

Imperial Automotive Limited
Company Registration Number 04290042
Annual Report and Financial Statements
Year ended 30 November 2019

Brown Butler
Chartered Accountants
Leeds

SATURDAY



A9380FT7

A08 18/04/2020 #194
COMPANIES HOUSE

Imperial Automotive Limited
Annual Report and Financial Statements
Contents

Company Information	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 to 20

Imperial Automotive Limited
Annual Report and Financial Statements
Company Information

Directors	T B M Stanley K J Shipton L O Shipton
Company secretary	J E Shipton
Registered office	Cross Bank Carr Hill Balby Doncaster South Yorkshire DN4 8BE
Company number	04290042
Statutory auditor	Brown Butler Chartered Accountants Leigh House 28-32 St Paul's Street Leeds West Yorkshire LS1 2JT
Bankers	Barclays Bank plc 1 St Paul's Place Norfolk Street Sheffield South Yorkshire S1 2JW

The directors present their strategic report for the year ended 30 November 2019.

Principal activity

The principal activity of the company is that of distribution of automotive parts to the motor trade.

Fair review of the business

The directors are disappointed to record a loss for the year of £212,983 (2018: profit of £115,941) although believe that the loss was limited through decisive action taken during the year following the fall in sales.

During the year the company took the decision to change how it delivers its products to the market. Instead of using its own transport fleet to deliver throughout the UK it now mainly uses courier companies. This has resulted in significant one off costs in relation to redundancy payments and losses on sales of commercial vehicles.

Brexit uncertainty also exasperated the situation.

Despite current year losses, the company has finished the year with strong working capital and a much reduced cost base, which the Directors are confident will hold them in good stead for the coming year.

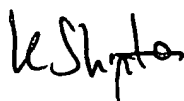
The company maintains a strong net asset position of £2,246,792 (2018: £2,963,356).

Principal risks and uncertainties

Given the current situation with regard to the Covid – 19 pandemic the directors have considered the impact this has had as a result of significantly reduced revenue levels. Accordingly, the directors have furloughed about 75% of their employees to take advantage of the 80 % government grant available for April and May and have deferred their quarterly vat payment and are monitoring the company's liquidity position closely. Cash resources at the end of March exceeded the total trade creditors owed and the company also has borrowing facilities that are currently not utilised. The company does not have any outstanding bank loans or Hire Purchase commitments and based on current trading and overhead levels the directors are of the opinion that the company can meet its obligations during this pandemic, subject to easing of restrictions within a reasonable timescale.

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Approved by the Board on 8/4/20 and signed on its behalf by:



K J Shipton
Director

Imperial Automotive Limited
Annual Report and Financial Statements
Directors' Report for the year ended 30 November 2019

The directors present their annual report and the audited financial statements for the year ended 30 November 2019.

Directors of the company

The directors who held office during the year were as follows:

T B M Stanley

K J Shipton

L O Shipton (appointed 5 March 2019)

Disclosure of information to the auditors

So far as the directors are aware, there is no information relevant to the audit of which the company's auditors are unaware. The directors have taken the necessary steps to ensure that they themselves are aware of all relevant audit information and made sure that the company's auditors are also aware of that information.

Approved by the Board on 8/4/20 and signed on its behalf by:



K J Shipton
Director

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to:

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

The directors are 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. They are 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.

Opinion

We have audited the financial statements of Imperial Automotive Limited (the "company") for the year ended 30 November 2019, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Continued on next page

Continued from previous page

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Brown Butler

Linda Cooper (Senior Statutory Auditor)
For and on behalf of Brown Butler,
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
West Yorkshire
LS1 2JT

Date: 8 APRIL 2020

Imperial Automotive Limited
Annual Report and Financial Statements
Profit and Loss Account for the year ended 30 November 2019

