

Abbey (Holmethorpe) Limited
Unaudited Financial statements
For the year ended 31 December 2015

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COMPANIES HOUSE

Company No. 1148212

Company information

Company registration number

1148212

Registered office

Shaw's Corner
Hatchlands Road
Redhill
Surrey
RH1 6AU

Directors

Mr L A Hoad
Mrs E J Pay

Secretary

Mrs E J Pay

Bankers

HSBC Bank Plc
9 The Boulevard
Crawley
West Sussex
RH10 1UT

Index

Report of the directors	3
Accountant's report	5
Principal accounting policies	6
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Notes to the financial statements	11

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2015

Principal activities and business review

The principal activity of the company during the year is the operation of motor vehicle dealerships. The financial statements show a continual improvement in profits with which the directors are satisfied.

Directors

The directors who served the company during the year and up to the date of this report are listed on page 1.

Fixed assets

In the opinion of the directors, the freehold property shown in the financial statements at a net book value of £34,750 has a market value of approximately £180,000.

Directors' responsibilities

The directors are responsible for preparing the 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

Report of the directors

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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies within Part 15 of the Companies Act 2006.

ON BEHALF OF THE BOARD


E J Pay

Date: 14/04/2016

Report to the directors on the preparation of the unaudited statutory financial statements of Abbey (Holmethorpe) Ltd for the year ended 31 December 2015

We have compiled the accompanying financial statements of Abbey (Holmethorpe) Ltd based on the information you have provided. These financial statements comprise the Balance Sheet of Abbey (Holmethorpe) Ltd as at 31 December 2015, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

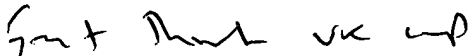
This report is made solely to the Board of Directors of Abbey (Holmethorpe) Ltd, as a body, in accordance with the terms of our engagement letter dated 7 March 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Abbey (Holmethorpe) Ltd and state those matters that we have agreed to state to the Board of Directors of Abbey (Holmethorpe) Ltd, as a body, in this report in accordance with our engagement letter dated 7 March 2016. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Abbey (Holmethorpe) Ltd and its Board of Directors as a body for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.



GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
Gatwick

15/4/16

Principal Accounting Policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

Going concern

The financial statements have been prepared on a going concern basis which the directors believe to be appropriate.

The directors have prepared projected cash flow information for the next twelve months and this assumes the generation of revenues and prudent management of costs. The projections show that the company has sufficient funding to be able to meet its forecast liabilities as they fall due. Accordingly the company continues to adopt the going concern basis in preparing these financial statements.

The financial statements do not include any adjustments that would result in the event that the company was unable to meet its liabilities as they fall due. In the event that the going concern basis is not applicable, and in accordance with generally accepted accounting policies, adjustments would have to be made to the amounts to restate the value of assets to the recoverable amount, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

Turnover

Turnover comprises amounts derived from the provision of goods and services in the ordinary course of business net of discounts and value added tax.

Sales of motor vehicles, parts and accessories are recognised when the significant risks and rewards of ownership have been transferred to the buyer. In general this occurs when vehicles or parts are delivered to the customer and title has passed. Servicing revenue is recognised on completion of the agreed work.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Plant & equipment	-	3-5 years straight line
Motor vehicles	-	4 years straight line
Office furniture & equipment	-	4 years straight line
Leasehold improvements	-	over period of lease
Freehold property is not depreciated as the charge is considered to be immaterial.		

Stocks

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

Vehicles on consignment from manufacturers that are the subject of interest charges or where the company carries commercially significant risks relating to the vehicles are included at cost. The associated liability is included in creditors.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.

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

Contributions to the company's group personal pension scheme and to a small self-administered scheme set up for the benefit of the directors are charged to the profit and loss account in the year in which they become payable.

Profit and loss account

	Notes	2015 £	2014 £
Turnover, continuing activities		3,559,939	3,683,144
Cost of sales		2,611,946	2,716,561
Gross profit		947,993	966,583
Other operating charges	1	882,657	932,461
Operating profit	2	65,336	34,122
Interest receivable		3	3
Interest payable and similar charges		(1,768)	(2,699)
Profit on ordinary activities before taxation		63,571	31,426
Tax on profit on ordinary activities	4	(15,171)	(10,582)
Profit for the financial year	13	48,400	20,844

There are no recognised gains or losses other than the loss for the year.

