

Company Registration No. 04134387 (England and Wales)

BEECHDEAN MOTORSPORT LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

BEECHDEAN MOTORSPORT LIMITED

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BEECHDEAN MOTORSPORT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	5		2,534,100		2,411,301
Current assets					
Stocks		843,018		824,027	
Debtors	6	124,127		154,233	
		<u>967,145</u>		<u>978,260</u>	
Creditors: amounts falling due within one year	7	<u>(1,618,009)</u>		<u>(1,157,446)</u>	
Net current liabilities			(650,864)		(179,186)
Total assets less current liabilities			1,883,236		2,232,115
Creditors: amounts falling due after more than one year	8		-		(294,947)
Net assets			<u>1,883,236</u>		<u>1,937,168</u>
Capital and reserves					
Called up share capital			100		100
Revaluation reserve			694,368		485,875
Profit and loss reserves			<u>1,188,768</u>		<u>1,451,193</u>
Total equity			<u>1,883,236</u>		<u>1,937,168</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

BEECHDEAN MOTORSPORT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The financial statements were approved by the board of directors and authorised for issue on 26 September 2022 and are signed on its behalf by:

S H Howard

Director

Company Registration No. 04134387

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Beechdean Motorsport Limited is a private company limited by shares incorporated in England and Wales. The registered office is Old House Farm, Speen Road, North Dean, High Wycombe, Buckinghamshire, United Kingdom, HP14 4NL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The accounts have been prepared on a going concern basis. Despite the fact that the company holds net current liabilities with no cash balances available, support is available from related parties to pay outstanding debts as and when required.

1.3 Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax and adjusted for accrued revenue calculated by reference to the fair value of services performed up to the balance sheet date but not invoiced.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance (previously 50% straight line, see note 2 for details)
Motor vehicles	25% reducing balance (previously between 50% straight line and 10% straight line, see note 2 for details)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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 balance sheet when the company becomes party to the contractual provisions of the instrument.

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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and 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. Financial assets classified as receivable within one year are not amortised.

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Change in accounting policy

It was considered more appropriate to value the tangible fixed assets held by the company using a revaluation model rather than a cost-based model. This is due to the appreciating nature of the assets. With this in mind, a change in accounting policy has been implemented.

This change in accounting policy has been applied retrospectively with adjustments to figures explained in the tangible fixed asset note to the accounts.

Further to this, the depreciation has been fixed at 25% reducing balance to reflect usage in the year. This is a change in accounting estimate and therefore no retrospective change is necessary.

3 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 periods where the revision affects both current and future periods.

In the opinion of the directors, there are no significant judgments or estimates included in the financial statements.

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	2	2

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost or valuation	
At 1 January 2021	3,519,615
Additions	25,500
Disposals	(50,599)
Revaluation	329,962
At 31 December 2021	3,824,478
Depreciation and impairment	
At 1 January 2021	1,108,314
Depreciation charged in the year	224,234
Eliminated in respect of disposals	(42,170)
At 31 December 2021	1,290,378
Carrying amount	
At 31 December 2021	2,534,100
At 31 December 2020	2,411,301

Plant and machinery included above were revalued at 31 December 2021 by the Directors on the basis of market value.

Plant and machinery are carried at valuation. If plant and machinery were measured using the cost model, the carrying amounts would have been approximately £1,839,733 (2020: £2,243,872) being cost £2,929,029 (2020: £3,272,575) and depreciation £1,089,296 (2020: £1,028,703).

BEECHDEAN MOTORSPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Tangible fixed assets

(Continued)

Prior year adjustment

As per note 2, it is considered more appropriate to value motor vehicles using the revaluation model rather than cost given the increase in values of the cars. As such, a change in accounting policy has occurred meaning that the figures from 2020 and 2021 included in these accounts should be restated.

The resultant impact is:

- Increase in tangible fixed assets cost at 31 December 2020 by £565,487
- Introduction of a revaluation reserve at 1 January 2020 by £318,447
- Increase in the revaluation reserve at 31 December 2020 by £485,875
- Increase in tangible fixed assets depreciation at 31 December 2020 by £79,612
- Increase in depreciation included in administrative expenditure in the year to 31 December 2020 by £79,612

As such, overall there has been an increase in tangible fixed assets and the revaluation reserve. Retained earnings were unaffected as the excess depreciation was transferred to the revaluation reserve.

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	7,800	6,600
Amounts owed by group undertakings and undertakings in which the company has a participating interest	70,978	61,634
Other debtors	45,349	85,999
	<u>124,127</u>	<u>154,233</u>

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	1,567,070	1,044,142
Trade creditors	17,396	50,815
Amounts owed to group undertakings and undertakings in which the company has a participating interest	17,108	7,757
Taxation and social security	-	3,493
Other creditors	16,435	51,239
	<u>1,618,009</u>	<u>1,157,446</u>

8 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	-	294,947
	<u>-</u>	<u>294,947</u>

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