	Note	2019 £	2018 £
Turnover	3	6,909,787	9,024,788
Cost of sales		<u>(3,266,761)</u>	<u>(4,479,695)</u>
Gross profit		3,643,026	4,545,093
Distribution costs		(592,076)	(810,808)
Administrative expenses		<u>(3,141,836)</u>	<u>(3,540,551)</u>
Operating (loss)/profit	6	(90,886)	193,734
Interest payable	7	(43,769)	(42,477)
Exceptional item	5	<u>(124,525)</u>	<u>-</u>
(Loss)/profit on ordinary activities before taxation		(259,180)	151,257
Tax on (loss)/profit on ordinary activities	10	<u>45,112</u>	<u>(35,316)</u>
(Loss)/profit for the financial year		<u><u>(214,068)</u></u>	<u><u>115,941</u></u>

The above results were derived from continuing operations.

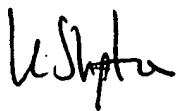
Imperial Automotive Limited
Annual Report and Financial Statements
Statement of Comprehensive Income for the year ended 30 November 2019

	Note	2019 £	2018 £
(Loss)/profit for the year		(214,068)	115,941
Surplus/(deficit) on property, plant and equipment revaluation		(578,738)	-
Release of/(increase in) deferred tax on property revaluation		186,055	952
Surplus/(deficit) on revaluation of other assets		<u>(100,958)</u>	<u>-</u>
Total comprehensive income for the year		<u>(707,709)</u>	<u>116,893</u>

Imperial Automotive Limited
Annual Report and Financial Statements
Company Registration Number 04290042
Balance Sheet as at 30 November 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	11	1,270,301	2,903,430
Current assets			
Stocks	12	1,037,543	1,678,987
Debtors	13	513,861	662,277
Cash at bank and in hand		<u>421,676</u>	<u>133,926</u>
		1,973,080	2,475,190
Creditors: Amounts falling due within one year	15	<u>(936,494)</u>	<u>(1,832,710)</u>
Net current assets		<u>1,036,586</u>	<u>642,480</u>
Total assets less current liabilities		2,306,887	3,545,910
Creditors: Amounts falling due after more than one year	15	-	(299,090)
Provisions for liabilities	17	<u>(61,180)</u>	<u>(283,464)</u>
Net assets		<u>2,245,707</u>	<u>2,963,356</u>
Capital and reserves			
Called up share capital	18	87,967	87,967
Share premium reserve	19	807,687	807,687
Capital redemption reserve	19	4,033	4,033
Revaluation reserve	19	337,838	1,217,375
Profit and loss account	19	<u>1,008,182</u>	<u>846,294</u>
		<u>2,245,707</u>	<u>2,963,356</u>

These financial statements were approved and authorised for issue by the Board on 8/4/20 and signed on its behalf by:



K J Shipton
Director

Imperial Automotive Limited
Annual Report and Financial Statements
Statement of Changes in Equity for the year ended 30 November 2019

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 December 2018	87,967	807,687	4,033	1,217,375	846,294	2,963,356
Loss for the year	-	-	-	-	(214,068)	(214,068)
Other comprehensive income	-	-	-	(493,641)	-	(493,641)
Dividends	-	-	-	-	(9,940)	(9,940)
Transfers	-	-	-	(385,896)	385,896	-
At 30 November 2019	<u>87,967</u>	<u>807,687</u>	<u>4,033</u>	<u>337,838</u>	<u>1,008,182</u>	<u>2,245,707</u>

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 December 2017	87,967	807,687	4,033	1,216,423	757,887	2,873,997
Profit for the year	-	-	-	-	115,941	115,941
Other comprehensive income	-	-	-	952	-	952
Dividends	-	-	-	-	(27,534)	(27,534)
At 30 November 2018	<u>87,967</u>	<u>807,687</u>	<u>4,033</u>	<u>1,217,375</u>	<u>846,294</u>	<u>2,963,356</u>

Imperial Automotive Limited
Annual Report and Financial Statements
Statement of Cash Flows for the year ended 30 November 2019

