	Capital allowances	Total
	2021 £	2020 £
At financial year start	4,410	5,891
Charged to profit and loss	10,505	(1,481)
At financial year end	14,915	4,410

14. Pension costs - defined contribution

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. Pension costs amounted to £38,386 (2020 - £36,520).

15. Capital commitments

The company had no material capital commitments at the financial year-ended 30 September 2021.

16. Related party transactions

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group undertakings.

Fellow subsidiaries Thompsons (UK) Limited, Thompsons Servicetech Limited and Thompsons Tippers (Scotland) Limited creditors at the balance sheet date were £102,065 (2020: debtor £145,767).

Fellow subsidiary company Thompsons (UK) Limited has guaranteed bank borrowings to £100,000 and a lease on behalf of the company at an annual rent of £118,000.

17. Parent company

The company regards Thompsons (UK) Holdings Limited as its parent company, a company controlled by the Burton and Thomas families.

18. Post-Balance Sheet Events

The company's business activities continue to be affected after year end by the global outbreak of Covid-19. The directors, in line with Government directives, continue to make decisions which, in their opinion, protect the health and safety of their employees and the company's underlying business.