

MOTORSPORTSTORE UK LTD

Financial Statements
For the year ended 31 December 2016

Registered Number: 05077561

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MOTORSPORTSTORE UK LTD

Contents Page

For the year ended 31 December 2016

Contents	Page
Company Information	1
Director's Report	2
Statement of Director's Responsibilities	3
Independent Auditor's Report to the members of Motorsportstore UK LTD	4
Profit and Loss account.....	6
Balance Sheet.....	7
Statement of Changes in Equity	8
Notes to the accounts.....	9

MOTORSPORTSTORE UK LTD

Company Information

For the year ended 31 December 2016

Director P Preuveneers (appointed 11 April 2016, resigned 31 May 2017)
E Tour (appointed 31 May 2017)

Company secretary C Whitmore (resigned 11 April 2016)

Auditor Ecovis Wingrave Yeats LLP
Chartered Accountants and Statutory Auditor
7-12 Noel St
London
W1F 8GQ

Registered office 14 Soho Square
London
United Kingdom
W1D 3QG

Company number 05077561

MOTORSPORTSTORE UK LTD
Directors' Report
For the year ended 31 December 2016

The Director submits their report and accounts for the year ended 31 December 2016.

Incorporation

The company was incorporated on 18 March 2004 and commenced trading on the same day.

Principal activity and future developments

The principle activity of the company in the year under review was that of a distributor and retail of motorsport merchandise.

The company formally ceased trading from the 31 December 2016.

Directors

The Directors who held office at any time during or since the end of the financial year are given below:

E Tour	(appointed 31 May 2017)
P Preuveneers	(appointed 11 April 2016, resigned 31 May 2017)
G Andres Roche	(appointed 3 February 2016; resigned 18 April 2016)
T Whitmore	(resigned 11 April 2016)
C Whitmore	(resigned 29 March 2016)

Disclosure of information to the auditor

Each of the persons who are directors at the time when this Director's Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, Ecovis Wingrave Yeats LLP is appointed auditor of the Company.

Small Companies Exemption

In preparing the report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board:



E Tour
Director

Date: 7th August 2017

Company registered number: 05077561

14 Soho Square
London
United Kingdom
W1D 3QG

MOTORSPORTSTORE UK LTD

Statement of Director's Responsibilities in Respect of the Director's Report and the Financial Statements **For the year ended 31 December 2016**

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including Section 1A of financial reporting standard 102 'The financial reporting standard applicable in the UK and Republic of Ireland'.

Under company law the Director 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Director is 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MOTORSPORTSTORE UK LTD

We have audited the financial statements of Motorsportstore UK Ltd for the year ended 31 December 2016, set out on pages 6 to 15. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement on, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Qualified opinion on financial statements

Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion on financial statements

With respect of stock having a carrying amount of £44,202 at 31 December 2015 the audit evidence available to us was limited because we did not observe the counting of the physical stock on that date, since that date was prior to our appointment as auditor of the company. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using other audit procedures.

Emphasis of matter

These financial statements have been prepared on the break up basis as the directors do not consider that the going concern basis of preparation is appropriate. Further details are given in the Directors Report and in note 1.

Opening balances

The financial statements for the prior period were not audited.

Independent Auditor's Report

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Ecovis Wingrave Yeats LLP

Stuart Hinds (Senior statutory auditor)
for and on behalf of
Ecovis Wingrave Yeats LLP
Chartered Accountants & Statutory Auditor
Waverley House
7-12 Noel Street
London
W1F 8GQ

Date: 22/8/17

MOTORSPORTSTORE UK LTD
Profit and Loss account
For the year ended 31 December 2016

	Note	Dec 2016 £	Unaudited Dec 2015 £
Turnover		322,748	204,543
Cost of sales		(396,849)	(107,365)
Gross (loss)/profit		(74,101)	97,178
Administrative expenses		(1,190,754)	(92,604)
Interest payable and similar charges	5	(25,912)	(4,902)
Operating (loss)/profit		(1,290,767)	(328)
Interest income		-	-
Loss on ordinary activities before taxation		(1,290,767)	(328)
Taxation of loss on ordinary activities	6	907	-
Loss for the financial year		(1,289,860)	(328)

There were no other comprehensive income in either the current or proceeding period.