	Note	2019 £	(As restated) 2018 £
Cash flows from operating activities			
(Loss)/profit for the year		(214,068)	115,941
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	348,375	335,017
Loss on disposal of property plant and equipment	4	98,602	13,881
Interest paid	7	22,320	13,090
Other finance costs		21,449	29,387
Taxation	10	<u>(45,112)</u>	<u>35,316</u>
		231,566	542,632
Working capital adjustments			
Decrease/(increase) in stocks	12	641,444	(69,904)
Decrease in trade and other debtors	13	148,416	237,173
Decrease in trade and other creditors	15	<u>(270,843)</u>	<u>(10,075)</u>
Cash generated from operations		750,583	699,826
Taxation received		<u>4</u>	<u>-</u>
Net cash flow from operating activities		750,587	699,826
Cash flows from investing activities			
Acquisitions of tangible fixed assets	11	(332,145)	(728,373)
Proceeds from sale of tangible fixed assets	11	<u>838,601</u>	<u>37,993</u>
Net cash flows from investing activities		506,456	(690,380)
Cash flows from financing activities			
Interest paid	7	(43,769)	(42,477)
Repayment of bank borrowing		(339,090)	(40,351)
Repayment of other borrowing		(344,976)	(106,185)
Payments to finance lease creditors		(231,518)	174,671
Dividends paid		<u>(9,940)</u>	<u>(27,534)</u>
Net cash flows from financing activities		<u>(969,293)</u>	<u>(41,876)</u>
Net increase/(decrease) in cash and cash equivalents		287,750	(32,430)
Cash and cash equivalents at 1 December 2018		<u>133,926</u>	<u>166,356</u>
Cash and cash equivalents at 30 November 2019		<u><u>421,676</u></u>	<u><u>133,926</u></u>

1 General information

Imperial Automotive Limited is a private company limited by shares and incorporated in England and Wales. Its registered number is 04290042.

The address of its registered office and principal place of business is:

Cross Bank
Carr Hill
Balby
Doncaster
South Yorkshire
DN4 8BE

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 (2015) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There is not believed to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. 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 has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and rewards of ownership have been transferred to them.

Pension contributions

The Company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

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.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only 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. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Leasehold property	over life of lease
Fixtures and fittings	20% reducing balance basis
Plant and machinery	10% to 33% straight line basis
Motor vehicles	20% to 25% straight line basis
Freehold land and buildings	Over 50 years

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

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.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Foreign currency

Transactions in foreign currency are translated at the ruling rate at the date of the transaction. Assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the balance sheet date or the contracted rate if applicable. All exchange differences are taken to the profit and loss account.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2019 £	2018 £
Sale of goods	<u>6,909,787</u>	<u>9,024,788</u>

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2019 £	2018 £
Gain (loss) on disposal of property, plant and equipment	<u>(98,602)</u>	<u>(13,881)</u>

5 Exceptional items

	2019 £
Redundancy costs	<u>(124,525)</u>

6 Operating loss

Operating (loss) / profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	348,375	335,017
Loss on disposal of property, plant and equipment	98,602	13,881
Auditor's remuneration	<u>10,000</u>	<u>10,000</u>

7 Interest payable and similar charges

	2019 £	2018 £
Loan interest	10,549	9,668
Interest on obligations under finance leases and hire purchase contracts	11,771	3,422
Other finance costs	<u>21,449</u>	<u>29,387</u>
	<u>43,769</u>	<u>42,477</u>

8 Staff costs

Employee costs, including directors, during the year:

	2019 £	2018 £
Wages and salaries	1,825,582	2,280,043
Social security costs	159,916	198,678
Other pension costs	<u>151,313</u>	<u>166,919</u>
	<u>2,136,811</u>	<u>2,645,640</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Administration	6	6
Distribution	<u>75</u>	<u>98</u>
	<u>81</u>	<u>104</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Salaries	135,956	125,731
Pension contributions	39,816	48,796
	<u>175,772</u>	<u>174,527</u>

	2019 No.	2018 No.
The number of directors accruing benefits under a money purchase pension scheme during the year was:	<u>3</u>	<u>2</u>

