

1st Choice Car Spares Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2022

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
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 2022

The director presents his report and the financial statements for the year ended 30 June 2022.

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 and authorised by the director on 30 March 2023

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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 2022**

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 2022 as set out on pages 4 to 13 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
<https://www.accaglobal.com/gb/en/member/standards/rules-and-standards/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

30 March 2023

1st Choice Car Spares Limited
(Registration number: 06618075)
Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>4</u>	194,151	204,030
Current assets			
Stocks	<u>5</u>	63,575	56,986
Debtors	<u>6</u>	834,765	493,225
Cash at bank and in hand		38,154	42,679
		936,494	592,890
Creditors: Amounts falling due within one year	<u>7</u>	(794,334)	(522,277)
Net current assets		142,160	70,613
Total assets less current liabilities		336,311	274,643
Provisions for liabilities		(30,407)	(33,060)
Net assets		305,904	241,583
Capital and reserves			
Called up share capital	<u>8</u>	6	6
Retained earnings		305,898	241,577
Shareholders' funds		305,904	241,583

For the financial year ending 30 June 2022 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.

Approved and authorised by the director on 30 March 2023

.....
Mr Imran Mirza
Director

The notes on pages 5 to 13 form an integral part of these financial statements.
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1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

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
England

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 30 March 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

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.

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 balance sheet 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 Unaudited Financial Statements for the Year Ended 30 June 2022

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.

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

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 34 (2021 - 27).

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 July 2021	157,533	26,570	117,070	143,186	444,359
Additions	-	-	36,235	-	36,235
At 30 June 2022	157,533	26,570	153,305	143,186	480,594
Depreciation					
At 1 July 2021	30,972	23,664	79,308	106,385	240,329
Charge for the year	4,433	1,035	28,946	11,700	46,114
At 30 June 2022	35,405	24,699	108,254	118,085	286,443
Carrying amount					
At 30 June 2022	122,128	1,871	45,051	25,101	194,151
At 30 June 2021	126,561	2,906	37,762	36,801	204,030

Included within the net book value of land and buildings above is £122,128 (2021 - £126,561) in respect of freehold land and buildings.

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

5 Stocks

	2022	2021
	£	£
Other inventories	63,575	56,986

6 Debtors

Current	Note	2022	2021
		£	£
Trade debtors		2,329	16,329
Amounts owed by related parties	<u>11</u>	476,377	250,331
Prepayments		20,798	39,423
Other debtors		335,261	187,142
		834,765	493,225

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

7 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	9	-	50,000
Trade creditors		81,414	84,260
Taxation and social security		72,316	108,976
Accruals and deferred income		133,459	2,415
Other creditors		507,145	276,626
		<u>794,334</u>	<u>522,277</u>

8 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary of £1 each	1	1	1	1
B Ordinary of £1 each	5	5	5	5
	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>

9 Loans and borrowings

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	<u>-</u>	<u>50,000</u>

10 Dividends

Interim dividends paid

	2022 £	2021 £
Interim dividend of £31,980.00 per each Ordinary	31,980	31,980
Interim dividend of £Nil per each B Ordinary	-	-
	<u>31,980</u>	<u>31,980</u>

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

11 Related party transactions

1st Choice Car Spares Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

Director's remuneration

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

	2022	2021
	£	£
Remuneration	12,109	12,118

Dividends paid to the director

	2022	2021
	£	£
Mr Imran Mirza		
Interim	31,980	31,980

Summary of transactions with subsidiaries

Concrete Solutions Accrington Ltd

Summary of transactions with other related parties

Loan to Concrete Solutions Accrington Ltd of which Mr I Mirza is a Director. The loan is interest free and repayable on demand.

Loans to related parties

	Subsidiary	Total
	£	£
2022		
At start of period	249,985	249,985
Advanced	226,392	226,392
At end of period	476,377	476,377
2021		
At start of period	83,325	83,325
Advanced	166,660	166,660
At end of period	249,985	249,985

Terms of loans to related parties

General Trading Current Support

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.