Company Number 1148212

Balance sheet

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	5	<u>81,024</u>	<u>89,468</u>
Current assets			
Stocks	6	192,400	252,129
Debtors	7	549,779	567,456
Cash in hand		<u>116,663</u>	<u>42,471</u>
		<u>858,842</u>	<u>862,056</u>
Creditors: amounts falling due within one year	8	<u>338,270</u>	<u>359,275</u>
Net current assets		<u>520,572</u>	<u>502,781</u>
Total assets less current liabilities		<u>601,596</u>	<u>592,249</u>
Capital and reserves			
Called-up equity share capital	12	200,711	200,711
Profit and loss account	13	<u>400,885</u>	<u>391,538</u>
Shareholders' funds		<u>601,596</u>	<u>592,249</u>

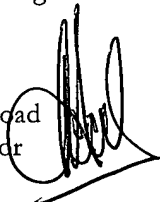
The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31st December 2015 and of its profit for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors on 14/04/2016 and are signed on their behalf by:

L A Hoad
Director



The accompanying accounting policies and notes form part of these financial statements.

Cash flow statement

	Note	2015 £	2014 £
Net cash inflow from operating activities	15	120,792	27,162
Returns on investments and servicing of finance			
Interest received		3	3
Interest paid		(1,768)	(2,699)
Net cash inflow from returns on investments and servicing of finance		<u>119,027</u>	<u>24,466</u>
Capital expenditure			
Payments to acquire tangible fixed assets		(5,784)	(27,900)
Receipts from sale of fixed assets		-	300
Net cash outflow from capital expenditure		<u>(5,784)</u>	<u>(27,600)</u>
Equity dividends paid to shareholder		<u>(39,051)</u>	-
Increase / (Decrease) in cash	16	<u><u>74,192</u></u>	<u><u>(3,134)</u></u>

Notes to the financial statements

1 Other operating charges

	2015	2014
	£	£
Administrative expenses	<u>882,657</u>	<u>932,461</u>

2 Operating profit

Operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Staff pension contributions	6,438	7,188
Depreciation of owned fixed assets	14,228	19,914
Profit on disposal of fixed assets	-	(300)
Accountancy fees	<u>8,412</u>	<u>7,200</u>

3 Directors

Remuneration in respect of directors was as follows:

	2015	2014
	£	£
Emoluments	77,194	121,400
Value of company pension contributions to money purchase schemes	-	-
	<u>77,194</u>	<u>121,400</u>

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

	2015	2014
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

4 Taxation on ordinary activities

	2015 £	2014 £
Current tax		
UK corporation tax based on the results for the year at 20% (2014: 20%)	7,867	-
Total current corporation tax	<u>7,867</u>	<u>-</u>
Deferred tax		
	2015 £	2014 £
At beginning of the year	(2,787)	10,582
(Charge to)/released during the year (P&L)	<u>7,304</u>	<u>(13,369)</u>
At end of year	<u>4,517</u>	<u>(2,787)</u>
Factors affecting current tax charge:		
	2015 £	2014 £
Profit on ordinary activities before taxation	<u>63,571</u>	<u>31,426</u>
Profit on ordinary activities by rate of tax 20.00% (2014: 21.49%)	12,714	6,754
Expenses not deductible for tax purposes	2,817	2,692
Difference between capital allowances for period and depreciation	542	1,358
Utilised tax losses	<u>(8,206)</u>	<u>(10,804)</u>
Total current tax	<u>7,867</u>	<u>-</u>

Factors that may affect future tax charges

Tax losses of £ nil (2014: £41,031) are available to be carried forward against future profits of the company. A deferred tax liability of £4,517 (2014: £2,787 asset) has been recognised on these losses.

5 Tangible fixed assets

	Freehold property £	Plant and equipment £	Motor vehicles £	Office furniture and equipment £	Leasehold improve- ments £	Total £
Cost At 1 Jan 2015	34,750	252,245	46,437	270,312	148,110	751,854
Additions	-	247	200	5,337	-	5,784
Disposals	-	-	(2,300)	-	-	(2,300)
At 31 Dec 2015	<u>34,750</u>	<u>252,492</u>	<u>44,337</u>	<u>275,649</u>	<u>148,110</u>	<u>755,338</u>
Depreciation						
At 1 Jan 2015	-	248,299	30,543	268,040	115,504	662,386
Charge for the year	-	2,077	7,093	3,799	1,259	14,228
Disposals	-	-	(2,300)	-	-	(2,300)
At 31 Dec 2015	<u>-</u>	<u>250,376</u>	<u>35,336</u>	<u>271,839</u>	<u>116,763</u>	<u>674,314</u>
Net book value						
At 31 Dec 2015	<u>34,750</u>	<u>2,116</u>	<u>9,001</u>	<u>3,810</u>	<u>31,347</u>	<u>81,024</u>
At 31 Dec 2014	<u>34,750</u>	<u>3946</u>	<u>15,894</u>	<u>2,272</u>	<u>32,606</u>	<u>89,468</u>

6 Stocks

	2015 £	2014 £
Parts	38,002	44,090
Work in progress	5,009	4,721
Motor vehicles	149,389	203,318
	<u>192,400</u>	<u>252,129</u>

There were no significant differences between the replacement costs and the values disclosed for stock.

