

1st Choice Car Spares Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2019

Hughes & Co Limited
Chartered Certified Accountant
Unit 1,
Vantage Court
Riverside Business Park
Barrowford
Lancashire
BB9 6BP

1st Choice Car Spares Limited

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1st Choice Car Spares Limited

Company Information

Director Mr Imran Mirza

Company secretary Mr Zaheer Ahmed

Registered office Unit 1,
Vantage Court
Riverside Business Park
Barrowford
Lancashire
BB9 6BP

Accountants Hughes & Co Limited
Chartered Certified Accountant
Unit 1,
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1st Choice Car Spares Limited

Director's Report for the Year Ended 30 June 2019

The director presents his report and the financial statements for the year ended 30 June 2019.

Director of the company

The director who held office during the year was as follows:

Mr Imran Mirza

Principal activity

The principal activity of the company is Car Breaker and Spare parts Distributor

Small companies provision statement

This report has 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.

Approved by the director on 18 March 2020 and signed on its behalf by:

.....
Mr Imran Mirza
Director

**Chartered Certified Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
1st Choice Car Spares Limited
for the Year Ended 30 June 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of 1st Choice Car Spares Limited for the year ended 30 June 2019 as set out on pages 4 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/gb/en/discover/public-value/rulebook.html>.

This report is made solely to the Board of Directors of 1st Choice Car Spares 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 1st Choice Car Spares Limited and state those matters that we have agreed to state to the Board of Directors of 1st Choice Car Spares Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2009/october/factsheet-163-audit-exempt-companies.html>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 1st Choice Car Spares Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that 1st Choice Car Spares 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 1st Choice Car Spares Limited. You consider that 1st Choice Car Spares 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 1st Choice Car Spares 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.

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Hughes & Co Limited
Chartered Certified Accountant
Unit 1,
Vantage Court
Riverside Business Park
Barrowford
Lancashire
BB9 6BP

18 March 2020

1st Choice Car Spares Limited
(Registration number: 06618075)
Balance Sheet as at 30 June 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	179,427	149,323
Current assets			
Stocks	<u>5</u>	56,986	56,986
Debtors	<u>6</u>	142,113	94,205
Cash at bank and in hand		14,480	34,319
		213,579	185,510
Creditors: Amounts falling due within one year	<u>7</u>	(321,979)	(259,746)
Net current liabilities		(108,400)	(74,236)
Total assets less current liabilities		71,027	75,087
Provisions for liabilities		(33,060)	(27,298)
Net assets		37,967	47,789
Capital and reserves			
Called up share capital	<u>8</u>	6	6
Profit and loss account		37,961	47,783
Total equity		37,967	47,789

For the financial year ending 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 6 to 11 form an integral part of these financial statements.

1st Choice Car Spares Limited
(Registration number: 06618075)
Balance Sheet as at 30 June 2019

Approved and authorised by the director on 18 March 2020

.....

Mr Imran Mirza
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

1 General information

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

The address of its registered office is:

Unit 1,
Vantage Court
Riverside Business Park
Barrowford
Lancashire
BB9 6BP

The principal place of business is:

Unit 9
Moorfield Ind Est
Altham
Accrington
Lancashire
BB5 5WE
United Kingdom

These financial statements were authorised for issue by the director on 18 March 2020.

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.

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

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.

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
Freehold land and buildings	2% straight line
Buildings	10% straight line
Motor vehicles	25% straight line
Furniture, fittings, tools and equipment	20% straight line
Plant and machinery	20% straight line
Office equipment	20% 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.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

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 the director) during the year, was 29 (2018 - 24).

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 July 2018	157,534	23,195	37,520	84,686	302,935
Additions	-	-	37,300	14,000	51,300
At 30 June 2019	157,534	23,195	74,820	98,686	354,235
Depreciation					
At 1 July 2018	19,761	19,677	28,242	85,931	153,611
Charge for the year	4,433	1,820	10,898	4,046	21,197
At 30 June 2019	24,194	21,497	39,140	89,977	174,808
Carrying amount					
At 30 June 2019	133,340	1,698	35,680	8,709	179,427
At 30 June 2018	137,773	3,517	9,278	(1,245)	149,323

Included within the net book value of land and buildings above is £133,340 (2018 - £137,773) in respect of freehold land and buildings.

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

5 Stocks

	2019 £	2018 £
Other inventories	56,986	56,986

6 Debtors

	Note	2019 £	2018 £
Trade debtors		5,093	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	469	-
Prepayments		36,872	29,353
Other debtors		99,679	64,852
		142,113	94,205

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	81,317	70,567
Taxation and social security	79,916	53,392
Accruals and deferred income	2,063	2,941
Other creditors	158,683	132,846
	321,979	259,746

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	1	1	1	1
B Ordinary of £1 each	5	5	5	5
	6	6	6	6

9 Dividends

Interim dividends paid

1st Choice Car Spares Limited

Notes to the Financial Statements for the Year Ended 30 June 2019

	2019 £	2018 £
Interim dividend of £31,980.00 (2018 - £31,762.00) per each Ordinary	31,980	31,762
Interim dividend of £30,381.00 (2018 - £30,109.00) per each B Ordinary	151,906	150,543
	<u>183,886</u>	<u>182,305</u>

10 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	<u>12,424</u>	<u>11,683</u>

Dividends paid to directors

	2019 £	2018 £
Mr Imran Mirza		
Interim	<u>31,980</u>	<u>31,961</u>

Summary of transactions with other related parties

Loan to Concrete Solutions (Accrington) Ltd. Mr I Mirza Director. Loan interest free and repayable on demand

Loans to related parties

	Other related parties £
2019	
At start of period	32,800
Advanced	<u>22,762</u>
At end of period	<u>55,562</u>
	Other related parties £
2018	
Advanced	98,500
Repaid	<u>(65,700)</u>
At end of period	<u>32,800</u>