

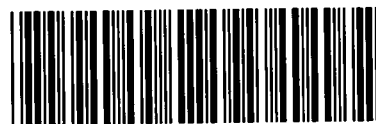
Registration number: 587618

Leeds Commercial Limited

Annual Report and Financial Statements
for the Year Ended 30 September 2016

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

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Leeds Commercial Limited

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Leeds Commercial Limited

Company Information

Directors	Mr C J Miller Mr P J Graham Mr P R Bumford
Registered office	The Roundhouse Wellington Road Leeds West Yorkshire LS12 1DR
Auditors	Fullertons 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 2016

The directors present their strategic report for the year ended 30 September 2016.

Principal activity

The principal activity of the company is vehicle hire

Fair review of the business

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

The turnover increased 1% year on year to £30.9M despite the number of fleet vehicles reducing by 6.3%. This was achieved through better utilisation at 81% (2015 : 79%) as a result of continuing to sell-off surplus vehicles and also concentrating on acquiring more specialist vehicles with higher capital and hire values. Consequently the gross cost of the motor vehicle fleet only reduced by 1.9%. Gross profit increased by 10.3% due to gross margins increasing to 30.3% of sales (2015 : 27.7%). Overheads increased year on year but overall profit before tax increased by 24%.

During the year the business was highly cash generative enabling the full repayment of bank borrowings and a reduction in the obligations under hire purchase arrangements by 9.8% of the gross liability.

The directors anticipate that the company will remain profitable in the year to 30 September 2017 although the market will remain highly competitive.

Principal risks and uncertainties

The commercial vehicle hire market continues to be highly competitive with rental rates remaining under pressure. This could result in a loss of key customers to competitors. The company manages this risk by developing and maintaining strong relationships with its key customers and ensuring it offers a market leading level of service.

The company recognises the risks arising from a failure to deliver key support and engineering services to the highest standards. The business has an unwavering dedication to maintenance compliance and health and safety which means customers can be reassured about the quality and condition of vehicles. The company has invested in the latest IT systems to manage, schedule and control maintenance. In addition it works with vehicle manufacturers and bodybuilders to improve and develop the fleet with better and safer methods of working for drivers and operators.

The business needs to secure hire purchase funding from a number of lenders to fund the purchase of new vehicles. It currently has a ready source of funding at competitive rates in excess of foreseeable requirements.

The company's borrowings are a mix of fixed and variable interest rates. Any increases in the variable rates could increase future borrowing costs. The directors monitor interest rate fluctuations and would consider available financial instruments to limit exposure should the need arise. No such financial instruments are currently considered necessary.

The construction sector has always been a key sector for the business due to its need for large volumes of specialist vehicles but the business continues to seek opportunities to diversify its client base into other areas to reduce its exposure to any one sector.

The realisable value of the fleet at the point of disposal depends on the state of the used vehicle market at the time. This can be volatile due to fluctuations in demand, exchange rates and the cost of new vehicles. Consequently depreciation rates are set to ensure vehicle carrying values are not overstated.

Approved by the Board on 13 June 2017 and signed on its behalf by:



.....
Mr C J Miller
Director

Leeds Commercial Limited

Directors' Report for the Year Ended 30 September 2016

The directors present their report and the financial statements for the year ended 30 September 2016.

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 Baggleley (resigned 7 April 2017)

Quality and Environmental matters

The company is committed to maintaining its Quality and Environmental Management Systems and is accredited under ISO 9001 and ISO 14001 respectively.

Disclosure of information to the auditors

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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Fullertons resigned at the completion of the audit for 30 September 2016 and Fullertons Limited will be proposed for appointment following the approval of these financial statements.

Approved by the Board on 13 June 2017 and signed on its behalf by:



.....
Mr C J Miller
Director

Leeds Commercial Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Leeds Commercial Limited

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 2016, set out on pages 7 to 24. 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 4), 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 to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/auditscopeukprivate.

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 2016 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.

Leeds Commercial Limited

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

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

In the light of our 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 and the Directors' Report.