7 Debtors

	2015 £	2014 £
Trade debtors	100,334	113,953
Amounts owed by group undertakings	381,055	381,055
Deferred tax asset	-	2,787
Prepayments and accrued income	68,390	69,661
	<u>549,779</u>	<u>567,456</u>

Amounts owed by group undertakings of £381,055 (2014: £381,055).

Deferred taxation

	2015 £	2014 £
Accelerated capital allowances	4,687	5,607
Short term timing differences	(170)	(188)
Tax losses carried forward and other deductions	-	(8,206)
	<u>4,517</u>	<u>(2,787)</u>

8 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	141,044	189,397
Social security and other taxes	50,031	48,959
Other creditors – Hire Purchase	9,564	16,313
Accruals and deferred income	125,247	104,606
Corporation tax	7,867	-
Deferred tax	4,517	-
	<u>338,270</u>	<u>359,275</u>

9 Related party transactions

Abbey (Holmethorpe) Limited is a subsidiary of Atoyota (Holdings) Limited. Taken together, the group qualifies as small-sized group under section 477 of the Companies Act 2006, and consolidated financial statements are therefore not prepared. The balance between the company and its holding undertaking is disclosed in note 7.

During the year, the company paid rent to a small self-administered pension scheme of which the directors are beneficiaries of £43,625 (2014: £40,000).

10 Ultimate parent undertaking/Controlling related party

The ultimate parent undertaking of the company is Atoyota (Holdings) Limited, a company incorporated in England and Wales. Mr L A Hoad is the company's controlling related party by virtue of his majority shareholding in Atoyota (Holdings) Limited.

11 Commitments

At 31 December 2015 the group had annual commitments under non-cancellable operating leases as set out below:

	Land & buildings	
	2015	2014
	£	£
Operating leases which expire:		
Within 1 year	-	-
Between 2 to 5 years	105,250	98,000
	<u>105,250</u>	<u>98,000</u>

12 Share capital

Authorised share capital:

	2015	2014
	£	£
160,000 Ordinary 'A' shares of £1 each	160,000	160,000
40,000 Ordinary 'B' shares of £1 each	40,000	40,000
16,215 Ordinary 'A' deferred shares of £0.01 each	162	162
29,940 Ordinary 'B' deferred shares of £0.01 each	299	299
25,035 Ordinary 'C' deferred shares of £0.01 each	250	250
	<u>200,711</u>	<u>200,711</u>

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary 'A' shares of £1 each	160,000	160,000	160,000	160,000
Ordinary 'B' shares of £1 each	40,000	40,000	40,000	40,000
Ordinary 'A' deferred shares of £0.01 each	16,215	162	16,215	162
Ordinary 'B' deferred shares of £0.01 each	29,940	299	29,940	299
Ordinary 'C' deferred shares of £0.01 each	25,035	250	25,035	250
	<u>271,190</u>	<u>200,711</u>	<u>271,190</u>	<u>200,711</u>

Amounts presented in equity:

	2015	2014
	£	£
Ordinary 'A' shares of £1 each	160,000	160,000
Ordinary 'B' shares of £1 each	40,000	40,000
Ordinary 'A' deferred shares of £0.01 each	162	162
Ordinary 'B' deferred shares of £0.01 each	299	299
Ordinary 'c' deferred shares of £0.01 each	250	250
	<u>200,711</u>	<u>200,711</u>

Ordinary shares

The holders of the ordinary shares are entitled to vote and receive dividends.

Ordinary deferred shares

The holders of the deferred shares have no voting rights and are not entitled to any dividends. On the fifth, tenth and fifteenth anniversaries of the issue of the deferred shares, if certain financial performance targets are met, those shareholders have the option to convert their deferred shares to fully paid ordinary shares at par.

