

# ALLAM MOTOR SERVICES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2014

THURSDAY



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COMPANIES HOUSE

# **ALLAM MOTOR SERVICES LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

Mr J F Allam  
Mr P P Earle  
Mr T J O'Brien

### **COMPANY SECRETARY**

Mr P P Earle

### **REGISTERED OFFICE**

Ashcombe House  
5 The Crescent  
Leatherhead  
Surrey  
KT22 8DY

### **AUDITOR**

Ellis Atkins  
Chartered Accountants  
1 Paper Mews  
330 High Street  
Dorking  
Surrey  
RH4 2TU

### **BANKERS**

Barclays Bank Plc  
82 High Street  
Epsom  
Surrey  
KT19 8BA

# ALLAM MOTOR SERVICES LIMITED

## STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2014

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### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a motor vehicle dealer, repairer and seller of vehicle parts.

### BUSINESS REVIEW

The company's performance during the year was in line with the directors' expectations. The directors wish to express their sadness at the passing on 26 August 2014 of Ray Allam, the company's founder and chairman. Ray will be sadly missed by his family, employees and customers.

### KEY PERFORMANCE INDICATORS

The company uses a series of key performance indicators to monitor the performance of the business. These include, but are not limited to the following;

#### Financial indicators

- Total turnover
- Gross profit margin
- Profit per vehicle unit

#### Non financial indicators

- Vehicle stocking days
- Parts stock turnover
- Labour hours utilisation

### PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company relate to its ability to achieve the required level of vehicle, parts and labour hour sales. The directors have mitigated against these risks by recruiting, training and retaining key employees with the appropriate skills to achieve the required targets.

### THE COMPANY'S STRATEGY

The company will continue to build on its core strengths of a customer focused motor dealership representing strong manufacturers' franchises.

### BUSINESS MODEL

The directors are committed to grow the company organically to realise the full potential of the opportunities that arise in the marketplace.

Signed by order of the directors

  
Mr P P Earle  
Company Secretary

Approved by the directors on 1st JUNE 2015

# **ALLAM MOTOR SERVICES LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2014**

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The directors present their report and the financial statements of the company for the year ended 31 December 2014.

### **GOING CONCERN**

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

### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £34,117. Particulars of dividends paid are detailed in note 8 to the financial statements.

The trading profit for the year before tax was £34,117.

### **FINANCIAL INSTRUMENTS**

The company uses various financial instruments including cash and others arising directly from its operations such as trade debtors and trade creditors. The main purpose of such financial instruments is to raise finance for the company's operations.

The main risks arising from the financial instruments are market risk, interest rate risk, credit risk and cash flow risk. The directors review and agree policies for each of these risks and these are summarised below, there have been no changes to these policies in the year.

#### **Market Risk**

Market risk encompasses currency risk, interest rate risk and price risk. The company's policy on interest rate risk is detailed below.

#### **Currency Risk**

The company has no significant exposure to currency risk, all sales are to UK customers and are priced in sterling.

#### **Cash Flow Risk**

The directors monitor the cash levels of the company to ensure that there are always cash funds available to meet the day to day working capital requirements of the company. Short term flexibility is achieved through the company's banking arrangements.

#### **Interest Rate Risk**

The company finances its operations through retained earnings. Exposure to interest rate fluctuations is controlled by entering into fixed rate agreements.

#### **Credit risk**

The company's principal financial assets are trade debtors.

In order to manage credit risk on these debtors the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

### **DIRECTORS**

The directors who served the company during the year were as follows:

Mr J F Allam  
Mr P P Earle  
Mr T J O'Brien

Mr R F Allam was also a director of the company until his death on 26 August 2014.

