

Registration number: 587618

# Leeds Commercial Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2015

Fullerton Accountants  
Chartered Accountants & Registered Auditors  
Suite 6, Dorial House  
89a New Road Side  
Horsforth  
Leeds  
West Yorkshire  
LS18 4QD



**Leeds Commercial Limited**  
**Contents**

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

The following pages do not form part of the statutory financial statements:

Detailed Profit and Loss Account .....	21 to 23
--	----------

**Leeds Commercial Limited**  
**Company Information**

<b>Directors</b>	Mr C J Miller Mr P J Graham Mr P R Bumford Mr A Bagglely
<b>Registered office</b>	The Roundhouse Wellington Road Leeds West Yorkshire LS12 1DR
<b>Auditors</b>	Fullertons Accountants Chartered Accountants & Registered Auditors Suite 6, Dorial House 89a New Road Side Horsforth Leeds West Yorkshire LS18 4QD

**Leeds Commercial Limited**  
**Strategic Report for the Year Ended 30 September 2015**

The directors present their strategic report for the year ended 30 September 2015.

**Business review**

***Fair review of the business***

The company has continued to maintain six operating depots: Leeds, Bradford, Barnsley, Sherburn, Manchester and Bristol. All depots have been fully operational during the year and have contributed positively to the result for the year.

As expected turnover increased due to the change in the fleet and the improvement in utilisation levels. This has resulted in a 12% increase on the previous year's figure. Profit before tax increased to £3,173,424 due to the effect of reduced costs, increased turnover and improved profits from vehicle disposals. Measures to cut costs and dispose of surplus vehicles have continued during the year. These will continue to be reviewed and challenged in the following year for further savings.

The current year is expected to show a small increase to the year's results due to continuing efforts on reducing costs and improvements in utilisation.

Whilst the company continues to invest only where necessary to maintain its rental fleet, the introduction of "Euro 6" vehicles has distorted the buying pattern with vehicle purchases brought forward in time. Current indications are that 2016 vehicle prices will be more expensive, with residual values remaining very strong.

The company's key financial and other performance indicators during the year were as follows:

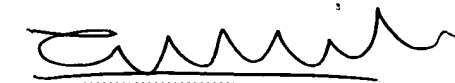
	Unit	2015	2014
Turnover growth	%	12	10
Gross profit margin	%	28	29

***Principal risks and uncertainties***

The commercial vehicle hire market continues to suffer from increased competition with many projects due for review. Current indications are that rates will remain under pressure for at least the next twelve months. We anticipate that 2016 will be a difficult trading year but profits achieved from vehicle disposals will be at a similar level to last year.

The company's customer base has continued to change to be more widely spread and whilst still construction industry based we are now positioned to gain from the upturn in the general economy. Competition for business will be fierce during the next year; cost control and cash flow management are the main issues facing the company as we act to counter the effect of any bad debts and the continuing economic uncertainty. Turnover for 2016 is expected to show a modest increase.

Approved by the Board on 14 June 2016 and signed on its behalf by:



Mr C J Miller  
Director

**Leeds Commercial Limited**  
**Directors' Report for the Year Ended 30 September 2015**

The directors present their report and the financial statements for the year ended 30 September 2015.

**Directors of the company**

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

Mr C J Miller

Mr P J Graham

Mr P R Bumford

Mr A Bagglely

**Financial instruments**

***Objectives and policies***

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors, loans to the company and finance lease agreements.

***Price risk, credit risk, liquidity risk and cash flow risk***

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due and comply with agreed payment terms.

Loans comprise of funds from various institutions. The interest rate and monthly repayments on the loans from these institutions are variable. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the repayments as they fall due.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring there are sufficient funds to meet the repayments as they fall due.

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

**Reappointment of auditors**


The auditors Fullertons Accountants are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 14 June 2016 and signed on its behalf by:

**Leeds Commercial Limited**

**Directors' Report for the Year Ended 30 September 2015**

*..... continued*

A handwritten signature in black ink, consisting of a series of loops and a final upward stroke, positioned above a horizontal line.

