

Registered number

07298546

Spirit Motor Company Limited

Filleled Accounts

30 June 2022

**Spirit Motor Company Limited****Registered number:** 07298546**Balance Sheet****as at 30 June 2022**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible assets	3	-	6,650
Tangible assets	4	631	841
		<u>631</u>	<u>7,491</u>
<b>Current assets</b>			
Stocks		1,034,820	1,109,145
Debtors	5	13,529	8,045
Cash at bank and in hand		236,734	242,225
		<u>1,285,083</u>	<u>1,359,415</u>
<b>Creditors: amounts falling due within one year</b>	6	(214,100)	(201,292)
<b>Net current assets</b>		<u>1,070,983</u>	<u>1,158,123</u>
<b>Total assets less current liabilities</b>		<u>1,071,614</u>	<u>1,165,614</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(816,663)	(975,000)
<b>Net assets</b>		<u>254,951</u>	<u>190,614</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		254,851	190,514
<b>Shareholders' funds</b>		<u>254,951</u>	<u>190,614</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Mr M Sadiq

Director

Approved by the board on 22 June 2023

**Spirit Motor Company Limited**  
**Notes to the Accounts**  
**for the year ended 30 June 2022**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

***Intangible fixed assets***

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	25% reducing balance
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***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

### **Provisions**

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

### **Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

<b>2 Employees</b>	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	<u>22</u>	<u>14</u>

<b>3 Intangible fixed assets</b>	<b>£</b>
Goodwill:	

#### **Cost**

At 1 July 2021	<u>66,500</u>
At 30 June 2022	<u>66,500</u>

#### **Amortisation**

At 1 July 2021	59,850
Provided during the year	<u>6,650</u>
At 30 June 2022	<u>66,500</u>

#### **Net book value**

At 30 June 2022	<u>-</u>
At 30 June 2021	<u>6,650</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 10 years.

### **4 Tangible fixed assets**

**Plant and  
machinery**

£

**Cost**

At 1 July 2021	10,013
At 30 June 2022	<u>10,013</u>

**Depreciation**

At 1 July 2021	9,172
Charge for the year	<u>210</u>
At 30 June 2022	<u>9,382</u>

**Net book value**

At 30 June 2022	<u>631</u>
At 30 June 2021	841

**5 Debtors**

**2022**      **2021**  
£              £

Other debtors	<u>13,529</u>	<u>8,045</u>
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**6 Creditors: amounts falling due within one year**

**2022**      **2021**  
£              £

Bank loans and overdrafts	140,000	40,000
Taxation and social security costs	39,509	37,112
Other creditors	<u>34,591</u>	<u>124,180</u>
	<u>214,100</u>	<u>201,292</u>

**7 Creditors: amounts falling due after one year**

**2022**      **2021**  
£              £

Bank loans	<u>816,663</u>	<u>975,000</u>
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**8 Related party transactions****Directors' Loan Account**

The directors are related parties to the company. At 30 June, the company owed the related party the following interest-free, unsecured loans which are repayable upon demand:

Amount due to the related parties	<u>28,640</u>	<u>21,580</u>
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**9 Controlling party**

The ultimate controlling party is Mr Mohammed Sadiq, by virtue of his 100% ownership of the

issued share capital of the company.

## **10 Other information**

Spirit Motor Company Limited changed its name to Spirit Motor Company Limited on 09 April 2019 and is a private company limited by shares and incorporated in England. Its registered office is:

Parsonage Garage  
Kirkhall Lane  
Leigh, Lancashire  
WN7 5RP

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.