# ALLAM MOTOR SERVICES LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2014

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### DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

### STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

### AUDITOR

Ellis Atkins are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:  
Ashcombe House  
5 The Crescent  
Leatherhead  
Surrey  
KT22 8DY

Signed by order of the directors



Mr P P Earle  
Company Secretary

Approved by the directors on 18 JUNE 2015

# **ALLAM MOTOR SERVICES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALLAM MOTOR SERVICES LIMITED**

**YEAR ENDED 31 DECEMBER 2014**

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We have audited the financial statements of Allam Motor Services Limited for the year ended 31 December 2014 on pages 7 to 17. 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 shareholders, 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 shareholders 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 shareholders 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 Directors' Responsibilities Statement 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 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 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 FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

### **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.

# ALLAM MOTOR SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALLAM MOTOR SERVICES LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2014

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1 Paper Mews  
330 High Street  
Dorking  
Surrey  
RH4 2TU

..... 1st June 2015



P LONGSTAFF FCA (Senior  
Statutory Auditor)  
For and on behalf of  
ELLIS ATKINS  
Chartered Accountants  
& Statutory Auditor

# ALLAM MOTOR SERVICES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
<b>TURNOVER</b>	<b>2</b>	12,901,232	10,393,889
Cost of sales		11,398,171	8,948,697
<b>GROSS PROFIT</b>		1,503,061	1,445,192
Administrative expenses		1,409,411	1,592,765
Other operating income		(21,000)	(40,648)
<b>OPERATING PROFIT/(LOSS)</b>	<b>3</b>	114,650	(106,925)
Interest payable and similar charges	<b>6</b>	80,533	64,777
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		34,117	(171,702)
Tax on profit/(loss) on ordinary activities	<b>7</b>	-	-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		34,117	(171,702)

All of the activities of the company are classed as continuing.

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

The notes on pages 11 to 17 form part of these financial statements.

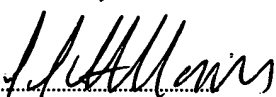
# ALLAM MOTOR SERVICES LIMITED

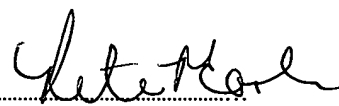
## BALANCE SHEET

31 DECEMBER 2014

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	9	2,765,618	2,768,904
Investments	10	-	200
		<u>2,765,618</u>	<u>2,769,104</u>
<b>CURRENT ASSETS</b>			
Stocks	11	1,367,054	1,025,252
Debtors	12	179,145	185,698
Cash in hand		625	625
		<u>1,546,824</u>	<u>1,211,575</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>2,217,233</u>	<u>1,716,326</u>
<b>NET CURRENT LIABILITIES</b>		(670,409)	(504,751)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,095,209</u>	<u>2,264,353</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	14	<u>557,424</u>	<u>720,689</u>
		<u>1,537,785</u>	<u>1,543,664</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	17	50,000	50,000
Revaluation reserve		400,938	400,938
Profit and loss account	18	1,086,847	1,092,726
<b>SHAREHOLDERS' FUNDS</b>	19	<u>1,537,785</u>	<u>1,543,664</u>

These accounts were approved by the directors and authorised for issue on 1st JUNE 2015, and are signed on their behalf by:

  
Mr J F Allam

  
Mr P P Earle

Company Registration Number: 777181

The notes on pages 11 to 17 form part of these financial statements.

# ALLAM MOTOR SERVICES LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2014

	2014		2013	
	£	£	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		255,122		188,646
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest paid	(80,533)		(64,777)	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		(80,533)		(64,777)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>				
Payments to acquire tangible fixed assets	(17,788)		(2,500)	
Receipts from sale of fixed assets	25		1,600	
Disposal of investments	200		-	
<b>NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		(17,563)		(900)
<b>EQUITY DIVIDENDS PAID</b>		(39,996)		(40,000)
<b>CASH INFLOW BEFORE FINANCING</b>		117,030		82,969
<b>FINANCING</b>				
Repayment of bank loans	(56,756)		(60,388)	
(Repayment of) / increase in directors' long-term loans	(105,019)		(4,934)	
<b>NET CASH OUTFLOW FROM FINANCING</b>		(161,775)		(65,322)
<b>(DECREASE)/INCREASE IN CASH</b>		(44,745)		17,647
<b>RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>				
	<b>2014</b>		<b>2013</b>	
	£		£	
Operating profit/(loss)	114,650		(106,925)	
Depreciation	19,994		32,724	
Loss on disposal of fixed assets	1,055		106	
Increase in stocks	(341,802)		(34,794)	
Decrease/(increase) in debtors	6,553		(2,444)	
Increase in creditors	454,672		299,979	
Net cash inflow from operating activities	255,122		188,646	

The notes on pages 11 to 17 form part of these financial statements.

