

Colchester Fuel Injection Limited
Financial Statements
for the Year Ended 31 July 2023

Colchester Fuel Injection Limited (Registered number: 01272093)

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Colchester Fuel Injection Limited

Company Information

for the year ended 31 July 2023

DIRECTORS:

S Bramley
LK Bramley
MF Brown
P Goldsmith
S Maul

REGISTERED OFFICE:

Haven Road
Colchester
Essex
CO2 8HT

REGISTERED NUMBER:

01272093 (England and Wales)

AUDITORS:

McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Colchester Fuel Injection Limited (Registered number: 01272093)

Balance Sheet

31 July 2023

| | Notes | £ | 2023 £ | £ | 2022 £ |
|--|-------|------------------|-----------------|------------------|-----------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 280,089 | | 214,198 |
| CURRENT ASSETS | | | | | |
| Stocks | | 417,084 | | 565,515 | |
| Debtors | 5 | 437,108 | | 456,934 | |
| Cash at bank | | 300,977 | | 67,877 | |
| | | 1,155,169 | | 1,090,326 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 6 | 1,035,099 | | 815,694 | |
| NET CURRENT ASSETS | | | 120,070 | | 274,632 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 400,159 | | 488,830 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 7 | | (29,506) | | (30,445) |
| PROVISIONS FOR LIABILITIES | 10 | | (45,509) | | (25,049) |
| PENSION ASSET | 14 | | 625,500 | | 45,000 |
| NET ASSETS | | | 950,644 | | 478,336 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 11 | | 10,500 | | 12,500 |
| Share premium | 12 | | 2,000 | | 2,000 |
| Capital redemption reserve | 12 | | 2,000 | | - |
| Retained earnings | 12 | | 936,144 | | 463,836 |
| SHAREHOLDERS' FUNDS | | | 950,644 | | 478,336 |

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 26 April 2024 and were signed on its behalf by:

S Bramley - Director

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements for the year ended 31 July 2023

1. STATUTORY INFORMATION

Colchester Fuel Injection 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.

The presentation currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

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.

Turnover

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

The turnover shown in the profit and loss account represents the fair value of all goods and services, delivered during the year, at selling price exclusive of discounts, rebates, Value Added Tax and other sales taxes. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

Tangible fixed assets

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

| | |
|---------------------|---------------------------------|
| Short leasehold | - Over the term of the lease |
| Plant and machinery | - 25% on cost and 12.5% on cost |
| Motor vehicles | - 25% on cost |

Stocks

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

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

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.

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

2. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates both a defined benefit and defined contribution pension scheme and the defined benefit scheme has been closed to new entrants.

The defined benefit scheme assets and liabilities are shown in the balance sheet and interest on pension scheme liabilities is charged to the profit and loss account. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

Contributions payable to the defined contribution scheme are charged to the profit and loss account as incurred. The asset of this scheme are held separately from the company in an independently administered fund and are not disclosed in the financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 35 (2022 - 37).

4. TANGIBLE FIXED ASSETS

| | Short leasehold £ | Plant and machinery £ | Motor vehicles £ | Totals £ |
|------------------------|-------------------------|-----------------------------|------------------------|------------------|
| COST | | | | |
| At 1 August 2022 | 120,128 | 2,150,483 | 88,281 | 2,358,892 |
| Additions | 9,300 | 77,080 | 41,370 | 127,750 |
| Disposals | - | - | (63,442) | (63,442) |
| At 31 July 2023 | <u>129,428</u> | <u>2,227,563</u> | <u>66,209</u> | <u>2,423,200</u> |
| DEPRECIATION | | | | |
| At 1 August 2022 | 120,128 | 1,954,389 | 70,177 | 2,144,694 |
| Charge for year | 612 | 42,291 | 3,885 | 46,788 |
| Eliminated on disposal | - | - | (48,371) | (48,371) |
| At 31 July 2023 | <u>120,740</u> | <u>1,996,680</u> | <u>25,691</u> | <u>2,143,111</u> |
| NET BOOK VALUE | | | | |
| At 31 July 2023 | <u>8,688</u> | <u>230,883</u> | <u>40,518</u> | <u>280,089</u> |
| At 31 July 2022 | - | 196,094 | 18,104 | 214,198 |