13 Profit and loss account

	2015	2014
	£	£
Balance brought forward	391,538	370,694
Profit for the financial year	48,400	20,844
Dividends paid	(39,051)	-
Balance carried forward	<u>400,885</u>	<u>391,538</u>

14 Dividends

	2015	2014
	£	£
Dividends paid on equity capital	<u>39,051</u>	<u>-</u>

15 Reconciliation of operating profit to net cash inflow from operating activities

	2015	2014
	£	£
Operating profit	65,336	34,122
Depreciation	14,228	19,914
Profit on disposal of fixed assets	-	(300)
Decrease in stocks	59,729	11,514
(Decrease)/increase in debtors	14,890	(13,747)
(Decrease) in creditors	(33,391)	(24,341)
Net cash inflow from operating activities	<u>120,792</u>	<u>27,162</u>

16 Reconciliation of net cash flow to movement in net funds / (debt)

	2015	2014
	£	£
Increase/(decrease) in cash in the period	74,192	(3,134)
Net funds at 1 January 2015	<u>42,471</u>	<u>45,605</u>
Net funds at 31 December 2015	<u>116,663</u>	<u>42,471</u>

17 Analysis of changes in net funds

	At 1 Jan 2015	Cash flows	At 31 Dec 2015
	£	£	£
Net funds:			
Cash in hand and at bank	<u>42,471</u>	<u>74,192</u>	<u>116,663</u>

18 Capital commitments

At 31 December 2015 the total capital commitments contracted for but not provided in these accounts was £nil (2014: £nil).

Management information

**The following pages do not form part of the statutory financial statements
which are the subject of the accountant's report on page 5.**

Profit and loss account

	2015 £	2014 £
Turnover	3,559,939	3,683,144
Cost of sales		
Opening stock	252,129	263,644
Purchases	2,417,632	2,565,272
Bad debts	1,403	793
Productive wages	133,182	138,981
	<u>2,804,346</u>	<u>2,968,690</u>
Closing stock	<u>(192,400)</u>	<u>(252,129)</u>
	<u>2,611,946</u>	<u>2,716,561</u>
Gross profit	<u>947,993</u>	<u>966,583</u>
Overheads		
Administrative expenses	882,657	932,461
Operating Profit	<u>65,336</u>	<u>34,122</u>
Interest receivable	<u>3</u>	<u>3</u>
	<u>65,339</u>	<u>34,125</u>
Interest payable and similar charges	1,768	2,699
Profit on ordinary activities	<u><u>63,571</u></u>	<u><u>31,426</u></u>

Unaudited Financial statements for the year ended 31 December 2015

	2015 £	2014 £
Administrative expenses		
Personnel costs		
Directors' remuneration	77,194	121,400
Directors' life assurance	14,086	12,521
Directors' pension costs	-	-
Administrative staff salaries	29,795	50,898
Vehicle sales salaries	48,858	50,059
Workshop salaries	100,316	89,845
Parts salaries	133,247	113,344
Cleaning and drivers salaries	24,205	24,320
Staff pension contributions	6,438	7,188
	<u>434,139</u>	<u>469,575</u>
Establishment expenses		
Rent	101,625	98,000
Rates and water	41,973	40,469
Light and heat	16,751	14,482
Licenses and insurances	20,664	22,655
Repairs and maintenance	10,394	15,542
Equipment repairs and maintenance	12,930	14,712
	<u>204,337</u>	<u>205,860</u>
General expenses		
Motor expenses	50,078	54,247
Telephone	13,499	13,013
Printing, stationery and postage	12,711	13,533
Staff training	7,745	10,151
Staff welfare and healthcare	3,223	3,800
Staff life assurance and PPP	10,726	10,950
Sundry expenses	62,224	59,285
Uniforms and laundry	1,496	1,500
Advertising and promotion	31,799	40,159
Legal and professional fees	9,473	5,378
Accountancy fees	8,412	7,200
Depreciation of leasehold property and improvements	1,259	3,449
Depreciation of plant and tools	2,077	4,441
Depreciation of motor vehicles	7,093	5,910
Depreciation of office furniture and equipment	3,799	6,114
Profit on disposal of fixed assets	0	(300)
	<u>225,614</u>	<u>238,830</u>
Carried forward	<u>864,090</u>	<u>914,265</u>

	2015 £	2014 £
Financial costs		
Credit card commission	13,700	13,563
Bank charges	4,867	4,633
	<u>18,567</u>	<u>18,196</u>
	<u>882,657</u>	<u>932,461</u>
Interest receivable		
Interest receivable	<u>3</u>	<u>3</u>
Interest payable and similar charges		
Bank interest payable	600	600
Stocking plan interest	1,168	2,099
Demo funding interest	-	-
	<u>1,768</u>	<u>2,699</u>