

# Rydal Motors (Preston) Limited

Annual Report and Unaudited Abridged Financial Statements

for the Year Ended 31 July 2016

Haleys Business Advisers Limited  
Thomas House  
Meadowcroft Business Park  
Pope Lane  
Whitestake  
Lancashire  
PR4 4AZ

# **Rydal Motors (Preston) Limited**

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**Director**

Thomas House  
Meadowcroft Business Park  
Pope Lane, Whitestake  
Preston  
Lancashire  
PR4 4AZ

**Registered office**

## Accountants

|             |          |          |         |
|-------------|----------|----------|---------|
| Haleys      | Business | Advisers | Limited |
| Thomas      |          |          | House   |
| Meadowcroft |          | Business | Park    |
| Poppe       |          |          | Lane    |
| Whitestake  |          |          |         |
| Lancashire  |          |          |         |
| PR4 4AZ     |          |          |         |

**Rydal Motors (Preston) Limited**  
**Director's Report for the Year Ended 31 July 2016**

The director presents his report and the abridged financial statements for the year ended 31 July 2016.

**Director of the company**

The director who held office during the year was as follows:

Mr Gary Singleton

**Principal activity**

The principal activity of the company is second hand car dealer.

**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 Board on 27 April 2017 and signed on its behalf by:

.....  
M r  
Director

G a r y

S i n g l e t o n

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory  
Accounts of  
Rydal Motors (Preston) Limited  
for the Year Ended 31 July 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Rydal Motors (Preston) Limited for the year ended 31 July 2016 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 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/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Rydal Motors (Preston) 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 Rydal Motors (Preston) Limited and state those matters that we have agreed to state to the Board of Directors of Rydal Motors (Preston) 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 Rydal Motors (Preston) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Rydal Motors (Preston) 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 Rydal Motors (Preston) Limited. You consider that Rydal Motors (Preston) 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 Rydal Motors (Preston) 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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Haleys Business Advisers Limited  
Thomas House  
Meadowcroft Business Park  
Pope Lane  
Whitestake  
Lancashire  
PR4 4AZ

27 April 2017

**Rydal Motors (Preston) Limited**  
**(Registration number: 06965607)**  
**Abridged Balance Sheet as at 31 July 2016**

|                                                                | <b>Note</b> | <b>2016<br/>£</b> | <b>2015<br/>£</b> |
|----------------------------------------------------------------|-------------|-------------------|-------------------|
| <b>Fixed assets</b>                                            |             |                   |                   |
| Tangible assets                                                | <u>6</u>    | 379,074           | 19,959            |
| <b>Current assets</b>                                          |             |                   |                   |
| Stocks                                                         | <u>7</u>    | 271,876           | 348,219           |
| Debtors                                                        |             | 10,784            | 14,230            |
| Cash at bank and in hand                                       |             | 55,481            | 33,259            |
|                                                                |             | <hr/>             | <hr/>             |
|                                                                |             | 338,141           | 395,708           |
| <b>Prepayments and accrued income</b>                          |             | 416               | 416               |
| <b>Creditors:</b> Amounts falling due within one year          |             | (137,105<br>)     | (110,974<br>)     |
|                                                                |             | <hr/>             | <hr/>             |
| <b>Net current assets</b>                                      |             | 201,452           | 285,150           |
|                                                                |             | <hr/>             | <hr/>             |
| <b>Total assets less current liabilities</b>                   |             | 580,526           | 305,109           |
| <b>Creditors:</b> Amounts falling due after more than one year |             | (376,212<br>)     | (170,568<br>)     |
| <b>Provisions for liabilities</b>                              |             | (3,091)           | (1,260)           |
| <b>Accruals and deferred income</b>                            |             | (185)             | (185)             |
|                                                                |             | <hr/>             | <hr/>             |
| <b>Net assets</b>                                              |             | 201,038           | 133,096           |
|                                                                |             | <hr/> <hr/>       | <hr/> <hr/>       |
| <b>Capital and reserves</b>                                    |             |                   |                   |
| Called up share capital                                        |             | 100               | 100               |

|                         |         |         |
|-------------------------|---------|---------|
| Profit and loss account | 200,938 | 132,996 |
|                         | <hr/>   | <hr/>   |
| Total equity            | 201,038 | 133,096 |
|                         | <hr/>   | <hr/>   |

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

**Rydal Motors (Preston) Limited**  
**(Registration number: 06965607)**  
**Abridged Balance Sheet as at 31 July 2016**

For the financial year ending 31 July 2016 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.

