

Company Registration No. 00117238 (England and Wales)

A.A. CLARK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR





A.A. CLARK LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 11

A.A. CLARK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	6		947		18,659
Investment properties	7		4,350,000		4,350,000
Investments	8		3,000,000		3,000,000
			<u>7,350,947</u>		<u>7,368,659</u>
Current assets					
Debtors	11	2,144,626		2,793,821	
Cash at bank and in hand		<u>508,722</u>		<u>467,721</u>	
		2,653,348		3,261,542	
Creditors: amounts falling due within one year	12	<u>(772,505)</u>		<u>(465,121)</u>	
Net current assets			<u>1,880,843</u>		<u>2,796,421</u>
Total assets less current liabilities			<u>9,231,790</u>		<u>10,165,080</u>
Creditors: amounts falling due after more than one year	13		(4,250,000)		(4,708,605)
Provisions for liabilities	15		<u>(49,847)</u>		<u>(49,847)</u>
Net assets			<u><u>4,931,943</u></u>		<u><u>5,406,628</u></u>
Capital and reserves					
Called up share capital	17		3,003,550		3,003,550
Non distributable reserve	18		2,921,065		2,921,065
Profit and loss reserves			<u>(992,672)</u>		<u>(517,987)</u>
Total equity			<u><u>4,931,943</u></u>		<u><u>5,406,628</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 25-9-19 and are signed on its behalf by:



P Newton
Director

Company Registration No. 00117238

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

A.A. Clark Limited is a private company limited by shares incorporated in England and Wales. The registered office and business address is 30 Camp Road, Farnborough, Hampshire, GU14 6EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

A.A. Clark Limited is a wholly owned subsidiary of Auerole Windsor Limited and the results of A.A. Clark Limited are included in the consolidated financial statements of Auerole Windsor Limited which are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the invoiced value, net of value added tax, of rental income receivable, spread over the life of the lease period accounting for rent free periods where appropriate.

Other operating income is comprised of management charges. Management charges are recognised at point of invoice.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold properties	Over the remaining term of the lease
Plant and machinery	25% straight line

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the profit and loss account on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The items in the financial statements where these judgements and estimates have been made include

Reliance upon the independent professional consultants for property valuations carried out on 30 January 2017, and to the best of the directors' knowledge that those valuations are not materially different to their values at 31 December 2018.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows. All properties are let on long term leases.

3 Exceptional costs/(income)

	2018 £	2017 £
Provision on intercompany debt arising on sale	442,432	-

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Office and management	3	3

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	90,530	89,814
Company pension contributions to defined contribution schemes	6,617	6,096
	<u>97,147</u>	<u>95,910</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

6 Tangible fixed assets

	Leasehold properties £	Plant and machinery £	Total £
Cost			
At 1 January 2018	166,147	1,609	167,756
Additions	-	1,262	1,262
Disposals	-	(1,609)	(1,609)
At 31 December 2018	<u>166,147</u>	<u>1,262</u>	<u>167,409</u>
Depreciation and impairment			
At 1 January 2018	147,488	1,609	149,097
Depreciation charged in the year	18,659	315	18,974
Eliminated in respect of disposals	-	(1,609)	(1,609)
At 31 December 2018	<u>166,147</u>	<u>315</u>	<u>166,462</u>
Carrying amount			
At 31 December 2018	<u>-</u>	<u>947</u>	<u>947</u>
At 31 December 2017	<u>18,659</u>	<u>-</u>	<u>18,659</u>

7 Investment property

	2018 £
Fair value	
At 1 January 2018 and 31 December 2018	<u>4,350,000</u>

The fair value of the investment properties has been arrived at on the basis of a valuation carried out by chartered surveyors on 30 January 2017, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The historic cost of these investment properties is £1,379,088.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	9	3,000,000	3,000,000

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	3,000,000
Carrying amount	
At 31 December 2018	3,000,000
At 31 December 2017	3,000,000

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Windsor Vehicle Leasing Limited	Centenary House, Beresford Way, Chesterfield, S41 9FG	Motor vehicle lessors	Ordinary	98.00	
AAC Bodyshop Limited	30 Camp Road, Farnborough, Hampshire, GU14 6EW	Dormant	Ordinary	100.00	

