

Company registration number 03365607 (England and Wales)

MAINSTREAM FLEET LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023
PAGES FOR FILING WITH REGISTRAR

Richard Anthony
Chartered Accountants and Registered Auditors

MAINSTREAM FLEET LIMITED

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MAINSTREAM FLEET LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	4	1,747,777	1,922,549
Current assets			
Stocks		9,053	10,647
Debtors	5	1,105,899	875,000
Cash at bank and in hand		1,636,202	2,069,092
		<u>2,751,154</u>	<u>2,954,739</u>
Creditors: amounts falling due within one year	6	<u>(1,417,052)</u>	<u>(1,754,629)</u>
Net current assets		<u>1,334,102</u>	<u>1,200,110</u>
Total assets less current liabilities		<u>3,081,879</u>	<u>3,122,659</u>
Creditors: amounts falling due after more than one year	7	(869,923)	(1,182,488)
Provisions for liabilities		<u>(171,146)</u>	<u>(127,610)</u>
Net assets		<u><u>2,040,810</u></u>	<u><u>1,812,561</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss reserves		<u>2,040,710</u>	<u>1,812,461</u>
Total equity		<u><u>2,040,810</u></u>	<u><u>1,812,561</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

MAINSTREAM FLEET LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2023

The financial statements were approved by the board of directors and authorised for issue on 25 June 2024 and are signed on its behalf by:

Mr A Cox
Director

Company registration number 03365607 (England and Wales)

MAINSTREAM FLEET LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2023

1 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Company information

Mainstream Fleet Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o C & S Motor Group, Unit 15 Anthony Way, Edmonton, London, N18 3QT.

2.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

2.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	5% on cost
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

2.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

2.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Accounting policies

(Continued)

2.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Accounting policies

(Continued)

2.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	34	36

4 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2022	187,030	443,146	5,331,746	5,961,922
Additions	-	8,993	386,803	395,796
Disposals	-	(1,737)	-	(1,737)
At 30 September 2023	187,030	450,402	5,718,549	6,355,981
Depreciation and impairment				
At 1 October 2022	131,162	371,194	3,537,017	4,039,373
Depreciation charged in the year	3,962	19,920	545,383	569,265
Eliminated in respect of disposals	-	(434)	-	(434)
At 30 September 2023	135,124	390,680	4,082,400	4,608,204
Carrying amount				
At 30 September 2023	51,906	59,722	1,636,149	1,747,777
At 30 September 2022	55,868	71,952	1,794,729	1,922,549

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

4 Tangible fixed assets

(Continued)

The net book value of motor vehicles includes £1,056,446 (2022 - £1,539,287) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £352,149 (2022 - £509,540) for the year.

The net book value of plant and machinery includes £Nil (2022 - £9,365) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £Nil (2022 - £3,122) for the year.

5 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	713,723	591,418
Corporation tax recoverable	45,140	48,224
Amounts owed by group undertakings	4,977	4,977
Other debtors	342,059	230,381
	<u>1,105,899</u>	<u>875,000</u>

6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	10,000	10,000
Trade creditors	373,685	398,304
Corporation tax	36,567	167,584
Other taxation and social security	203,521	236,833
Other creditors	793,279	941,908
	<u>1,417,052</u>	<u>1,754,629</u>

The hire purchase liabilities are secured on the assets to which they relate.

7 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	18,333	28,333
Amounts owed to group undertakings	190,688	190,688
Other creditors	660,902	963,467
	<u>869,923</u>	<u>1,182,488</u>

The hire purchase liabilities are secured on the assets to which they relate.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

7 Creditors: amounts falling due after more than one year (Continued)

The bank loans facility is supported by the UK Government Bounce Back Loan Scheme guarantee and interest is charged at 2.5% per annum.

8 Directors' transactions

As at the balance sheet date the following amounts were due from the following directors:

A Cox	£113,316	2022 - £111,204
S Nichol	£20,877	2022 - £10,013

The above loans are unsecured, repayable on demand and do not carry any interest.

MAINSTREAM FLEET LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

9 Related party transactions

As at the balance sheet date the following amounts were owed to the following group companies:

Mainstream and Industrial Limited	£190,688	2022 - £190,688
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and the following amounts were owed by the following group companies:

ICanHire Limited	£4,977	2022 - £4,977
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Additionally, the following amounts were owed by the following related parties (by virtue of common ownership):

Cox Auto & Commercials (London) Limited	£16,630	2022 - £16,630
The Cox Pension Scheme	£14,695	2022 - £14,695

The above loans are not secured, do not carry interest and are repayable on demand.

10 Parent company

The ultimate parent company is Mainstream and Industrial Limited, a company registered in England and Wales.

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