

# A & C Auto Salvage UK Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2018

CLC Accountants & Business Advisors Ltd  
32 - 36 Chorley New Road  
Bolton  
Lancashire  
BL1 4AP

# A & C Auto Salvage UK Limited

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# **A & C Auto Salvage UK Limited**

## **Company Information**

<b>Directors</b>	Mr Craig Nuttall Mr Alexis Lorant
<b>Registered office</b>	32 - 36 Chorley New Road Bolton Lancashire BL1 4AP
<b>Accountants</b>	CLC Accountants & Business Advisors Ltd 32 - 36 Chorley New Road Bolton Lancashire BL1 4AP

**Accountants' Report to the Board of Directors on the Preparation of the Unaudited  
Statutory Accounts of  
A & C Auto Salvage UK Limited  
for the Year Ended 31 December 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A & C Auto Salvage UK Limited for the year ended 31 December 2018 as set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of A & C Auto Salvage UK Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of A & C Auto Salvage UK Limited and state those matters that we have agreed to state to the Board of Directors of A & C Auto Salvage UK Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & C Auto Salvage UK Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A & C Auto Salvage UK Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A & C Auto Salvage UK Limited. You consider that A & C Auto Salvage UK Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A & C Auto Salvage UK Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....  
CLC Accountants & Business Advisors Ltd  
32 - 36 Chorley New Road  
Bolton  
Lancashire  
BL1 4AP

10 April 2019

# A & C Auto Salvage UK Limited

(Registration number: 05282472)  
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	66,924	68,181
<b>Current assets</b>			
Stocks	<u>6</u>	4,650	5,250
Cash at bank and in hand		1,615	288
		6,265	5,538
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	(21,450)	(42,519)
<b>Net current liabilities</b>		(15,185)	(36,981)
<b>Total assets less current liabilities</b>		51,739	31,200
<b>Provisions for liabilities</b>		(1,131)	(1,328)
<b>Net assets</b>		50,608	29,872
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	2	2
Profit and loss account		50,606	29,870
<b>Total equity</b>		50,608	29,872

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 5 to 11 form an integral part of these financial statements.

**A & C Auto Salvage UK Limited**

**(Registration number: 05282472)**

**Balance Sheet as at 31 December 2018 (continued)**

Approved and authorised by the Board on 10 April 2019 and signed on its behalf by:

.....

Mr Craig Nuttall  
Director

.....

Mr Alexis Lorant  
Director

The notes on pages 5 to 11 form an integral part of these financial statements.

# **A & C Auto Salvage UK Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **1 General information**

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

32 - 36 Chorley New Road  
Bolton  
Lancashire  
BL1 4AP

These financial statements were authorised for issue by the Board on 10 April 2019.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

# A & C Auto Salvage UK Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

### 2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Buildings	Nil
Plant and machinery	15% reducing balance
Fixture, fittings and equipment	15% reducing balance
Motor vehicles	20% reducing balance

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.



## **A & C Auto Salvage UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## **A & C Auto Salvage UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 6 (2017 - 9).

# A & C Auto Salvage UK Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

### 4 Intangible assets

Cost or valuation

Amortisation

Carrying amount

At 31 December 2018

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 January 2018	60,000	24,934	2,400	87,334
At 31 December 2018	60,000	24,934	2,400	87,334
<b>Depreciation</b>				
At 1 January 2018	-	17,323	1,830	19,153
Charge for the year	-	1,143	114	1,257
At 31 December 2018	-	18,466	1,944	20,410
<b>Carrying amount</b>				
At 31 December 2018	60,000	6,468	456	66,924
At 31 December 2017	60,000	7,611	570	68,181

Included within the net book value of land and buildings above is £60,000 (2017 - £60,000) in respect of long leasehold land and buildings.

### 6 Stocks

	2018 £	2017 £
Finished goods and goods for resale	4,650	5,250

# A & C Auto Salvage UK Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

### 7 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>9</u>	1,996	2,618
Taxation and social security		7,544	5,967
Accruals and deferred income		3,473	1,206
Other creditors		8,437	32,728
		<u>21,450</u>	<u>42,519</u>

### 8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

### 9 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank overdrafts	<u>1,996</u>	<u>2,618</u>

### 10 Dividends

Interim dividends paid

	2018 £	2017 £
Interim dividend of £20,000.00 (2017 - £5,000.00) per each Ordinary shares	40,000	10,000

## **A & C Auto Salvage UK Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)**

#### **11 Related party transactions**

##### **Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Remuneration	<u>16,482</u>	<u>15,384</u>

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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.