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, Statutory Auditor

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

13 June 2017

Leeds Commercial Limited

Profit and Loss Account for the Year Ended 30 September 2016

		Total 30 September 2016 £	(As restated) Total 30 September 2015 £
	Note		
Turnover	3	30,892,487	30,615,369
Cost of sales		<u>(21,526,123)</u>	<u>(22,127,532)</u>
Gross profit		9,366,364	8,487,837
Administrative expenses		(4,527,454)	(4,182,760)
Other operating income	4	<u>20,440</u>	<u>6,010</u>
Operating profit	5	<u>4,859,350</u>	<u>4,311,087</u>
Other interest receivable and similar income	6	18,275	7,401
Interest payable and similar expenses	7	<u>(1,455,595)</u>	<u>(1,565,169)</u>
		<u>(1,437,320)</u>	<u>(1,557,768)</u>
Profit before tax		3,422,030	2,753,319
Taxation	11	<u>(692,504)</u>	<u>(569,763)</u>
Profit for the financial year		<u><u>2,729,526</u></u>	<u><u>2,183,556</u></u>

The above results were derived from continuing operations.

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

The notes on pages 12 to 24 form an integral part of these financial statements.

Leeds Commercial Limited

Statement of Comprehensive Income for the Year Ended 30 September 2016

		(As restated)	
	Note	2016 £	2015 £
Profit for the year		<u>2,729,526</u>	<u>2,183,556</u>
Total comprehensive income for the year		<u><u>2,729,526</u></u>	<u><u>2,183,556</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.

Leeds Commercial Limited

(Registration number: 587618)
Balance Sheet as at 30 September 2016

			(As restated)
	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	49,638,029	56,495,288
Current assets			
Stocks	13	186,509	23,163
Debtors	14	5,205,081	5,911,835
Cash at bank and in hand		3,528,492	1,440,637
		<u>8,920,082</u>	<u>7,375,635</u>
Creditors: Amounts falling due within one year	16	<u>(21,246,188)</u>	<u>(22,140,072)</u>
Net current liabilities		<u>(12,326,106)</u>	<u>(14,764,437)</u>
Total assets less current liabilities		37,311,923	41,730,851
Creditors: Amounts falling due after more than one year	16	(23,040,206)	(26,891,332)
Provisions for liabilities	17	<u>(176,927)</u>	<u>(459,255)</u>
Net assets		<u>14,094,790</u>	<u>14,380,264</u>
Capital and reserves			
Called up share capital	18	195,300	255,150
Other reserves		62,825	2,975
Profit and loss account		<u>13,836,665</u>	<u>14,122,139</u>
Total equity		<u>14,094,790</u>	<u>14,380,264</u>

Approved and authorised by the Board on 13 June 2017 and signed on its behalf by:



.....
Mr C J Miller
Director

The notes on pages 12 to 24 form an integral part of these financial statements.

Leeds Commercial Limited

Statement of Changes in Equity for the Year Ended 30 September 2016

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 October 2015	255,150	2,975	14,122,139	14,380,264
Profit for the year	-	-	2,729,526	2,729,526
Total comprehensive income	-	-	2,729,526	2,729,526
Purchase of own share capital	(59,850)	-	(3,015,000)	(3,074,850)
Other capital redemption reserve movements	-	59,850	-	59,850
At 30 September 2016	195,300	62,825	13,836,665	14,094,790
	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 October 2014	255,150	2,975	11,938,583	12,196,708
Profit for the year	-	-	2,183,556	2,183,556
Total comprehensive income	-	-	2,183,556	2,183,556
At 30 September 2015	255,150	2,975	14,122,139	14,380,264

The notes on pages 12 to 24 form an integral part of these financial statements.

Leeds Commercial Limited

Statement of Cash Flows for the Year Ended 30 September 2016

		2016	(As restated) 2015
	Note	£	£
Cash flows from operating activities			
Profit for the year		2,729,526	2,183,556
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	15,441,460	17,690,212
Profit on disposal of tangible assets		(3,755,071)	(5,190,480)
Finance income	6	(18,275)	(7,401)
Finance costs	7	1,455,595	1,565,169
Income tax expense	11	692,504	569,763
		<u>16,545,739</u>	<u>16,810,819</u>
Working capital adjustments			
Increase in stocks	13	(163,346)	(10,419)
Decrease/(increase) in trade debtors	14	706,754	(543,300)
Increase in trade creditors	16	659,194	282,069
Cash generated from operations		17,748,341	16,539,169
Income taxes paid	11	(1,370,928)	(321,144)
Net cash flow from operating activities		<u>16,377,413</u>	<u>16,218,025</u>
Cash flows from investing activities			
Interest received	6	18,275	7,401
Acquisitions of tangible assets		(15,983,355)	(30,090,092)
Proceeds from sale of tangible assets		11,154,225	11,683,210
Net cash flows from investing activities		<u>(4,810,855)</u>	<u>(18,399,481)</u>
Cash flows from financing activities			
Interest paid	7	(1,455,595)	(1,565,169)
Payments for purchase of own shares		(3,015,000)	-
Repayment of bank borrowing		(677,708)	(130,632)
Payments to finance lease creditors		(4,330,400)	4,230,728
Net cash flows from financing activities		<u>(9,478,703)</u>	<u>2,534,927</u>
Net increase in cash and cash equivalents		2,087,855	353,471
Cash and cash equivalents at 1 October		1,440,637	1,087,166
Cash and cash equivalents at 30 September		<u>3,528,492</u>	<u>1,440,637</u>

