

Company Registration No. 08671704 (England and Wales)

UNITY AUTOMOTIVE LEICESTER LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2018
PAGES FOR FILING WITH REGISTRAR



UNITY AUTOMOTIVE LEICESTER LTD

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UNITY AUTOMOTIVE LEICESTER LTD

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 31 MAY 2018

The director presents his annual report and financial statements for the period ended 31 May 2018.

Principal activities

The principal activity of the company in the period under review continued to be that of motor engineers and garage proprietors.

Director

The director who held office during the period and up to the date of signature of the financial statements was as follows:

Mr J Mathers

Auditor

In accordance with the company's articles, a resolution proposing that Leigh Graham Associates be reappointed as auditor of the company will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

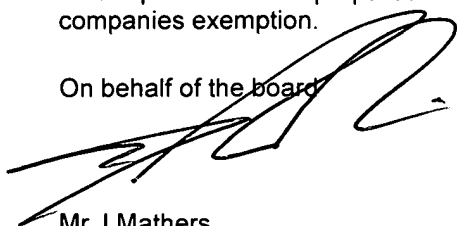
The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr J Mathers

Director

24 January 2019

UNITY AUTOMOTIVE LEICESTER LTD

BALANCE SHEET

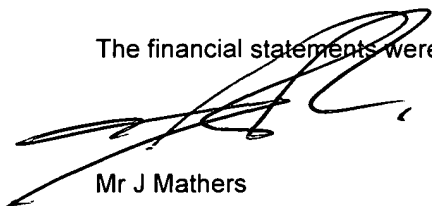
AS AT 31 MAY 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	3		-		50,000
Tangible assets	4		-		27,760
					<hr/>
			-		77,760
Current assets					
Stocks		-		1,051,123	
Debtors	5	1,000		301,073	
Cash at bank and in hand		-		272	
		<hr/>		<hr/>	
		1,000		1,352,468	
Creditors: amounts falling due within one year	6	-		(1,297,407)	
		<hr/>		<hr/>	
Net current assets			1,000		55,061
			<hr/>		<hr/>
Total assets less current liabilities			1,000		132,821
					<hr/>
Provisions for liabilities			-		(4,452)
			<hr/>		<hr/>
Net assets			1,000		128,369
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	7		1,000		1,000
Profit and loss reserves			-		127,369
			<hr/>		<hr/>
Total equity			1,000		128,369
			<hr/>		<hr/>

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

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

The financial statements were approved and signed by the director and authorised for issue on 24 January 2019



Mr J Mathers
Director

Company Registration No. 08671704

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2018

1 Accounting policies

Company information

Unity Automotive Leicester Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 10 John Street, Stratford-upon-Avon, Warwickshire, CV37 6UB.

1.1 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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Unity Automotive Leicester Ltd is a wholly owned subsidiary of Unity Automotive Group Limited and the results of Unity Automotive Leicester Ltd are included in the consolidated financial statements of Unity Automotive Group Limited which are available from 10 John Street, Stratford upon Avon, Warwickshire, CV37 6UB.

1.2 Reporting period

The companies across the group have extended their year ends from the 30th April 2018 to the 31st May 2018, to be able to enact a hive up of trade into the group company.

The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.3 Turnover

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

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2018

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 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.

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	15% reducing balance
Plant and machinery	15%/20% reducing balance & 3/5 year straight line
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance & 5 year straight line
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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2018

1 Accounting policies

(Continued)

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.

1.7 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.

1.8 Cash at bank and in hand

Cash at bank and in hand 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.

1.9 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.

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. 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.

1.10 Taxation

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

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2018

1 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 Employees

The average monthly number of persons (including directors) employed by the company during the period was 11 (2017 - 12).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 May 2017	100,000
Transfers	(100,000)
	<hr/>
At 31 May 2018	-
	<hr/>
Amortisation and impairment	
At 1 May 2017	50,000
Amortisation charged for the period	10,000
Transfers	(60,000)
	<hr/>
At 31 May 2018	-
	<hr/>
Carrying amount	
At 31 May 2018	-
	<hr/>
At 30 April 2017	50,000
	<hr/>

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2018

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2017	4,091	49,138	53,229
Additions	5,796	15,621	21,417
Disposals	-	(4,300)	(4,300)
Transfers	(9,887)	(60,459)	(70,346)
At 31 May 2018	-	-	-
Depreciation and impairment			
At 1 May 2017	1,887	23,582	25,469
Depreciation charged in the period	867	7,539	8,406
Eliminated in respect of disposals	-	(2,637)	(2,637)
Transfers	(2,754)	(28,484)	(31,238)
At 31 May 2018	-	-	-
Carrying amount			
At 31 May 2018	-	-	-
At 30 April 2017	2,204	25,556	27,760

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	-	204,314
Amounts owed by group undertakings	1,000	8,067
Other debtors	-	88,692
	1,000	301,073

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	39,005
Trade creditors	-	1,255,160
Taxation and social security	-	10,031
Other creditors	-	(6,789)
	-	1,297,407

UNITY AUTOMOTIVE LEICESTER LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2018

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Graham Beach.

The auditor was Leigh Graham Associates.

9 Group reconstruction

During the period the trade and asset of Unity Automotive Coventry Limited, Unity Automotive Leicester Limited, Unity Automotive Oxford Limited and Cross Roads Garage (Teddington) Limited was hived up into the parent company Unity Automotive Group Limited.

10 Related party transactions

Transactions with related parties

The company is exempt from disclosing transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company and Unity Automotive Leicester Limited and related subsidiaries are wholly owned by the parent and consolidated entity.

11 Parent company

The ultimate parent company is Unity Automotive Group Limited, a company registered in England and Wales, which has a beneficial interest in 100% of the company's share capital. The company is ultimately controlled by Mr J Mathers by way of a majority shareholding in the parent company.