Mr C J Miller  
Director

## **Leeds Commercial Limited**

### **Statement of Directors' Responsibilities**

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

## **Independent Auditor's Report to the Members of Leeds Commercial Limited**

We have audited the financial statements of Leeds Commercial Limited for the year ended 30 September 2015, set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2015 and of its profit 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



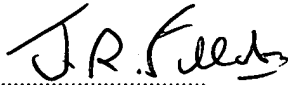
**Independent Auditor's Report to the Members of  
Leeds Commercial Limited**

*..... continued*

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



.....  
John Fullerton Msc FCA (Senior Statutory Auditor)  
For and on behalf of Fullertons Accountants, Statutory Auditor

Suite 6, Dorial House  
89a New Road Side  
Horsforth  
Leeds  
West Yorkshire  
LS18 4QD

14 June 2016

**Leeds Commercial Limited**  
**Profit and Loss Account for the Year Ended 30 September 2015**

	Note	2015 £	2014 £
Turnover		30,615,369	27,235,549
Cost of sales		<u>(22,127,532)</u>	<u>(19,440,937)</u>
Gross profit		8,487,837	7,794,612
Administrative expenses		(4,182,760)	(4,445,732)
Other operating income		<u>6,010</u>	<u>8,393</u>
Operating profit	2	4,311,087	3,357,273
Other interest receivable and similar income	6	7,401	16,627
Interest payable and similar charges	7	<u>(1,565,169)</u>	<u>(1,336,506)</u>
Profit on ordinary activities before taxation		2,753,319	2,037,394
Tax on profit on ordinary activities	8	<u>(609,058)</u>	<u>(411,472)</u>
Profit for the financial year	16	<u><u>2,144,261</u></u>	<u><u>1,625,922</u></u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**Leeds Commercial Limited**  
**(Registration number: 587618)**  
**Balance Sheet at 30 September 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible fixed assets	9	<u>56,495,288</u>	<u>50,588,137</u>
<b>Current assets</b>			
Stocks	10	23,163	12,744
Debtors	11	5,911,835	5,368,535
Cash at bank and in hand		<u>1,440,637</u>	<u>1,087,166</u>
		7,375,635	6,468,445
Creditors: Amounts falling due within one year	12	<u>(22,140,072)</u>	<u>(19,378,722)</u>
Net current liabilities		<u>(14,764,437)</u>	<u>(12,910,277)</u>
Total assets less current liabilities		41,730,851	37,677,860
Creditors: Amounts falling due after more than one year	13	(26,891,332)	(24,820,685)
Provisions for liabilities		-	(161,917)
Net assets		<u>14,839,519</u>	<u>12,695,258</u>
<b>Capital and reserves</b>			
Called up share capital	14	255,150	255,150
Other reserves	16	2,975	2,975
Profit and loss account	16	<u>14,581,394</u>	<u>12,437,133</u>
Shareholders' funds	17	<u>14,839,519</u>	<u>12,695,258</u>

Approved and authorised for issue by the Board on 14 June 2016 and signed on its behalf by:



Mr C J Miller  
Director

**Leeds Commercial Limited**  
**Cash Flow Statement for the Year Ended 30 September 2015**

**Reconciliation of operating profit to net cash flow from operating activities**

	2015 £	2014 £
Operating profit	4,311,087	3,357,273
Depreciation, amortisation and impairment charges	17,690,212	12,919,486
Profit on disposal of fixed assets	(5,190,480)	(3,408,840)
(Increase)/decrease in stocks	(10,419)	41,282
Increase in debtors	(543,300)	(780,573)
Increase in creditors	282,069	232,967
Net cash inflow from operating activities	<u>16,539,169</u>	<u>12,361,595</u>

**Cash flow statement**

	2015 £	2014 £
Net cash inflow from operating activities	<u>16,539,169</u>	<u>12,361,595</u>
<b>Returns on investments and servicing of finance</b>		
Interest received	7,401	16,627
HP and finance lease interest	(1,547,134)	(1,329,649)
Interest paid	<u>(18,035)</u>	<u>(6,857)</u>
	<u>(1,557,768)</u>	<u>(1,319,879)</u>
Taxation paid	<u>(321,144)</u>	<u>(341,206)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(30,090,092)	(26,090,064)
Sale of tangible fixed assets	<u>11,683,210</u>	<u>9,093,285</u>
	<u>(18,406,882)</u>	<u>(16,996,779)</u>
Equity dividends paid	<u>-</u>	<u>(51,030)</u>
Net cash outflow before management of liquid resources and financing	<u>(3,746,625)</u>	<u>(6,347,299)</u>
<b>Financing</b>		
Repayment of loans and borrowings	(130,632)	688,053
Repayment of capital element of finance leases and HP contracts	4,230,729	6,142,887
Amortisation	-	(200,000)
Difference	<u>(1)</u>	<u>-</u>
	<u>4,100,096</u>	<u>6,630,940</u>
Increase in cash	<u>353,471</u>	<u>283,641</u>

The notes on pages 12 to 20 form an integral part of these financial statements.