The notes on pages 12 to 24 form an integral part of these financial statements.

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

The Roundhouse
Wellington Road
Leeds
West Yorkshire
LS12 1DR

These financial statements were authorised for issue by the Board on 13 June 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Transition to FRS 102 and prior year adjustment

This is the first year in respect of which the company has prepared its financial statements under FRS 102. The previous financial statements for the year ended 30 September 2015 were prepared under "old UK GAAP". The date of transition to FRS 102 is 1 October 2014 and there were no adjustments required as a consequence of the transition.

Prior year adjustment :

The accounts have, however, been restated to incorporate the correct provision for deferred tax in earlier years. This has resulted in profits for distribution at 1 October 2014 reducing by £498,550. The full impact of this adjustment is set out in note 23 to these financial statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable in respect of the hire of vehicles, and the supply of related goods and services in the normal course of business, net of value added tax and discounts.

Revenue from vehicle hire is recognised evenly over the hire period. Revenue from the sales of related goods and services is recognised at the point at which the goods and services are provided.

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

Tax

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.

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, 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.

Trade debtors

Trade debtors are amounts due from customers for goods sold, rentals due or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price and comprise of consumable parts and diesel.

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

As lessee:

If the lease transfers substantially all the risks and rewards associated with the ownership of the asset then it is classified as a finance lease. All other leases are classified as operating leases.

Rentals paid under operating leases are charged to the income statement evenly over the period of the lease term.

As lessor:

Motor vehicles and equipment leased to customers under operating leases are included within tangible assets. Income from such leases is taken to the income statement evenly over the period of the agreements.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

During the financial year the company purchased 59,850 of its ordinary shares at a cost of £3,015,000. This transaction is reflected in the Statement of Changes in Equity for the year ended 30 September 2016 which is on page 10.

Defined contribution pension obligation

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 £144,929 (2015:£131,213).

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

3 Revenue

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

	2016 £	2015 £
Sale of goods	<u>30,892,487</u>	<u>30,615,369</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2016 £	2015 £
Miscellaneous other operating income	<u>20,440</u>	<u>6,010</u>

5 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	15,441,460	17,690,212
Profit on disposal of property, plant and equipment	<u>(3,755,071)</u>	<u>(5,190,480)</u>

6 Other interest receivable and similar income

	2016 £	2015 £
Interest income on bank deposits	5,436	1,495
Other finance income	<u>12,839</u>	<u>5,906</u>
	<u>18,275</u>	<u>7,401</u>

7 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and borrowings	7,992	18,035
Interest on obligations under finance leases and hire purchase contracts	<u>1,447,603</u>	<u>1,547,134</u>
	<u>1,455,595</u>	<u>1,565,169</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	5,398,880	4,889,050
Social security costs	598,003	599,362
Pension costs, defined contribution scheme	144,929	131,213
Other employee expense	69,639	96,758
	<u>6,211,451</u>	<u>5,716,383</u>

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

	2016 No.	2015 No.
Administration and support	22	22
Sales	15	15
Other departments	115	115
	<u>152</u>	<u>152</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	<u>993,404</u>	<u>694,525</u>

In respect of the highest paid director:

	2016 £	2015 £
Remuneration	<u>601,325</u>	<u>348,374</u>

10 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>10,000</u>	<u>10,000</u>
Other fees to auditors		
All other non-audit services	<u>5,580</u>	<u>6,560</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