# ALLAM MOTOR SERVICES LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2014

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014		2013	
	£	£	£	£
(Decrease)/increase in cash in the period	(44,745)		17,647	
Net cash outflow from bank loans	56,756		60,388	
Cash outflow from directors' long-term loans	<u>105,019</u>		<u>4,934</u>	
		117,030		82,969
Change in net debt		117,030		82,969
Net debt at 1 January 2014		(940,118)		(1,023,087)
Net debt at 31 December 2014		<u>(823,088)</u>		<u>(940,118)</u>

### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2014 £	Cash flows £	At 31 Dec 2014 £
Net cash:			
Cash in hand and at bank	625	–	625
Overdrafts	<u>(163,490)</u>	<u>(44,745)</u>	<u>(208,235)</u>
	<u>(162,865)</u>	<u>(44,745)</u>	<u>(207,610)</u>
Debt:			
Debt due within 1 year	(56,564)	(1,490)	(58,054)
Debt due after 1 year	<u>(720,689)</u>	<u>163,265</u>	<u>(557,424)</u>
	<u>(777,253)</u>	<u>161,775</u>	<u>(615,478)</u>
Net debt	<u>(940,118)</u>	<u>117,030</u>	<u>(823,088)</u>

The notes on pages 11 to 17 form part of these financial statements.

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

#### Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year in the normal course of business, net of trade discounts, VAT and other sales and related taxes, and includes all bonuses and contributions received from manufacturers.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost or revaluation of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	over the term of the lease
Plant & Machinery	-	10% to 20% on cost
Fixtures & Fittings	-	10% to 20% on cost
Motor Vehicles	-	20% to 25% on cost
Office Equipment	-	20% to 25% on cost

Freehold property is not depreciated as, in the opinion of the directors, the estimated remaining useful economic life of the tangible fixed asset exceeds 50 years. Freehold property is held at a valuation and any surplus or deficit arising on valuation is transferred to the revaluation reserve. It is also reviewed for impairment, in accordance with FRS 11, at the end of each reporting period.

#### Stocks

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

Stocks held on consignment are accounted for in the balance sheet when the terms of a consignment agreement and commercial practice indicate that the principal benefit of owning the stock, including the ability to sell it and principal risks of ownership rest with the company.

#### Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 1. ACCOUNTING POLICIES *(continued)*

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2014 £	2013 £
United Kingdom	<u>12,901,232</u>	<u>10,393,889</u>

### 3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2014 £	2013 £
Depreciation of owned fixed assets	19,994	32,724
Loss on disposal of fixed assets	1,055	106
Auditor's remuneration - as auditor	<u>7,700</u>	<u>7,850</u>

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2014 No	2013 No
Number of other staff	24	28
Number of management staff	8	8
	<u>32</u>	<u>36</u>

The aggregate payroll costs of the above were:

	2014 £	2013 £
Wages and salaries	927,466	1,001,214
Social security costs	85,342	83,299
Other pension costs	7,334	6,998
	<u>1,020,142</u>	<u>1,091,511</u>

### 5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014 £	2013 £
Remuneration receivable	84,718	83,711
Value of company pension contributions to money purchase schemes	6,800	5,650
	<u>91,518</u>	<u>89,361</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014 No	2013 No
Money purchase schemes	<u>2</u>	<u>2</u>

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Interest payable on bank borrowing	22,934	14,782
Other similar charges payable	57,599	49,995
	<u>80,533</u>	<u>64,777</u>

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 7. TAXATION ON ORDINARY ACTIVITIES

#### Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2013 - 20%).