10 Tax on (loss)/profit

	2019 £	2018 £
Current taxation		
UK corporation tax	-	8,879
UK corporation tax adjustment to prior periods	(8,883)	-
	<u>(8,883)</u>	<u>8,879</u>
Deferred taxation		
Origination and reversal of timing differences	(36,229)	26,437
Tax on (loss)/profit	<u>(45,112)</u>	<u>35,316</u>

The tax charge for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

The differences are reconciled below:

	2019 £	2018 £
(Loss)/profit before tax	<u>(259,180)</u>	<u>151,257</u>
Corporation tax at standard rate	(49,244)	28,739
Expenses not deductible for tax purposes	1,830	6,578
Effect of tax losses	19,274	(18,664)
Origination and reversal of timing differences	28,140	(7,774)
Tax increase (decrease) from other short-term timing differences	(8,883)	-
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(36,229)</u>	<u>26,437</u>
Total tax (credit)/charge	<u>(45,112)</u>	<u>35,316</u>

Tax relating to items recognised in other comprehensive income or equity

	2019 £	2018 £
Deferred tax related to items recognised as items of other comprehensive income	<u>51,075</u>	<u>237,130</u>

11 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Motor vehicles £	Leasehold property £	Total £
Cost or valuation						
At 1 December 2018	1,890,000	191,839	8,480	1,470,581	115,223	3,676,123
Revaluations	(679,696)	-	-	-	-	(679,696)
Additions	-	91,389	-	133,241	107,515	332,145
Disposals	<u>(539,844)</u>	<u>-</u>	<u>-</u>	<u>(974,504)</u>	<u>-</u>	<u>(1,514,348)</u>
At 30 November 2019	<u>670,460</u>	<u>283,228</u>	<u>8,480</u>	<u>629,318</u>	<u>222,738</u>	<u>1,814,224</u>
Depreciation						
At 1 December 2018	101,064	132,012	8,480	472,256	58,881	772,693
Charge for the year	5,068	26,922	-	295,401	20,984	348,375
Eliminated on disposal	<u>(43,604)</u>	<u>-</u>	<u>-</u>	<u>(533,541)</u>	<u>-</u>	<u>(577,145)</u>
At 30 November 2019	<u>62,528</u>	<u>158,934</u>	<u>8,480</u>	<u>234,116</u>	<u>79,865</u>	<u>543,923</u>
Net book value						
At 30 November 2018	<u>1,788,936</u>	<u>59,827</u>	<u>-</u>	<u>998,325</u>	<u>56,342</u>	<u>2,903,430</u>
At 30 November 2019	<u>607,932</u>	<u>124,294</u>	<u>-</u>	<u>395,202</u>	<u>142,873</u>	<u>1,270,301</u>

Included within the net book value of land and buildings above is £607,932 (2018: £1,788,936) in respect of freehold land and buildings.

Revaluation

The fair value of the company's freehold property was valued on 12 August 2019 by an independent valuer.

The freehold property was valued at market value.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £224,224 (2017: £406,029).

Tangible fixed assets with a net book value of £1,270,301 (2018: £2,903,430) are pledged as security for liabilities of the company.

12 Stocks

	2019 £	2018 £
Goods for resale	959,057	1,527,888
Other inventories	<u>78,486</u>	<u>151,099</u>
	<u>1,037,543</u>	<u>1,678,987</u>

The cost of stock recognised as an expense in the year amounted to £3,643,026 (2018 - £4,545,093).

Stocks with a net book value of £1,037,543 (2018: £1,678,987) are pledged as security for liabilities of the company.

13 Debtors

	2019 £	2018 £
Trade debtors	374,280	655,277
Other debtors	139,581	-
Prepayments	-	7,000
	<u>513,861</u>	<u>662,277</u>

Debtors with a value of £513,861 (2018: £662,277) are pledged as security for liabilities of the company.