**Leeds Commercial Limited**  
**Cash Flow Statement for the Year Ended 30 September 2015**

..... *continued*

**Reconciliation of net cash flow to movement in net debt**

	Note	2015 £	2014 £
Increase in cash		353,471	283,641
Cash outflow from repayment of loans		130,632	(688,053)
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		(4,230,729)	(6,142,887)
Amortisation		-	200,000
Change in net debt resulting from cash flows	20	<u>(3,746,626)</u>	<u>(6,347,299)</u>
Movement in net debt	20	(3,746,626)	(6,347,299)
Net debt at 1 October	20	<u>(39,849,984)</u>	<u>(33,302,685)</u>
Net debt at 30 September	20	<u><u>(43,596,610)</u></u>	<u><u>(39,649,984)</u></u>

The notes on pages 12 to 20 form an integral part of these financial statements.

## Leeds Commercial Limited

### Notes to the Financial Statements for the Year Ended 30 September 2015

#### 1 Accounting policies

##### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

##### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% straight line basis
Motor vehicles	20% to 25% reducing balance basis
Fixtures and fittings	25% reducing balance basis

##### Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

##### Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

##### Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

## Leeds Commercial Limited

### Notes to the Financial Statements for the Year Ended 30 September 2015

..... *continued*

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company, is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

## 2 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Operating leases - plant and machinery	2,269	3,067
Operating leases - other assets	40,063	45,456
Profit on sale of tangible fixed assets	(5,190,480)	(3,408,840)
Depreciation of owned assets	17,690,212	12,719,486
Amortisation	-	200,000
Auditor's remuneration	<u>16,560</u>	<u>23,580</u>

## 3 Auditor's remuneration

	2015 £	2014 £
Audit of the financial statements	10,000	10,600
<b>Other fees to auditors</b>		
Other services	<u>6,560</u>	<u>12,980</u>
	<u>16,560</u>	<u>23,580</u>

## 4 Particulars of employees

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

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... *continued*

	2015 No.	2014 No.
Administration and support	22	21
Sales	15	15
Other departments	115	110
	<u>152</u>	<u>146</u>

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	5,488,412	5,451,091
Staff pensions	131,213	109,544
	<u>5,619,625</u>	<u>5,560,635</u>

### 5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2015 £	2014 £
Remuneration (including benefits in kind)	<u>706,277</u>	<u>1,101,509</u>

In respect of the highest paid director:

	2015 £	2014 £
Remuneration	<u>348,374</u>	<u>666,747</u>

### 6 Other interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	1,495	15,360
Other interest receivable	5,906	1,267
	<u>7,401</u>	<u>16,627</u>



# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... *continued*

### 7 Interest payable and similar charges

	2015 £	2014 £
Interest on bank borrowings	18,035	6,857
Finance charges	1,547,134	1,329,649
	<u>1,565,169</u>	<u>1,336,506</u>

### 8 Taxation

#### Tax on profit on ordinary activities

	2015 £	2014 £
<b>Current tax</b>		
Corporation tax charge	770,975	321,072
<b>Deferred tax</b>		
Origination and reversal of timing differences	(161,917)	90,400
Total tax on profit on ordinary activities	<u>609,058</u>	<u>411,472</u>

#### Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 22%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>2,753,319</u>	<u>2,037,394</u>
Corporation tax at standard rate	578,197	448,227
Effect of main rate change	(20,905)	(803)
Disallowable expenses	25,070	26,142
Depreciation in excess of capital allowances	186,511	(62,094)
Total current tax	<u>768,873</u>	<u>411,472</u>

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... continued

### 9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 October 2014	3,831,350	1,109,006	82,026,895	86,967,251
Additions	44,901	174,958	29,870,233	30,090,092
Disposals	-	-	(18,846,014)	(18,846,014)
At 30 September 2015	3,876,251	1,283,964	93,051,114	98,211,329
<b>Depreciation</b>				
At 1 October 2014	385,387	793,089	35,200,638	36,379,114
Charge for the year	39,367	109,083	17,541,761	17,690,211
Eliminated on disposals	-	-	(12,353,284)	(12,353,284)
At 30 September 2015	424,754	902,172	40,389,115	41,716,041
<b>Net book value</b>				
At 30 September 2015	3,451,497	381,792	52,661,999	56,495,288
At 30 September 2014	3,445,963	315,917	46,826,257	50,588,137

#### Leased assets

Included within the net book value of tangible fixed assets is £39,923,584 (2014 - £38,552,386) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £13,307,861 (2014 - £11,515,795).