11 Taxation

Tax charged/(credited) in the income statement

		(As restated)
	2016 £	2015 £
Current taxation		
UK corporation tax	987,775	770,975
UK corporation tax adjustment to prior periods	(12,943)	-
	<u>974,832</u>	<u>770,975</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(282,328)	(201,212)
Tax expense in the income statement	<u>692,504</u>	<u>569,763</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2015 - lower than the standard rate of corporation tax in the UK) of 20% (2015 - 21%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>3,422,030</u>	<u>2,753,319</u>
Corporation tax at standard rate	684,406	578,197
Effect of expense not deductible in determining taxable profit (tax loss)	11,865	6,267
Tax decrease from effect of capital allowances and depreciation	(282,328)	(201,212)
Tax increase from other short-term timing differences	<u>278,561</u>	<u>186,511</u>
Total tax charge	<u>692,504</u>	<u>569,763</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

12 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 October 2015	3,876,251	1,283,964	93,051,114	98,211,329
Additions	-	46,938	15,936,417	15,983,355
Disposals	(170,385)	-	(17,738,607)	(17,908,992)
At 30 September 2016	<u>3,705,866</u>	<u>1,330,902</u>	<u>91,248,924</u>	<u>96,285,692</u>
Depreciation				
At 1 October 2015	424,754	902,172	40,389,115	41,716,041
Charge for the year	39,367	101,821	15,300,272	15,441,460
Eliminated on disposal	-	-	(10,509,838)	(10,509,838)
At 30 September 2016	<u>464,121</u>	<u>1,003,993</u>	<u>45,179,549</u>	<u>46,647,663</u>
Carrying amount				
At 30 September 2016	<u>3,241,745</u>	<u>326,909</u>	<u>46,069,375</u>	<u>49,638,029</u>
At 30 September 2015	<u>3,451,497</u>	<u>381,792</u>	<u>52,661,999</u>	<u>56,495,288</u>

Included within the net book value of land and buildings above is £3,241,745 (2015 - £3,451,497) in respect of freehold land and buildings.

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

13 Stocks

	2016 £	2015 £
Other inventories	<u>186,509</u>	<u>23,163</u>

14 Debtors

	2016 £	2015 £
Trade debtors	4,504,004	4,723,990
Other debtors	22,156	610,442
Prepayments	<u>678,921</u>	<u>577,403</u>
Total current trade and other debtors	<u>5,205,081</u>	<u>5,911,835</u>

15 Cash and cash equivalents

	2016 £	2015 £
Cash on hand	10,983	8,904
Cash at bank	3,477,509	116,439
Short-term deposits	<u>40,000</u>	<u>1,315,294</u>
	<u>3,528,492</u>	<u>1,440,637</u>

16 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	19	17,089,138	18,416,826
Trade creditors		1,391,181	1,011,479
Social security and other taxes		693,802	688,794
Other payables		284,274	266,130
Accrued expenses		1,400,018	972,972
Income tax liability	11	<u>387,775</u>	<u>783,871</u>
		<u>21,246,188</u>	<u>22,140,072</u>
Due after one year			
Loans and borrowings	19	<u>23,040,206</u>	<u>26,891,332</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

17 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 October 2015	459,255	459,255
Increase (decrease) in existing provisions	(282,328)	(282,328)
At 30 September 2016	<u>176,927</u>	<u>176,927</u>

The deferred tax provision is due to accelerated capital allowances.

18 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>195,300</u>	<u>195,300</u>	<u>255,150</u>	<u>255,150</u>

19 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	-	600,000
Finance lease liabilities	<u>23,040,206</u>	<u>26,291,332</u>
	<u>23,040,206</u>	<u>26,891,332</u>

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	-	77,708
Finance lease liabilities	16,988,933	18,068,207
Other borrowings	<u>100,205</u>	<u>270,911</u>
	<u>17,089,138</u>	<u>18,416,826</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

20 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	16,988,933	18,068,207
Later than one year and not later than five years	23,040,206	26,291,332
	<u>40,029,139</u>	<u>44,359,539</u>

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	10,000	10,000
Later than one year and not later than five years	240,750	240,750
	<u>250,750</u>	<u>250,750</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £328,001 (2015 - £290,813).

21 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £2,571,136 (2015 - £1,831,802).

