

Earle Brothers Motorcycles Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 November 2021

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Earle Brothers Motorcycles Limited
for the Year Ended 30 November 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Earle Brothers Motorcycles Limited for the year ended 30 November 2021 as set out on pages 2 to 7 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Earle Brothers Motorcycles 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 Earle Brothers Motorcycles Limited and state those matters that we have agreed to state to the Board of Directors of Earle Brothers Motorcycles Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Earle Brothers Motorcycles Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Earle Brothers Motorcycles 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 Earle Brothers Motorcycles Limited. You consider that Earle Brothers Motorcycles 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 Earle Brothers Motorcycles 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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MMO Limited
Wellesley House
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17 August 2022

Earle Brothers Motorcycles Limited
(Registration number: 8557226)
Balance Sheet as at 30 November 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	2,404	3,052
Current assets			
Stocks	<u>5</u>	594	647
Debtors	<u>6</u>	4,563	4,562
Cash at bank and in hand		<u>16,371</u>	<u>11,323</u>
		21,528	16,532
Creditors: Amounts falling due within one year	<u>7</u>	<u>(75,938)</u>	<u>(73,895)</u>
Net current liabilities		<u>(54,410)</u>	<u>(57,363)</u>
Net liabilities		<u>(52,006)</u>	<u>(54,311)</u>
Capital and reserves			
Called up share capital	<u>8</u>	3	3
Retained earnings		<u>(52,009)</u>	<u>(54,314)</u>
Shareholders' deficit		<u>(52,006)</u>	<u>(54,311)</u>

For the financial year ending 30 November 2021 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.

Approved and authorised by the Board on 17 August 2022 and signed on its behalf by:

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Mr B C Earle
Director

Earle Brothers Motorcycles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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:

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN
England

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.

Going concern

The financial statements have been prepared on a going concern basis due to the continuing support of the directors.

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.

Government grants

The government grant received under the rate scheme resulting from Covid-19 has been recognised on an accruals basis to the period which it relates and disclosed as separate grant income in the profit and loss

Earle Brothers Motorcycles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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.

Earle Brothers Motorcycles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

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
Plant & Machinery	33% Reducing Balance
Office Equipment	25% 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.

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.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2020 - 3).

Earle Brothers Motorcycles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

4 Tangible assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 December 2020	6,551	460	7,011
Additions	643	-	643
At 30 November 2021	7,194	460	7,654
Depreciation			
At 1 December 2020	3,634	325	3,959
Charge for the year	1,176	115	1,291
At 30 November 2021	4,810	440	5,250
Carrying amount			
At 30 November 2021	2,384	20	2,404
At 30 November 2020	2,917	135	3,052

5 Stocks

	2021 £	2020 £
Other inventories	594	647

6 Debtors

	2021 £	2020 £
Current		
Trade debtors	585	-
Prepayments	182	189
Other debtors	3,796	4,373
	4,563	4,562

7 Creditors

Earle Brothers Motorcycles Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2021

	Note	2021 £	2020 £
Due within one year			
Trade creditors		565	300
Amounts due to related parties		74,373	70,622
Social security and other taxes		-	973
Accrued expenses		1,000	2,000
		<u>75,938</u>	<u>73,895</u>

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	3	3	3	3
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

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.