	2014 £	2013 £
Profit/(loss) on ordinary activities before taxation	34,117	(171,702)
Profit/(loss) on ordinary activities by rate of tax	6,823	(34,340)
Expenses not deductible for tax purposes	211	21
Capital allowances for period in excess of depreciation	(1,000)	4,286
Group relief	-	803
Losses carried forward	(6,034)	29,230
Total current tax	-	-

### 8. DIVIDENDS

#### Equity dividends

	2014 £	2013 £
Paid during the year:		
Equity dividends on ordinary shares	39,996	40,000

### 9. TANGIBLE FIXED ASSETS

	Freehold Property £	Long Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Other Assets £	Total £
<b>COST OR VALUATION</b>						
At 1 Jan 2014	2,720,000	78,926	88,766	71,203	85,241	3,044,136
Additions	-	-	8,386	1,977	7,425	17,788
Disposals	-	-	-	-	(6,693)	(6,693)
<b>At 31 Dec 2014</b>	<b>2,720,000</b>	<b>78,926</b>	<b>97,152</b>	<b>73,180</b>	<b>85,973</b>	<b>3,055,231</b>
<b>DEPRECIATION</b>						
At 1 Jan 2014	-	78,926	66,131	50,490	79,685	275,232
Charge for the year	-	-	10,259	7,207	2,528	19,994
On disposals	-	-	-	-	(5,613)	(5,613)
<b>At 31 Dec 2014</b>	<b>-</b>	<b>78,926</b>	<b>76,390</b>	<b>57,697</b>	<b>76,600</b>	<b>289,613</b>
<b>NET BOOK VALUE</b>						
<b>At 31 Dec 2014</b>	<b>2,720,000</b>	<b>-</b>	<b>20,762</b>	<b>15,483</b>	<b>9,373</b>	<b>2,765,618</b>
At 31 Dec 2013	2,720,000	-	22,635	20,713	5,556	2,768,904

Freehold property was revalued on the 8 March 2012 by B P Watkins BA MRICS FCI Arb of Stiles Harold Williams on an open market basis, which includes directly attributable acquisition costs and estimated selling costs where relevant.

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 9. TANGIBLE FIXED ASSETS *(continued)*

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2014 £	2013 £
<b>Net book value at end of year</b>	<u>2,720,000</u>	<u>2,720,000</u>
<b>Historical cost</b>	<u>2,319,062</u>	<u>2,319,062</u>
<b>Depreciation:</b>		
At 1 Jan 2014	<u>48,000</u>	<u>48,000</u>
At 31 Dec 2014	<u>48,000</u>	<u>48,000</u>
<b>Net historical cost value:</b>		
At 31 Dec 2014	<u>2,271,062</u>	<u>2,271,062</u>
At 1 Jan 2014	<u>2,271,062</u>	<u>2,271,062</u>

### 10. INVESTMENTS

#### Investment in subsidiaries

	£
<b>COST</b>	
At 1 January 2014	200
Disposals	(200)
At 31 December 2014	-
<b>NET BOOK VALUE</b>	
At 31 December 2014	-
At 31 December 2013	<u>200</u>

The company owned 100% of the issued share capital of the companies listed below. Allams of Leatherhead Limited and Allams of Dorking Limited did not trade during the year and the companies were dissolved on 23 December 2014.

	2014 £	2013 £
<b>Aggregate capital and reserves</b>		
Allams of Leatherhead Limited	-	100
Allams of Dorking Limited	-	100
<b>Profit and (loss) for the year</b>		
Allams of Leatherhead Limited	-	(741)
Allams of Dorking Limited	-	-

### 11. STOCKS

	2014 £	2013 £
Motor vehicles	1,269,616	885,196
Spares, parts and oil	<u>97,438</u>	<u>140,056</u>
	<u>1,367,054</u>	<u>1,025,252</u>

At 31 December 2014 the company held vehicles on consignment from manufacturers with a value of 662,850 (2013: £261,547) which are included within the motor vehicle stock.