MOTORSPORTSTORE UK LTD
Balance Sheet
As at ended 31 December 2016

	Note	Dec 2016 £	Unaudited Dec 2015 £
Fixed assets			
Intangible assets	7		255
Tangible assets	8		890
Total fixed assets			1,145
Current assets			
Stocks	9		44,202
Debtors	10	24,104	-
Cash at Bank		13,137	66,907
Total current assets		37,241	111,109
Creditors: amounts falling due within one year	11	(1,248,132)	(13,897)
Net current assets		(1,210,891)	97,212
Creditors: amounts falling due after more than one year	12		(19,388)
Net assets		(1,210,891)	78,969
Capital and reserves			
Called up share capital	13	90,000	90,000
Profit and loss account		(1,300,891)	(11,031)
Shareholders' funds		(1,210,891)	78,969

The financial statements were approved by the director on 7th August 2017 and signed by:



E. Tour
Director

Company registered number: 05077561

MOTORSPORTSTORE UK LTD
Statement of Changes in Equity
For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015 (Unaudited)	90,000	(10,703)	79,297
Loss for the year (Unaudited)	-	(328)	(328)
At 31 December 2015 (Unaudited)	90,000	(11,031)	78,969
At 1 January 2016	90,000	(11,031)	78,969
Loss for the year	-	(1,289,860)	(1,289,860)
At 31 December 2016	90,000	(1,300,891)	(1,210,891)

MOTORSPORTSTORE UK LTD

Notes to the accounts

For the year ended 31 December 2016

1. Accounting policies

Motorsportstore UK Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 14 Soho Square, London, England, W1D 3QG.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of 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 small companies regime.

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 pound.

These financial statements for the year ended 31 December 2016 are the first financial statements of Motorsportstore UK Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The reported financial position and financial performance for the previous year are not affected by the transition to FRS 102.

Going concern

The director has confirmed the intention to wind the company down within 12 months of the preparation of these financial statements. Therefore, the going concern basis of preparation is not considered appropriate and these financial statements have been prepared on a break up basis. The director expect all assets and liabilities to be settled at book value, therefore no material adjustments are considered necessary to reflect this.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to a third party, or for services provided, at the point when it is probable that the economic benefits will flow to the Company and when the amount of revenue can be reliably measured.

Revenue is measured at the fair value of the consideration and represents amounts receivable for services and goods provided in the normal course of business, net of discounts, custom duties and sales taxes.

Intangible fixed assets

Intangible fixed assets (including purchased goodwill and patents) are amortised at rates calculated to write off the assets on a straight basis over their estimated useful economic lives. Impairment of intangible assets is only reviewed where circumstance indicate that the carrying value of an asset may not be fully recoverable.

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

Software – 3 years straight line

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 provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings – 10% on cost

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 the profit or loss.

Cash and cash equivalents

Cash and cash equivalents 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.

MOTORSPORTSTORE UK LTD

Notes to the accounts

For the year ended 31 December 2016

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 its financial instruments.

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 and are subsequently carried at the 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 market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries or associates are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the financial 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 assets in its entirety to an unrelated third party.

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 payment discounted at the 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 payables 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.

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.

Equity instruments

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

Stocks

Stocks are valued at the lower of the cost and net realisable value, after making due allowances for obsolete and slow moving items.

MOTORSPORTSTORE UK LTD

Notes to the accounts

For the year ended 31 December 2016

Taxation

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

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are initially recorded at the currency rate applicable at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the currency rate of exchange in force at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction.

