



SAGE PARTS GSE LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

SAGE PARTS GSE LIMITED

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**SAGE PARTS GSE LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	G Cinanni L G Jamet C B Pratt (appointed 27 April 2022)
<b>Company secretary</b>	S Hoyland
<b>Registered number</b>	06427895
<b>Registered office</b>	33/34 Stretford Motorway Estate Stretford Manchester M32 0ZH
<b>Independent auditor</b>	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

# SAGE PARTS GSE LIMITED

REGISTERED NUMBER:06427895

## BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	As restated 2021 £
<b>Fixed assets</b>			
Tangible assets	4	5,272	17,926
		<u>5,272</u>	<u>17,926</u>
<b>Current assets</b>			
Stocks		526,121	1,138,247
Debtors: amounts falling due after more than one year	5	14,869	14,869
Debtors: amounts falling due within one year	5	468,679	608,989
Cash at bank and in hand		630,475	322,797
		<u>1,640,144</u>	<u>2,084,902</u>
Creditors: amounts falling due within one year	6	(7,464,577)	(6,859,186)
<b>Net current liabilities</b>		<u>(5,824,433)</u>	<u>(4,774,284)</u>
<b>Total assets less current liabilities</b>		<u>(5,819,161)</u>	<u>(4,756,358)</u>
<b>Net liabilities</b>		<u>(5,819,161)</u>	<u>(4,756,358)</u>
<b>Capital and reserves</b>			
Called up share capital	7	150,000	150,000
Other reserves		50,000	50,000
Profit and loss account		(6,019,161)	(4,956,358)
<b>Total shareholders' deficit</b>		<u>(5,819,161)</u>	<u>(4,756,358)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**C B Pratt**  
Director

Date: 22 December 2023

The notes on pages 4 to 12 form part of these financial statements.

**SAGE PARTS GSE LIMITED**  
**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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# SAGE PARTS GSE LIMITED

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

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### 1. General information

Sage Parts GSE Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is 33/34 Stretford Motorway Estate, Stretford, Manchester, M32 0ZH.

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. Page 3

The following principal accounting policies have been applied:

#### 2.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency on shareholder's funds at the end of the year. The company continues to be dependent upon the financial support of its parent and the directors have received assurances from the parent that funding will continue to be available for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. In addition, the company's directors have prepared projections which indicate an improved trading position. Consequently, they continue to adopt the going concern basis in preparing the financial statements.



**2. Accounting policies (continued)**

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**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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## 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 15-20% straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 10-33% straight line
Computer equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an 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 profit or loss.

## 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, 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 profit or loss.

## 2.6 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. 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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

### Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and intercompany working capital balances, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

## SAGE PARTS GSE LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.6 Financial instruments (continued)

###### **Financial liabilities**

Basic financial liabilities, including trade and other creditors and intercompany working capital and financing transactions, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

###### **Impairment of financial assets**

Financial assets 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 the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

###### **Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### **Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

##### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. .



## SAGE PARTS GSE LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.8 Share capital

Ordinary shares are classified as equity.

##### 2.9 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar expenses'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

##### 2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

## SAGE PARTS GSE LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.12 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

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The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### **2.13 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

### **2.14 Current and Deferred Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## **3. Employees**

The average monthly number of employees, including directors, during the year was 20 (2021 -20).

**SAGE PARTS GSE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**4. Tangible fixed assets**

	Long-term leasehold property £	Other fixed assets £	Total £
<b>Cost</b>			
At 1 January 2022	60,285	142,593	202,878
At 31 December 2022	<u>60,285</u>	<u>142,593</u>	<u>202,878</u>
<b>Depreciation</b>			
At 1 January 2022	42,359	142,593	184,952
Charge for the year on owned assets	12,654	-	12,654
At 31 December 2022	<u>55,013</u>	<u>142,593</u>	<u>197,606</u>
<b>Net book value</b>			
At 31 December 2022	<u>5,272</u>	<u>-</u>	<u>5,272</u>
<b>At 31 December 2021</b>	<u>17,926</u>	<u>-</u>	<u>17,926</u>

**5. Debtors**

	2022 £	2021 £
<b>Due after more than one year</b>		
Other debtors	14,869	14,869
	<u>14,869</u>	<u>14,869</u>
<b>Due within one year</b>		As restated 2021 £
Trade debtors	318,730	291,054
Amounts owed by group undertakings	92,449	202,551
Other debtors	32,481	97,339
Prepayments and accrued income	25,019	18,045

**SAGE PARTS GSE LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****6. Creditors: Amounts falling due within one year**

	<b>2022</b>	As restated
	<b>£</b>	2021 £
Trade creditors	<b>84,773</b>	280,222
Amounts owed to group undertakings	<b>6,934,706</b>	6,202,212
Other taxation and social security	<b>12,699</b>	18,414
Other creditors	<b>36,503</b>	43,740
Accruals and deferred income	<b>395,896</b>	314,598
	<b><u>7,464,577</u></b>	<u>6,859,186</u>

Amounts owed to group undertakings are interest free and due on demand.

**7. Share capital**

	<b>2022</b>	2021
	<b>£</b>	£
<b>Allotted, called up and fully paid</b>		
120,000 (2021 -120,000) Ordinary shares of £1.00 each	<b>120,000</b>	120,000
30,000 (2021 -30,000) Ordinary 'B' shares of £1.00 each	<b>30,000</b>	30,000
	<b><u>150,000</u></b>	<u>150,000</u>



**8. Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2022 £</b>	2021 £
Not later than 1 year	<b>32,512</b>	53,691
Later than 1 year and not later than 5 years	<b>11,429</b>	92,084
	<b><u>43,941</u></b>	<u>145,775</u>

**9. Related party transactions**

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

# SAGE PARTS GSE LIMITED

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

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### 10. Post balance sheet events

Subsequent to the year end, a key customer has terminated a contract with the company. The directors have concluded that while this may materially impact the revenues of the company in future periods, the mitigating actions, including rationalisation and reduction of the companies warehouse space, which the company has taken will allow the business to continue as a going concern for the foreseeable future.

### 11. Controlling party

The smallest group for which consolidated financial statements are drawn up is head up by Alvest Holding, whose registered office is 100 Boulevard Du Montparnasse, 75014, Paris, 14e Arrondissement, France.

### 12. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 22 December 2023 by (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.