14 Cash and cash equivalents

	2019 £	2018 £
Cash on hand	950	1,250
Cash at bank	<u>420,726</u>	<u>132,676</u>
	<u>421,676</u>	<u>133,926</u>

15 Creditors:

Amounts falling due within one year

	2019 £	2018 £
Bank loan	-	40,000
Finance lease liabilities	21,526	286,377
Trade creditors	488,799	700,921
Social security and other taxes	177,229	248,639
Other creditors	37,541	22,149
Corporation tax	-	8,879
Invoice discounting	185,300	496,943
Accruals	<u>26,099</u>	<u>28,802</u>
	<u>936,494</u>	<u>1,832,710</u>

Amounts falling due after more than one year

Bank loan	<u>-</u>	<u>299,090</u>
-----------	----------	----------------

The invoice discounting creditor is secured on the company's trade debtor balances.

16 Security

Loans totalling £nil (2018: £339,090) are secured by a legal charge over the freehold land and buildings and a fixed and floating charge over all other fixed assets and trading stock.

There is a cross guarantee and debenture between Imperial Automotive Limited and JVS Business Solutions Limited. At the year end there was no outstanding balance.

17 Provisions

	Deferred tax £	Total £
At 1 December 2018	283,464	283,464
Deferred tax on revaluation of property	<u>(222,284)</u>	<u>(222,284)</u>
At 30 November 2019	<u>61,180</u>	<u>61,180</u>
2019	£	£
Depreciation in excess of capital allowances	-	28,424
Losses carried forward	18,319	-
Revaluation of property	<u>-</u>	<u>51,075</u>
	<u>18,319</u>	<u>79,499</u>
2018		£
Depreciation in excess of capital allowances		46,334
Losses carried forward		-
Revaluation of property		<u>237,130</u>
		<u>283,464</u>

18 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
'A' Ordinary shares of £0.10 each	<u>879,674</u>	<u>87,967.40</u>	<u>879,674</u>	<u>87,967.40</u>

19 Capital and reserves

Called-up share capital - represents the nominal value of shares that have been issued.

Share premium account - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account - includes all current and prior period retained profits and losses.

Revaluation reserve - non distributable reserves used to record increase in fair value of land and buildings on revaluation.

Capital redemption reserve - represents shares redeemed by the company.

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Total £
Surplus/(deficit) on property, plant and equipment revaluation	(578,738)	(578,738)
Release of/(increase in) deferred tax on property revaluation	186,055	186,055
Surplus/(deficit) on revaluation of other assets	<u>(100,958)</u>	<u>(100,958)</u>
	<u>(493,641)</u>	<u>(493,641)</u>

20 Leasing commitments

Finance leases

The total of future minimum finance lease payments is as follows:

	2019 £	2018 £
Within one year	<u>21,526</u>	<u>286,377</u>

Operating leases

The total of future minimum operating lease payments is as follows:

	2019 £	2018 £
Within one year	26,300	74,113
Between one and five years	<u>24,108</u>	<u>50,408</u>
	<u>50,408</u>	<u>124,521</u>

21 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £151,313 (2018 - £166,919).

22 Related party transactions

JVS Business Solutions Limited, an associated company, supplied goods and services totalling £2,416 (2018: £2,930) to Imperial Automotive Limited throughout the year.

During the year pension contributions of £36,000 (2018: £48,000), £1,316 (2018: £796) and £2,500 (2018: £nil) were made by K J Sipton, T B M Stanley and L O Sipton respectively.

The company leases premises in Doncaster from the K J and J E Sipton Pension Schemes at an annual rent of £78,300 (2018: £43,175).

The company leases premises in Doncaster from the K J and J E Sipton at an annual rent of £10,000 (2018: nil).

During the year end company sold a plot of land valued at £50,000 to K J and J E Sipton and a plot of land valued at £448,000 to the K J and J E Sipton Pension Schemes.

During the year K J Sipton and T B M Stanley received dividends of £1,675 and £291 respectively.

At the year end K J Sipton owed £29,491 (2018: was owed £11,000) to the company, the balance is included in other debtors.

23 Controlling party

The company does not have a parent undertaking. The company is controlled by K J Sipton by virtue of his and his close family controlling 72.19% (2018: 72.07%) of the issued share capital of the company.