

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

LESLIES (VENTNOR) LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 7

DIRECTORS:	G L Vanassche L Vanassche
SECRETARY:	G L Vanassche
REGISTERED OFFICE:	341-351 Newport Road Cowes Isle of Wight PO31 8PG
REGISTERED NUMBER:	00434113 (England and Wales)
AUDITORS:	Bright Brown Limited Chartered Accountants Statutory Auditor Exchange House St. Cross Lane Newport Isle of Wight PO30 5BZ

BALANCE SHEET
31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	4		30,952		32,549
CURRENT ASSETS					
Stocks		1,523,712		1,487,050	
Debtors	5	883,859		95,933	
Cash at bank		-		265,673	
		<u>2,407,571</u>		<u>1,848,656</u>	
CREDITORS					
Amounts falling due within one year	6	<u>1,484,770</u>		<u>1,110,649</u>	
NET CURRENT ASSETS			<u>922,801</u>		<u>738,007</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>953,753</u>		<u>770,556</u>
CREDITORS					
Amounts falling due after more than one year	7		(588,550)		(511,924)
PROVISIONS FOR LIABILITIES			<u>(5,191)</u>		<u>(3,796)</u>
NET ASSETS			<u><u>360,012</u></u>		<u><u>254,836</u></u>
CAPITAL AND RESERVES					
Called up share capital			200		200
Retained earnings			<u>359,812</u>		<u>254,636</u>
			<u><u>360,012</u></u>		<u><u>254,836</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

G L Vanassche - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. **STATUTORY INFORMATION**

Leslies (Ventnor) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have been made by the directors in applying the company's accounting policies:

Consignment stock

New vehicles held on consignment are included in stocks where it is considered that the significant risks and rewards of ownership have passed to the company. The directors have assessed that this applies to Kia vehicles held on consignment.

Stock valuation

Stock valuation is regularly monitored against the age profile and market demand. Management use a number of market tools during the appraisal process including CAP valuation guides. The director maintains oversight of ageing stock profiles and a monthly review of any provision required is performed.

Property, plant and equipment assets

At each reporting date, property, plant and equipment is assessed for any indication of impairment. If such indication exists, the recoverable amount of the asset is determined based on value in use calculations which require estimates to be made of future cash flow.

An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Brand incentives

The company receives income in the form of various incentives which are determined by the brand partners. The amount received is generally based on achieving specific objectives such as a specific sales volume, as well as other objectives including maintaining brand partner standards which may include, but are not limited to, retail centre image and design requirements, customer satisfactions survey results and training standards. Objectives are generally set and measured on either a quarterly or annual basis.

Where incentives are based on a specific sales volume or number of registrations, the related income is recognised as a reduction in cost of sales when it is reasonably certain that the income has been earned. This is generally the later of the date the related vehicles are sold or registered or when it is reasonably certain that the related target will be met. Where incentives are linked to retail centre image and design requirements, customer satisfaction survey results or training standards, they are recognised as a reduction in cost of sales when it is reasonably certain the incentive will be received for the relevant period.

The company may also receive contributions towards advertising, promotional and rent expenditure. Where such contributions are received they are recognised as a reduction in the related expenditure in the period to which they relate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimate useful life:

Improvements to property	- 2% on cost
Plant and machinery	- 15% on reducing balance

The assets' residual values, useful lives, and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Stocks are valued at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow-moving stock.

At each reporting date, the stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Income Statement.

Consignment vehicles are regarded as being under the control of the company when significant risks and responsibilities of ownership are deemed to have passed to the company in accordance with FRS 102. These values are included with the stocks on the Statement of Financial Position, although legal title has not passed to the company. The corresponding liability is included as new vehicle funding and is recognised within trade creditors.

Financial instruments

The company only has basic financial instruments, which are recognised at amortised cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 38 (2021 - 39) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4.	TANGIBLE FIXED ASSETS		Plant and machinery etc £
	COST		
	At 1 January 2022		128,380
	Additions		<u>8,815</u>
	At 31 December 2022		<u>137,195</u>
	DEPRECIATION		
	At 1 January 2022		95,831
	Charge for year		<u>10,412</u>
	At 31 December 2022		<u>106,243</u>
	NET BOOK VALUE		
	At 31 December 2022		<u>30,952</u>
	At 31 December 2021		<u>32,549</u>
5.	DEBTORS		
		2022	2021
		£	£
	Amounts falling due within one year:		
	Trade debtors	9,899	(336)
	Other debtors	<u>31,389</u>	<u>24,261</u>
		<u>41,288</u>	<u>23,925</u>
	Amounts falling due after more than one year:		
	Amounts owed by group undertakings	<u>842,571</u>	<u>72,008</u>
	Aggregate amounts	<u>883,859</u>	<u>95,933</u>
6.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2022	2021
		£	£
	Bank loans and overdrafts	199,146	-
	Trade creditors	1,181,705	1,013,792
	Taxation and social security	81,342	58,556
	Other creditors	<u>22,577</u>	<u>38,301</u>
		<u>1,484,770</u>	<u>1,110,649</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Amounts owed to group undertakings	<u>588,550</u>	<u>511,924</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Vehicle finance	<u>674,606</u>	<u>876,981</u>

Trade creditors includes amounts due under manufacturer funding plans and consignment creditors which are secured against the relevant vehicles stocks and by way of a fixed and floating charge over the assets of the company.

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Gavin Kelly ACA (Senior Statutory Auditor)
for and on behalf of Bright Brown Limited

10. CONTINGENT LIABILITIES

The company has an unlimited multilateral guarantee regarding the bank borrowings of fellow group companies. The contingent liability as at 31 December 2022 was £765,220 (2021: £746,384).

11. RELATED PARTY DISCLOSURES

The company is related to its 100% parent company, Leslies Motors Limited, and its 100% owned fellow subsidiary undertakings; Leslie's Service Station Limited, Leslie's Car Sales (I.O.W) Limited, and Leslies Isle of Wight Limited.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102. 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with these group companies.

All related party balances are disclosed in notes 6 and 8.

12. ULTIMATE CONTROLLING PARTY

Leslies Motors Limited is regarded as being the company's ultimate parent company by virtue of its 100% shareholding.

The parent's registered office is 341-351 Newport Road, Cowes, Isle of Wight, PO31 8PG

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.