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 12. DEBTORS

	2014	2013
	£	£
Trade debtors	156,913	166,857
Other debtors	400	623
Prepayments and accrued income	21,832	18,218
	<u>179,145</u>	<u>185,698</u>

### 13. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Stocking loans	1,261,494	932,103
Bank loans and overdrafts	266,289	220,054
Trade creditors	326,091	231,386
Amounts owed to group undertakings	-	200
Other taxation and social security	75,314	80,588
Other creditors	47,047	71,592
Directors current accounts	103,562	3,562
Accruals and deferred income	137,436	176,841
	<u>2,217,233</u>	<u>1,716,326</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014	2013
	£	£
Bank loans and overdrafts	266,289	220,054
Stocking loans	1,261,494	932,103
	<u>1,527,783</u>	<u>1,152,157</u>

Stocking loans are secured by retention of title to the relevant motor vehicle.

### 14. CREDITORS: Amounts falling due after more than one year

	2014	2013
	£	£
Bank loans and overdrafts	208,171	266,417
Directors' loan accounts	349,253	454,272
	<u>557,424</u>	<u>720,689</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2014	2013
	£	£
Bank loans and overdrafts	<u>208,171</u>	<u>266,417</u>

The bank loans and overdrafts were secured at the balance sheet date by a first charge over the freehold properties.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	2014	2013
	£	£
Bank loans and overdrafts	<u>-</u>	<u>24,914</u>

The terms of repayment are annual payments of £64,414, which includes interest and capital. Interest is calculated at 3.1% over Barclays' Bank base rate.

# ALLAM MOTOR SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 15. DEFERRED TAXATION

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows:

	2014 £	2013 £
Tax losses available	<u>366,119</u>	<u>373,964</u>

Deferred tax asset in respect of trading losses has not been recognised as their future recovery is uncertain.

If the freehold property was sold at the revalued amount, there will be a potential liability of £nil.

### 16. RELATED PARTY TRANSACTIONS

The company is under the control of Mr J F Allam and Mr P P Earle.

During the year the company incurred accountancy and associated charges of £9,525 payable to Menzies LLP a practice in which Mr P P Earle is a partner.

Included within other creditors falling due within one year is an amount of £103,562 due to Mr P Earle (who is the father of Mr P P Earle) and due after more than one year is an amount of £185,332 due to Mr P P Earle and £163,921 due to Mr J F Allam. The loans are interest free and unsecured.

£100,000 of the amount due to Mr P Earle is unsecured, without a fixed term of repayment. Interest is charged at the higher of 6% or 3% over Barclays Bank Plc. base rate. Interest of £6,000 was paid on this loan in the year ended 31 December 2014. The current account balance of £3,562, due to Mr P Earle, is unsecured and lent interest free.

During the year dividends of £39,996 were paid to Mr J F Allam.

### 17. SHARE CAPITAL

Allotted, called up and fully paid:

	2014 No	£	2013 No	£
A Ordinary shares of £1 each	100	100	100	100
B Ordinary shares of £1 each	<u>49,900</u>	<u>49,900</u>	<u>49,900</u>	<u>49,900</u>
	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

### 18. PROFIT AND LOSS ACCOUNT

	2014 £	2013 £
Balance brought forward	1,092,726	1,304,428
Profit/(loss) for the financial year	34,117	(171,702)
Equity dividends	(39,996)	(40,000)
Balance carried forward	<u>1,086,847</u>	<u>1,092,726</u>

### 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit/(Loss) for the financial year	34,117	(171,702)
Equity dividends	(39,996)	(40,000)
Net reduction to shareholders' funds	(5,879)	(211,702)
Opening shareholders' funds	<u>1,543,664</u>	<u>1,755,366</u>
Closing shareholders' funds	<u>1,537,785</u>	<u>1,543,664</u>