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|---------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 368,657 | 362,881 |
| Other debtors | 30,000 | 33,954 |
| Prepayments | 38,451 | 60,099 |
| | <u>437,108</u> | <u>456,934</u> |

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|--------------------------------------|------------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | - | 6,884 |
| Hire purchase contracts (see note 8) | 20,651 | 23,039 |
| Trade creditors | 286,283 | 601,065 |
| Amounts owed to group undertakings | 627,354 | - |
| Corporation tax | - | 5,050 |
| Social security and other taxes | 24,234 | 47,409 |
| VAT | 48,102 | 63,592 |
| Accrued expenses | 28,475 | 68,655 |
| | <u>1,035,099</u> | <u>815,694</u> |

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

| | 2023 | 2022 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Hire purchase contracts (see note 8) | <u>29,506</u> | <u>30,445</u> |

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| | Hire purchase | contracts |
|----------------------------|---------------|---------------|
| | 2023 | 2022 |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 20,651 | 23,039 |
| Between one and five years | 29,506 | 30,445 |
| | <u>50,157</u> | <u>53,484</u> |

| | Non-cancellable operating leases | |
|----------------------------|---|----------|
| | 2023 | 2022 |
| | £ | £ |
| Within one year | 11,721 | - |
| Between one and five years | 20,626 | - |
| | <u>32,347</u> | <u>-</u> |

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

9. SECURED DEBTS

The following secured debts are included within creditors:

| | 2023 | 2022 |
|-------------------------|---------------|---------------|
| | £ | £ |
| Bank loans | - | 6,884 |
| Hire purchase contracts | <u>50,157</u> | <u>53,484</u> |
| | <u>50,157</u> | <u>60,368</u> |

Hire purchase borrowings are secured against the assets concerned.

10. PROVISIONS FOR LIABILITIES

| | 2023 | 2022 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Deferred tax | | |
| Accelerated capital allowances | - | 26,065 |
| Tax losses carried forward | - | (1,016) |
| Deferred tax | <u>45,509</u> | <u>-</u> |
| | <u>45,509</u> | <u>25,049</u> |

Deferred tax
£

| | |
|--|---------------|
| Balance at 1 August 2022 | <u>25,049</u> |
| Charge to Income Statement during year | <u>20,460</u> |
| Balance at 31 July 2023 | <u>45,509</u> |

There is a deferred tax liability of £208,500 (2022: £15,000) in relation to the pension asset surplus. See note 15.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2023 | 2022 |
|---------|------------|----------------|---------------|---------------|
| | | | £ | £ |
| 10,500 | Ordinary | 1 | <u>10,500</u> | 10,500 |
| NIL | Preference | | <u>-</u> | <u>2,000</u> |
| | | | <u>10,500</u> | <u>12,500</u> |

On the 15 November 2022, the issued share capital of the company was reduced from £12,500 to £10,500 by cancelling and extinguishing the 2,000 preference shares of £1 each. Each of which were fully paid up and the amount by which the share capital was reduced has been credited to the capital redemption reserve.

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

12. RESERVES

| | Retained earnings £ | Share premium £ | Capital redemption reserve £ | Totals £ |
|---|---------------------------|-----------------------|---------------------------------------|----------------|
| At 1 August 2022 | 463,836 | 2,000 | - | 465,836 |
| Deficit for the year | (50,442) | | | (50,442) |
| Purchase of own shares | - | - | 2,000 | 2,000 |
| Actuarial gain relating to defined benefit pension scheme | 697,000 | - | - | 697,000 |
| Deferred tax on actuarial movement | (174,250) | - | - | (174,250) |
| At 31 July 2023 | <u>936,144</u> | <u>2,000</u> | <u>2,000</u> | <u>940,144</u> |

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

The Report of the Auditors was unqualified.