10 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,083,841	2,728,584
Carrying amount of financial liabilities		
Measured at amortised cost	4,894,724	5,137,714

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	9,052	11,680
Other debtors	-	5,155
Prepayments and accrued income	80,785	60,082
	<u>89,837</u>	<u>76,917</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,054,789	2,716,904
	<u>2,144,626</u>	<u>2,793,821</u>
Total debtors		

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

12 Creditors: amounts falling due within one year

	2018 £	2017 £
Other borrowings	415,000	-
Trade creditors	98,519	91,118
Amounts owed to group undertakings	93,400	296,810
Other taxation and social security	127,781	36,012
Accruals and deferred income	37,805	41,181
	<u>772,505</u>	<u>465,121</u>

Other loans amounting to £415,000 (2017 - £415,000) are secured by a charge over one of the company's freehold properties. These loans bear interest at commercial rates and are repayable on three months notice. This loan was repaid on 15 January 2019.

13 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other borrowings	4,250,000	4,708,605

Other loans amounting to £4,250,000 (2017 - £4,250,000) from P Newton, a director, are secured by a fixed and floating charge over the company's assets. This loan bears interest at commercial rates and is repayable on three months notice no earlier than 1 September 2019.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Loans and overdrafts

	2018 £	2017 £
Other loans	4,665,000	4,708,605
Payable within one year	415,000	-
Payable after one year	4,250,000	4,708,605

15 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	16	49,847	49,847

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Capital gain on fair value adjustment	49,847	49,847

17 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
3,000,050 Ordinary shares of £1 each	3,000,050	3,000,050
7,000 Deferred shares of 50p each	3,500	3,500
	3,003,550	3,003,550

In the event of winding up the shareholders of the Ordinary shares have a right to repayment of capital in priority to any repayment of capital of the Deferred shares. The Deferred shares have no voting or dividend rights and do not participate in the distribution of any surplus on winding up.

18 Non distribution reserve

The non-distributable reserve on investment properties at 31 December 2018 amounted to £2,921,065 (2017 - £2,921,065).

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

19 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Barry Potter.

The auditor was Haines Watts Farnborough LLP.

20 Financial commitments, guarantees and contingent liabilities

The company is included in group guarantees of the hire purchase loans and vehicle fleet loans of its subsidiary company. At 31 December 2018, the contingent liability in respect of these guarantees was £6,005,957 (2017 - £6,058,119).

The company is included in a group registration for VAT purposes with its parent company and fellow subsidiaries. All members of the VAT group are jointly and severally liable for the total amount of VAT due and at 31 December 2018 the contingent liability in respect of this group registration was £90,576 (2017 - £122,281).

21 Operating lease commitments

Lessee

The lease is in respect of ground rent only, being £9,250 per annum. The lease is held in the name of fellow subsidiary, Nimbus Securities Limited.

22 Events after the reporting date

On 3 January 2019, a subsidiary company, Windsor Vehicle Leasing Limited, was sold to a third party outside the group. The investment carrying amount in these financial statements is £3,000,000.

23 Related party transactions

The company has taken advantage of the exemptions from disclosure of transactions with group companies available to subsidiary undertakings under FRS102 paragraph 33.1A.

The company has received a loan of £4,250,000 from a director. The loan is secured by a fixed and floating charge over the company's assets and is repayable on three months notice. Interest payable on the loan during the 31 December 2018 amounted to £297,500 (2017 - £297,500), of which £nil (2017 - £123,878) has been disbursed to a subsidiary company.

The company has an overdraft facility of £100,000. The overdraft facility is guaranteed by P Newton, a shareholder in the company's ultimate parent.

A.A. CLARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

24 Controlling party

The immediate and ultimate parent company at the year end is Aureole Windsor Limited, a company whose registered office is 30 Camp Road, Farnborough, GU14 6EW. The ultimate parent company, which is also the parent for the largest and smallest group of undertakings for which the group financial statements are drawn up for and of which the company is a member was Aureole Windsor Limited. Copies of the consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.