

# 1st Choice Car Spares Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 June 2018

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,  
Vantage Court  
Riverside Business Park  
Barrowford  
Lancashire  
BB9 6BP

# **1st Choice Car Spares Limited**

## **Director's Report for the Year Ended 30 June 2018**

The director presents his report and the financial statements for the year ended 30 June 2018.

### **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 28 March 2019 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 2018**

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 2018 as set out on pages 4 to 12 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.

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

28 March 2019

**1st Choice Car Spares Limited**  
**(Registration number: 06618075)**  
**Balance Sheet as at 30 June 2018**

|   | Note     | 2018<br>£        | 2017<br>£        |
|---|----------|------------------|------------------|
| <b>Fixed assets</b>                                   |          |                  |                  |
| Tangible assets                                       | <u>4</u> | 149,323          | 176,949          |
| <b>Current assets</b>                                 |          |                  |                  |
| Stocks  | <u>5</u> | 56,986           | 38,592           |
| Debtors   | <u>6</u> | 94,205           | 108,896          |
| Cash at bank and in hand                              |          | <u>34,319</u>    | <u>11,702</u>    |
|   |          | 185,510          | 159,190          |
| <b>Creditors: Amounts falling due within one year</b> | <u>7</u> | <u>(259,746)</u> | <u>(215,328)</u> |
| <b>Net current liabilities</b>                        |          | <u>(74,236)</u>  | <u>(56,138)</u>  |
| <b>Total assets less current liabilities</b>          |          | 75,087           | 120,811          |
| <b>Provisions for liabilities</b>                     |          | <u>(27,298)</u>  | <u>(3,127)</u>   |
| <b>Net assets</b>                                     |          | <u>47,789</u>    | <u>117,684</u>   |
| <b>Capital and reserves</b>                           |          |                  |                  |
| Called up share capital                               | <u>8</u> | 6                | 6                |
| Profit and loss account                               |          | <u>47,783</u>    | <u>117,678</u>   |
| <b>Total equity</b>                                   |          | <u>47,789</u>    | <u>117,684</u>   |

For the financial year ending 30 June 2018 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 12 form an integral part of these financial statements.

**1st Choice Car Spares Limited**  
**(Registration number: 06618075)**  
**Balance Sheet as at 30 June 2018**

Approved and authorised by the director on 28 March 2019

.....

Mr Imran Mirza  
Director

The notes on pages 6 to 12 form an integral part of these financial statements.

# **1st Choice Car Spares Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2018**

### **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 28 March 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.



# 1st Choice Car Spares Limited

## Notes to the Financial Statements for the Year Ended 30 June 2018

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 2018**

### **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.

### **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.

# **1st Choice Car Spares Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2018**

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 24 (2017 - 24).

# 1st Choice Car Spares Limited

## Notes to the Financial Statements for the Year Ended 30 June 2018

### 4 Tangible assets

|                          | Land and<br>buildings<br>£ | Furniture,<br>fittings and<br>equipment<br>£ | Motor vehicles<br>£ | Other tangible<br>assets<br>£ | Total<br>£ |
|--------------------------|----------------------------|--|---------------------|-------------------------------|------------|
| <b>Cost or valuation</b> |                            |  |                     |                               |            |
| At 1 July 2017           | 157,534                    | 23,195                                       | 30,020              | 84,686                        | 295,435    |
| Additions                | -                          | -  | 7,500               | -                             | 7,500      |
| At 30 June 2018          | 157,534                    | 23,195                                       | 37,520              | 84,686                        | 302,935    |
| <b>Depreciation</b>      |                            |  |                     |                               |            |
| At 1 July 2017           | 15,328                     | 15,302                                       | 18,862              | 68,994                        | 118,486    |
| Charge for the year      | 4,433                      | 4,376  | 9,380               | 16,937                        | 35,126     |
| At 30 June 2018          | 19,761                     | 19,678                                       | 28,242              | 85,931                        | 153,612    |
| <b>Carrying amount</b>   |                            |  |                     |                               |            |
| At 30 June 2018          | 137,773                    | 3,517  | 9,278               | (1,245)                       | 149,323    |
| At 30 June 2017          | 142,206                    | 7,894  | 11,157              | 15,692                        | 176,949    |

Included within the net book value of land and buildings above is £137,773 (2017 - £142,206) in respect of freehold land and buildings.

# 1st Choice Car Spares Limited

## Notes to the Financial Statements for the Year Ended 30 June 2018

### 5 Stocks

|                   | 2018<br>£ | 2017<br>£ |
|-------------------|-----------|-----------|
| Other inventories | 56,986    | 38,592    |

### 6 Debtors

|               | 2018<br>£ | 2017<br>£ |
|---------------|-----------|-----------|
| Prepayments   | 29,353    | 36,600    |
| Other debtors | 64,852    | 72,296    |
|               | 94,205    | 108,896   |

### 7 Creditors

#### Creditors: amounts falling due within one year

|                              | Note | 2018<br>£ | 2017<br>£ |
|------------------------------|------|-----------|-----------|
| <b>Due within one year</b>   |      |           |           |
| Bank loans and overdrafts    | 9    | -         | 334       |
| Trade creditors              |      | 70,567    | 60,770    |
| Taxation and social security |      | 53,392    | 26,462    |
| Accruals and deferred income |      | 2,941     | 17,846    |
| Other creditors              |      | 132,846   | 109,916   |
|                              |      | 259,746   | 215,328   |

### 8 Share capital

#### Allotted, called up and fully paid shares

|                       | 2018 |   | 2017 |   |
|-----------------------|------|---|------|---|
|                       | No.  | £ | No.  | £ |
| Ordinary of £1 each   | 1    | 1 | 1    | 1 |
| B Ordinary of £1 each | 5    | 5 | 5    | 5 |
|                       | 6    | 6 | 6    | 6 |

# 1st Choice Car Spares Limited

## Notes to the Financial Statements for the Year Ended 30 June 2018

### 9 Loans and borrowings

|                                     | 2018<br>£ | 2017<br>£ |
|-------------------------------------|-----------|-----------|
| <b>Current loans and borrowings</b> |           |           |
| Bank overdrafts                     | -         | 334       |

### 10 Dividends

|   | 2018<br>£ | 2017<br>£ |
|---|-----------|-----------|
| Interim dividend of £182,305.00 (2017 - £107,125.00) per ordinary share | 182,305   | 107,125   |

### 11 Related party transactions

#### Directors' remuneration

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

|                                    | 2018<br>£ | 2017<br>£ |
|------------------------------------|-----------|-----------|
| Remuneration                       | 11,683    | 11,627    |
| <b>Dividends paid to directors</b> |           |           |

|                       | 2018<br>£ | 2017<br>£ |
|-----------------------|-----------|-----------|
| <b>Mr Imran Mirza</b> |           |           |
| Interim               | 31,961    | 5,040     |

#### 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<br>£ |
|------------------|----------------------------|
| <b>2018</b>      |                            |
| Advanced         | 98,500                     |
| Repaid           | (65,700)                   |
| At end of period | 32,800                     |

registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.