All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved        and        authorised        by        the        director        on        27        April        2017

.....  
Mr Gary Singleton

Director

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

**Rydal Motors (Preston) Limited**  
**Statement of Changes in Equity for the Year Ended 31 July 2016**

|                            | <b>Share<br/>capital<br/>£</b> | <b>Profit<br/>and loss<br/>account<br/>£</b> | <b>Total<br/>£</b> |
|----------------------------|--------------------------------|----------------------------------------------|--------------------|
| At 1 August 2015           | 100                            | 132,996                                      | 133,096            |
| Profit for the year        | -                              | 83,942                                       | 83,942             |
| Total comprehensive income | -                              | 83,942                                       | 83,942             |
| Dividends                  | -                              | (16,000)                                     | (16,000)           |
| At 31 July 2016            | 100                            | 200,938                                      | 201,038            |
|                            | <b>Share<br/>capital<br/>£</b> | <b>Profit<br/>and loss<br/>account<br/>£</b> | <b>Total<br/>£</b> |
| At 1 August 2014           | 100                            | 96,933                                       | 97,033             |
| Profit for the year        | -                              | 36,063                                       | 36,063             |
| Total comprehensive income | -                              | 36,063                                       | 36,063             |
| At 31 July 2015            | 100                            | 132,996                                      | 133,096            |

The notes on pages 7 to 12 form an integral part of these abridged financial statements.

**Rydal Motors (Preston) Limited**

**Notes to the Abridged Financial Statements for the Year Ended 31 July 2016**

## 1 General information

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

The address of its registered office is:  
 Thomas House  
 Meadowcroft Business Park  
 Pope Lane, Whitestake  
 Preston  
 Lancashire  
 PR4 4AZ

The principal place of business is:  
Rydal Car Village  
Chorley  
Preston  
Lancashire  
PR5 4JN

These financial statements were authorised for issue by the director on 27 April 2017.

## 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 abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

### Basis of preparation

These abridged 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.

## Judgements

No significant judgements have had to be made by management and directors in preparing these financial statements.

## 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.

**Rydal Motors (Preston) Limited**  
**Notes to the Abridged Financial Statements for the Year Ended 31 July 2016**

**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 income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**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 |
|-----------------------|------------------------------|
| Plant and machinery   | 20% on reducing balance      |
| Fixtures and fittings | 20% on reducing balance      |
| Motor vehicles        | 25% on reducing balance      |
| Computer equipment    | 33% on cost                  |

**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**

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, was being amortised evenly over its useful life of ten years. Goodwill is now fully amortised.

| Asset class | Amortisation method and rate |
|-------------|------------------------------|
| Goodwill    | 10% on cost                  |



**Rydal Motors (Preston) Limited**  
**Notes to the Abridged Financial Statements for the Year Ended 31 July 2016**

**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.

**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.

**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.

**Rydal Motors (Preston) Limited**

## 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.

## Financial instruments

### *C l a s s i f i c a t i o n*

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

## Recognition and measurement

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

*I m p a i r m e n t*

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

### 3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 3 (2015 - 3).

**4 Profit before tax**

Arrived at after charging/(crediting)

|                      | 2016<br>£ | 2015<br>£ |
|----------------------|-----------|-----------|
| Depreciation expense | 3,824     | 3,649     |
| Amortisation expense | -         | 10,000    |

**Rydal Motors (Preston) Limited**  
**Notes to the Abridged Financial Statements for the Year Ended 31 July 2016**

**5 Intangible assets**

|                          | <b>Total<br/>£</b> |
|--------------------------|--------------------|
| <b>Cost or valuation</b> |                    |
| At 1 August 2015         | 100,000            |
|                          | <hr/>              |
| At 31 July 2016          | 100,000            |
|                          | <hr/>              |
| <b>Amortisation</b>      |                    |
| At 1 August 2015         | 100,000            |
|                          | <hr/>              |
| At 31 July 2016          | 100,000            |
|                          | <hr/>              |
| <b>Carrying amount</b>   |                    |
| At 31 July 2016          | -                  |
|                          | <hr/> <hr/>        |

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2015 - £Nil).

**6 Tangible assets**

|                          | <b>Total<br/>£</b> |
|--------------------------|--------------------|
| <b>Cost or valuation</b> |                    |
| At 1 August 2015         | 35,341             |
| Additions                | 365,092            |
|                          | <hr/>              |
| At 31 July 2016          | 400,433            |
|                          | <hr/>              |
| <b>Depreciation</b>      |                    |
| At 1 August 2015         | 17,535             |

|                        |             |
|------------------------|-------------|
| Charge for the year    | 3,824       |
|                        | <hr/>       |
| At 31 July 2016        | 21,359      |
|                        | <hr/>       |
| <b>Carrying amount</b> |             |
|                        |             |
| At 31 July 2016        | 379,074     |
|                        | <hr/> <hr/> |
| At 31 July 2015        | 19,959      |
|                        | <hr/> <hr/> |

Included within the net book value of land and buildings above is £363,618 (2015 - £Nil) in respect of freehold land and buildings.

## 7 Stocks

## 8 Dividends

## 9 Related party transactions

## 10 Transition to FRS 102

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.