### 10 Stocks

	2015 £	2014 £
Stocks	23,163	12,744

### 11 Debtors

	2015 £	2014 £
Trade debtors	4,723,990	4,744,169
Other debtors	610,442	266,291
Prepayments and accrued income	577,403	358,075
	5,911,835	5,368,535

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... continued

### 12 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,011,479	848,428
Bank loans and overdrafts	77,708	283,340
Obligations under finance lease and hire purchase contracts	18,068,207	15,833,125
Corporation tax	783,871	334,040
Other taxes and social security	688,794	123,552
Other creditors	266,130	338,121
Directors' current accounts	270,911	115,908
Accruals and deferred income	972,972	1,502,208
	<u>22,140,072</u>	<u>19,378,722</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	2015 £	2014 £
Hire purchase and finance leases	18,068,207	15,833,125
Bank loans and overdrafts	77,708	283,340
	<u>18,145,915</u>	<u>16,116,465</u>

### 13 Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans and overdrafts	600,000	525,000
Obligations under finance lease and hire purchase contracts	26,291,332	24,295,685
	<u>26,891,332</u>	<u>24,820,685</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company:

	2015 £	2014 £
Hire purchase and finance leases	26,291,332	24,295,685
Bank loans and overdrafts	600,000	525,000
	<u>26,891,332</u>	<u>24,820,685</u>

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... continued

### Obligations under finance leases and HP contracts

#### Amounts repayable:

	2015 £	2014 £
In one year or less on demand	18,068,207	15,833,125
Between one and two years	13,481,908	12,585,676
Between two and five years	12,809,424	11,710,009
	<u>44,359,539</u>	<u>40,128,810</u>

### 14 Share capital

#### Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>255,150</u>	<u>255,150</u>	<u>255,150</u>	<u>255,150</u>

### 15 Dividends

	2015 £	2014 £
<b>Dividends paid</b>		
Prior year final dividend paid	<u>-</u>	<u>51,030</u>

### 16 Reserves

	Other reserves £	Profit and loss account £	Total £
At 1 October 2014	2,975	12,437,133	12,440,108
Profit for the year	<u>-</u>	<u>2,144,261</u>	<u>2,144,261</u>
At 30 September 2015	<u>2,975</u>	<u>14,581,394</u>	<u>14,584,369</u>

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... continued

### 17 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit attributable to the members of the company	2,144,261	1,625,922
Dividends	-	(51,030)
Net addition to shareholders' funds	2,144,261	1,574,892
Shareholders' funds at 1 October	12,695,258	11,120,366
Shareholders' funds at 30 September	14,839,519	12,695,258

### 18 Pension 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 £131,213 (2014 - £109,544).

### 19 Commitments

#### Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £1,831,802 (2014 - £5,294,052).

#### Operating lease commitments

As at 30 September 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
<b>Land and buildings</b>		
Within one year	10,000	10,000
Within two and five years	240,750	240,750
	250,750	250,750

# Leeds Commercial Limited

## Notes to the Financial Statements for the Year Ended 30 September 2015

..... *continued*

### Other commitments

During April 2016 the company entered into an agreement to buy back 59,850 ordinary shares in the company at a cost of £3,000,000.

### 20 Analysis of net debt

	At 1 October 2014 £	Cash flow £	At 30 September 2015 £
Cash at bank and in hand	1,087,166	353,471	1,440,637
Debt due within one year	(283,340)	205,632	(77,708)
Debt due after more than one year	(525,000)	(75,000)	(600,000)
Finance leases and hire purchase contracts	(40,128,810)	(4,230,729)	(44,359,539)
Net debt	<u>(39,849,984)</u>	<u>(3,746,626)</u>	<u>(43,596,610)</u>

### 21 Related party transactions

#### Other related party transactions

During the year the company made the following related party transactions:

#### CJ Miller

(Directors current account)

. At the balance sheet date the amount due to CJ Miller was £270,911 (2014 - £115,908).

#### Earnstone Developments (Wakefield) Limited

(A company 50% owned by Christopher Miller a director and majority shareholder in Leeds Commercial Limited)

The company charged interest of £7,473 (2014:£7,774) on the amount due from Earnstone Developments (Wakefield) Limited during the year , at a commercial rate of interest. At the balance sheet date the amount due from Earnstone Developments (Wakefield) Limited was £266,920 (2014 - £222,115).

### 22 Control

The company is controlled by the directors who own 53% of the called up share capital.