

Kwik Cars (North West) Limited

Annual Report and Unaudited Filled Financial Statements

for the Year Ended 30 December 2019

Kwik Cars (North West) Limited

Contents

Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 9

Kwik Cars (North West) Limited

Company Information

Directors Mr R Halliwell
Mr P Gilbert
Mr Ian Paul Spencer

Registered office 3a St Lukes Road
Southport
Merseyside
PR9 0SH

Accountants GMR Accountants Ltd
1st Floor
8-12 London Street
Southport
Merseyside
PR9 0UE

Kwik Cars (North West) Limited
(Registration number: 05396051)
Balance Sheet as at 30 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	-	44,231
Current assets			
Debtors	6	3,542	44,320
Cash at bank and in hand		179,747	19,133
		183,289	63,453
Creditors: Amounts falling due within one year	7	(16,736)	(168,681)
Net current assets/(liabilities)		166,553	(105,228)
Net assets/(liabilities)		166,553	(60,997)
Capital and reserves			
Called up share capital	9	300	300
Profit and loss account		166,253	(61,297)
Total equity		166,553	(60,997)

For the financial year ending 30 December 2019 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.

Approved and authorised by the Board on 10 July 2020 and signed on its behalf by:

.....
Mr Ian Paul Spencer
Director

The notes on pages [3](#) to [9](#) form an integral part of these financial statements.
Page 2

Kwik Cars (North West) Limited

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

1 General information

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

The address of its registered office is:

3a St Lukes Road
Southport
Merseyside
PR9 0SH

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

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.

Kwik Cars (North West) Limited**Notes to the Financial Statements for the Year Ended 30 December 2019****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
Communications equipment	25% straight line basis
Motor vehicles	33% straight line basis
Office equipment	25% straight line basis

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	5 years

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.

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.

Kwik Cars (North West) Limited

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

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

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 8 (2018 - 11).

Kwik Cars (North West) Limited**Notes to the Financial Statements for the Year Ended 30 December 2019****4 Intangible assets**

	Goodwill £	Total £
Cost or valuation		
At 31 December 2018	600,000	600,000
Disposals	(600,000)	(600,000)
	<hr/>	<hr/>
At 30 December 2019	-	-
	<hr/>	<hr/>
Amortisation		
At 31 December 2018	600,000	600,000
Amortisation eliminated on disposals	(600,000)	(600,000)
	<hr/>	<hr/>
At 30 December 2019	-	-
	<hr/>	<hr/>
Carrying amount		
At 30 December 2019	<hr/> <hr/>	<hr/> <hr/>

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2018 - £Nil).

Kwik Cars (North West) Limited**Notes to the Financial Statements for the Year Ended 30 December 2019****5 Tangible assets**

	Office equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 31 December 2018	11,885	74,883	36,776	123,544
Disposals	(11,885)	(74,883)	(36,776)	(123,544)
At 30 December 2019	-	-	-	-
Depreciation				
At 31 December 2018	10,030	50,774	18,509	79,313
Eliminated on disposal	(10,030)	(50,774)	(18,509)	(79,313)
At 30 December 2019	-	-	-	-
Carrying amount				
At 30 December 2019	-	-	-	-
At 30 December 2018	1,855	24,109	18,267	44,231

6 Debtors

	2019 £	2018 £
Trade debtors	1,067	20,697
Prepayments	-	461
Other debtors	2,475	23,162
	3,542	44,320

Kwik Cars (North West) Limited**Notes to the Financial Statements for the Year Ended 30 December 2019****7 Creditors****Creditors: amounts falling due within one year**

	Note	2019 £	2018 £
Due within one year			
Loans and overdrafts	8	-	59,848
Trade creditors		293	5,114
Taxation and social security		8,467	37,116
Other creditors		7,976	66,603
		<u>16,736</u>	<u>168,681</u>

8 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank overdrafts	-	43,593
Finance lease liabilities	-	16,255
	<u>-</u>	<u>59,848</u>

Kwik Cars (North West) Limited

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

9 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100