22 Related party transactions

Transactions with directors

	At 1 October 2015 £	Advances to directors £	At 30 September 2016 £
2016 Mr C J Miller			
Directors loan account	<u>270,911</u>	<u>(170,706)</u>	<u>100,205</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

23 Transition to FRS 102 and prior year adjustment

This is the first year in respect of which the company has prepared its financial statements under FRS 102. The previous financial statements for the year ended 30 September 2015 were prepared under "old UK GAAP". The date of transition to FRS 102 is 1 October 2014 and there were no adjustments required as a consequence of the transition.

Prior year adjustment :

The accounts have, however, been restated to correct the provision for deferred tax in earlier years. The full financial effect of this adjustment on the opening balance sheet at 1 October 2014 and the closing balance sheet and profit and loss account at 30 September 2015 is set out below:

Balance Sheet at 1 October 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	50,588,137	-	-	50,588,137
Current assets				
Stocks	12,744	-	-	12,744
Debtors	5,368,535	-	-	5,368,535
Cash at bank and in hand	1,087,166	-	-	1,087,166
	<u>6,468,445</u>	<u>-</u>	<u>-</u>	<u>6,468,445</u>
Creditors: Amounts falling due within one year	<u>(19,378,722)</u>	<u>-</u>	<u>-</u>	<u>(19,378,722)</u>
Net current liabilities	<u>(12,910,277)</u>	<u>-</u>	<u>-</u>	<u>(12,910,277)</u>
Total assets less current liabilities	37,677,860	-	-	37,677,860
Creditors: Amounts falling due after more than one year	(24,820,685)	-	-	(24,820,685)
Provisions for liabilities	<u>(161,917)</u>	<u>-</u>	<u>(498,550)</u>	<u>(660,467)</u>
Net assets/(liabilities)	<u>12,695,258</u>	<u>-</u>	<u>(498,550)</u>	<u>12,196,708</u>
Capital and reserves				
Called up share capital	(255,150)	-	-	(255,150)
Capital redemption reserve	(2,975)	-	-	(2,975)
Profit and loss account	<u>(12,437,133)</u>	<u>-</u>	<u>498,550</u>	<u>(11,938,583)</u>
Total equity	<u>(12,695,258)</u>	<u>-</u>	<u>498,550</u>	<u>(12,196,708)</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

Balance Sheet at 30 September 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	56,495,288	-	-	56,495,288
Current assets				
Stocks	23,163	-	-	23,163
Debtors	5,911,835	-	-	5,911,835
Cash at bank and in hand	1,440,637	-	-	1,440,637
	<u>7,375,635</u>	<u>-</u>	<u>-</u>	<u>7,375,635</u>
Creditors: Amounts falling due within one year	<u>(22,140,072)</u>	<u>-</u>	<u>-</u>	<u>(22,140,072)</u>
Net current liabilities	<u>(14,764,437)</u>	<u>-</u>	<u>-</u>	<u>(14,764,437)</u>
Total assets less current liabilities	41,730,851	-	-	41,730,851
Creditors: Amounts falling due after more than one year	(26,891,332)	-	-	(26,891,332)
Provisions for liabilities	<u>-</u>	<u>-</u>	<u>(459,255)</u>	<u>(459,255)</u>
Net assets/(liabilities)	<u>14,839,519</u>	<u>-</u>	<u>(459,255)</u>	<u>14,380,264</u>
Capital and reserves				
Called up share capital	(255,150)	-	-	(255,150)
Capital redemption reserve	(2,975)	-	-	(2,975)
Profit and loss account	<u>(14,581,394)</u>	<u>-</u>	<u>459,255</u>	<u>(14,122,139)</u>
Total equity	<u>(14,839,519)</u>	<u>-</u>	<u>459,255</u>	<u>(14,380,264)</u>

Leeds Commercial Limited

Notes to the Financial Statements for the Year Ended 30 September 2016

Profit and Loss Account for the year ended 30 September 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover	30,615,369	-	-	30,615,369
Cost of sales	(22,127,532)	-	-	(22,127,532)
Gross profit	8,487,837	-	-	8,487,837
Administrative expenses	(4,182,760)	-	-	(4,182,760)
Other operating income	6,010	-	-	6,010
Operating profit	4,311,087	-	-	4,311,087
Other interest receivable and similar income	7,401	-	-	7,401
Interest payable and similar expenses	(1,565,169)	-	-	(1,565,169)
	(1,557,768)	-	-	(1,557,768)
Profit before tax	2,753,319	-	-	2,753,319
Taxation	(609,058)	-	39,295	(569,763)
Profit for the financial year	2,144,261	-	39,295	2,183,556