Neil McMillan FCA (Senior Statutory Auditor)
for and on behalf of McMillan & Co LLP

14. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined benefit scheme in the UK which is closed to new members. A full actuarial valuation was carried out on 1 June 2022. The next full valuation will be at 1 June 2025. Details of the defined benefit scheme are as follows:

The company is the principal employer of a defined benefit pension scheme, the Colchester Fuel Injection Ltd Retirement Benefits Scheme ("the Scheme"), which is administered by trustees. Contributions to the Scheme are charged to the profit and loss account so as to spread the cost of the pensions over the employees working lives with the company. The contributions are determined by independent qualified actuaries. The major assumptions used by the actuary were:

The amounts recognised in profit or loss are as follows:

| | Defined benefit pension plans | |
|-----------------------|----------------------------------|---------------|
| | 2023 £ | 2022 £ |
| Current service cost | - | - |
| Interest cost | 122,000 | 55,000 |
| Past service cost | - | - |
| Expenses paid | 8,000 | - |
| | <u>130,000</u> | <u>55,000</u> |
| Return on plan assets | <u>125,000</u> | <u>41,000</u> |

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

| | Defined benefit pension plans | |
|--|-------------------------------|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Opening defined benefit obligation | 3,504,000 | 5,121,000 |
| Interest cost | 122,000 | 55,000 |
| Benefits paid | (59,000) | (51,000) |
| Actuarial (gains)/loss from changes in assumptions | (735,000) | (1,621,000) |
| | <u>2,832,000</u> | <u>3,504,000</u> |

Changes in the fair value of scheme assets are as follows:

| | Defined benefit pension plans | |
|-------------------------------------|-------------------------------|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Opening fair value of scheme assets | 3,564,000 | 3,780,000 |
| Contributions by employer | 82,000 | 28,000 |
| Return on plan assets | 125,000 | 41,000 |
| Benefits paid | (59,000) | (51,000) |
| Expenses paid | (8,000) | - |
| Actuarial gains/(losses) on assets | (38,000) | (234,000) |
| | <u>3,666,000</u> | <u>3,564,000</u> |

The amounts recognised in other comprehensive income are as follows:

| | Defined benefit pension plans | |
|--|-------------------------------|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Actuarial (gains)/loss from changes in assumptions | 735,000 | 1,621,000 |
| Actuarial gains/(losses) on assets | (38,000) | (234,000) |
| | <u>697,000</u> | <u>1,387,000</u> |

The major categories of scheme assets as a percentage of total scheme assets are as follows:

| | Defined benefit pension plans | |
|--------------------|-------------------------------|-------------|
| | 2023 | 2022 |
| Equities | 43% | 42% |
| Fixed interest | 42% | 42% |
| Insurance policies | 15% | 16% |
| | <u>100%</u> | <u>100%</u> |

Colchester Fuel Injection Limited (Registered number: 01272093)

Notes to the Financial Statements - continued for the year ended 31 July 2023

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

| | 2023 | 2022 |
|------------------|--------------|-------|
| Discount rate | 5.10% | 3.50% |
| RPI | 3.45% | 3.50% |
| CPI | 2.80% | 2.85% |
| Cash commutation | 100% | 100% |

The mortality assumption used was S3PA CMI 2022 1.5% + 0.5% (2022: S3PA CMI 2021 1.5% + 0.5%).

The pension scheme asset on the balance sheet is net of deferred tax. See note 12.

15. RELATED PARTY DISCLOSURES

The company was acquired by Merlin Diesel Holdings Limited on 1 August 2022 and in the opinion of the directors the company is controlled by Merlin Diesel Holdings Limited.

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.