Pensions

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

MOTORSPORTSTORE UK LTD
Notes to the accounts (continued)
For the year ended 31 December 2016

2. Auditors Remuneration

	Dec 2016 £	Unaudited Dec 2015 £
Auditors remuneration	6,000	-

3. Employees

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

	Dec 2016	Unaudited Dec 2015
Sales	4	-
Product	1	-
Operations	2	2
Finance	3	-
Total	10	2

4. Directors remuneration

	Dec 2016 £	Unaudited Dec 2015
Remuneration for qualifying services	180,740	8,028
Company pension contributions	9,900	-
Total	190,640	8,028

5. Interest Payable

	Dec 2016 £	Unaudited Dec 2015 £
Bank charges	(927)	(4,902)
Interest payable to group undertakings	(24,985)	-
Total	(25,912)	(4,902)

Group undertakings interest is payable to Motorstore.com LLC as per the loan agreement at a rate of 6.25% interest.

MOTORSPORTSTORE UK LTD
Notes to the accounts (continued)
For the year ended 31 December 2016

6. Taxation

	Dec 2016	Unaudited
	£	Dec 2015
	£	£
(Loss)/Profit before tax	(1,290,767)	(328)
Depreciation	3,543	2,295
Capital Allowances	(3,033)	-
Taxable profit	(1,290,257)	1,967
Expected tax charge based on standard rate of corporation tax in the UK of 20.00%	258,051	(393)
Utilised tax losses carried back	-	393
Utilised tax losses carried forward	(258,051)	-
Adjustments to current tax in respect of prior year	907	-
Current tax charge for the year	907	-

7. Intangible Fixed Assets

	Software and trademarks
	£
Cost	
At 1 January 2016 (Unaudited)	255
Additions	-
At 31 December 2016	255
Amortisation and impairment	
At 1 January 2016 (Unaudited)	-
Amortisation charged for the year:	255
Disposals	-
At 31 December 2016	255
Carrying amount	
At 31 December 2016:	-
At 31 December 2015 (Unaudited):	255

MOTORSPORTSTORE UK LTD
Notes to the accounts (continued)
For the year ended 31 December 2016

8. Tangible Fixed Assets

	Fixtures and Fittings £
Cost	
At 1 January 2016 (Unaudited)	3,440
Additions	3,889
Disposals	(7,329)
At 31 December 2016	-
Depreciation and impairment	
At 1 January 2016 (Unaudited)	2,295
Depreciation charged in the year:	3,543
Disposals	(5,838)
At 31 December 2016	-
Carrying amount	
At 31 December 2016:	-
At 31 December 2015 (Unaudited):	890

9. Stocks

	Dec 2016 £	Unaudited Dec 2015 £
Finished goods	-	44,202
Total	-	44,202

10. Debtors

	Dec 2016 £	Unaudited Dec 2015 £
Trade debtors	13,816	-
VAT	5,922	-
Other debtors	4,366	-
Total	24,104	-

MOTORSPORTSTORE UK LTD
Notes to the accounts (continued)
For the year ended 31 December 2016

11. Creditors: amounts falling due within one year

	Dec 2016	Unaudited Dec 2015
	£	£
Trade creditors	813	7,988
Taxation	-	5,909
Accruals	29,725	-
Other payables	3,208	-
Amounts payable to group undertakings	1,214,386	-
Total	1,248,132	13,897

Amounts payable to group undertakings are unsecured and repayable on demand.

12. Creditors: amounts falling due after more than one year

	Dec 2016	Unaudited Dec 2015
	£	£
Directors' advances	-	19,388
Total	-	19,388

13. Share capital

	Dec 2016	Unaudited Dec 2015
	£	£
Allotted, issued and fully paid		
90,000 Ordinary shares of £1 each	90,000	90,000
Total	90,000	90,000

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £34,409 (2015 - £Nil). No amounts were outstanding at the yearend as payable to the funds (2015 - £Nil).

15. Related party transactions

As a wholly owned subsidiary the company has taken advantage of the exemption contained within Section 1A of FRS 102 from disclosing transactions with wholly owned group companies.

16. Ultimate parent company

The immediate parent undertaking is Motorstore.com LLC and the ultimate parent undertaking is Enerfund LLC, both companies are incorporated in the United States of America.

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Motorsport Network, LLC.