
ABBAY (HOLMETHORPE) LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

FRIDAY



A776NT8M

A19

01/06/2018

#153

COMPANIES HOUSE

ABBEEY (HOLMETHORPE) LIMITED

COMPANY INFORMATION

Directors	L A Hoad E J Pay
Company secretary	E J Pay
Registered number	1148212
Registered office	Shaw's Corner Hatchlands Road Redhill Surrey RH1 6AU
Accountants	Grant Thornton UK LLP CHARTERED ACCOUNTANTS 2nd Floor St Johns House Haslett Avenue West Crawley RH10 1HS
Bankers	HSBC Bank Plc 9 The Boulevard Crawley West Sussex RH10 1UT

ABBAY (HOLMETHORPE) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Accountant's report	3
Statement of comprehensive income	4
Statement of financial position	5 - 6
Notes to the financial statements	7 - 15

ABBAY (HOLMETHORPE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

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.

Results and dividends

The profit for the year, after taxation, amounted to £44,674 (2016 - £70,465).

Directors

The directors who served during the year were:

L A Hoad

E J Pay

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.

ABBAY (HOLMETHORPE) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Directors' responsibilities statement

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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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 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.

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.

Post balance sheet events

There have been no significant events affecting the company since the year end.

This report was approved by the board on 18/5/2018 and signed on its behalf.


E J Pay
Director

Report to the directors on the preparation of the unaudited statutory financial statements of Abbey (Holmethorpe) Limited for the year ended 31 December 2017

We have compiled the accompanying financial statements of Abbey (Holmethorpe) Limited based on the information you have provided. These financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position as at 31 December 2017, the Statement of Changes in Equity, the Statement of Cash Flows and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Board of Directors of Abbey (Holmethorpe) Limited, as a body, in accordance with the terms of our engagement letter dated 16 February 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Abbey (Holmethorpe) Limited and state those matters that we have agreed to state to the Board of Directors of Abbey (Holmethorpe) Limited, as a body, in this report in accordance with our engagement letter dated 16 February 2018. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Abbey (Holmethorpe) Limited 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 to Smaller Entities.

GRANT THORNTON UK LLP.

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
Crawley
Date: *30 May 2018*

ABBEEY (HOLMETHORPE) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Turnover	3,358,228	3,823,422
Cost of sales	(2,406,167)	(2,841,585)
Gross profit	952,061	981,837
Administrative expenses	(893,981)	(886,246)
Operating profit	58,080	95,591
Interest receivable and similar income	-	3
Interest payable and expenses	(1,200)	(1,200)
Profit before tax	56,880	94,394
Tax on profit	(12,206)	(23,929)
Profit for the financial year	44,674	70,465

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 7 to 15 form part of these financial statements.

ABBAY (HOLMETHORPE) LIMITED
REGISTERED NUMBER:1148212

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	93,402	80,124
		<u>93,402</u>	<u>80,124</u>
Current assets			
Stocks	6	157,471	173,099
Debtors: amounts falling due within one year	7	238,945	239,902
Cash at bank and in hand	8	83,320	148,692
		<u>479,736</u>	<u>561,693</u>
Creditors: amounts falling due within one year	9	(356,246)	(413,271)
Net current assets		<u>123,490</u>	<u>148,422</u>
Total assets less current liabilities		<u>216,892</u>	<u>228,546</u>
Creditors: amounts falling due after more than one year	10	(10,115)	-
Provisions for liabilities			
Deferred tax	13	(4,987)	(4,485)
		<u>(4,987)</u>	<u>(4,485)</u>
Net assets		<u>201,790</u>	<u>224,061</u>
Capital and reserves			
Called up share capital	14	200,711	200,711
Profit and loss account		1,079	23,350
		<u>201,790</u>	<u>224,061</u>

ABBAY (HOLMETHORPE) LIMITED
REGISTERED NUMBER:1148212

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



18 May 2018

L A Hoad
Director

The notes on pages 7 to 15 form part of these financial statements.

ABBEEY (HOLMETHORPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Abbey (Holmethorpe) Limited is a company limited by shares and incorporated in England and Wales, registered number 01148212. Its registered office is located at Shaw's Corner, Hatchlands Road, Redhill, Surrey, RH1 6AU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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.

2.3 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.

Sale 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.

ABBEEY (HOLMETHORPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

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

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

ABBAY (HOLMETHORPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

ABBAY (HOLMETHORPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.12 Pensions

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 Statement of Comprehensive Income in the year in which they become payable.

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.15 Taxation

Taxation represents the sum of tax currently payable and deferred tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

ABBAY (HOLMETHORPE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where judgements and estimates have been made include:

Depreciation (see note 5).

Accruals and deferred income (see note 9).

4. Average number of employees

The average monthly number of employees, including directors, during the year was 20 (2016 - 20).

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Office furniture and equipment £	Leasehold improvements £	Total £
Cost						
At 1 January 2017	34,750	252,950	45,887	281,064	154,179	768,830
Additions	-	7,204	21,725	-	-	28,929
Disposals	-	-	(4,455)	-	-	(4,455)
At 31 December 2017	34,750	260,154	63,157	281,064	154,179	793,304
Depreciation						
At 1 January 2017	-	252,285	42,971	275,235	118,215	688,706
Charge for the period on owned assets	-	3,143	4,347	3,450	4,711	15,651
Disposals	-	-	(4,455)	-	-	(4,455)
At 31 December 2017	-	255,428	42,863	278,685	122,926	699,902
Net book value						
At 31 December 2017	34,750	4,726	20,294	2,379	31,253	93,402
At 31 December 2016	34,750	665	2,916	5,829	35,964	80,124

Motor vehicles with a carrying value of £15,413 (2016: £Nil) are held under Hire Purchase.

ABBAY (HOLMETHORPE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Stocks

	2017 £	2016 £
Parts stocks	47,400	43,500
Finished goods and goods for resale	110,071	129,599
	<u>157,471</u>	<u>173,099</u>

7. Debtors

	2017 £	2016 £
Trade debtors	163,181	160,583
Prepayments and accrued income	75,764	79,319
	<u>238,945</u>	<u>239,902</u>

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	83,320	148,692

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	168,317	169,026
Corporation tax	11,704	23,961
Other taxation and social security	43,610	51,933
Obligations under finance lease and hire purchase contracts	5,057	-
Other creditors	3,347	6,565
Accruals and deferred income	124,211	161,786
	<u>356,246</u>	<u>413,271</u>

ABBAY (HOLMETHORPE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	<u>10,115</u>	<u>-</u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	5,057	-
Between 1-2 years	10,115	-
	<u>15,172</u>	<u>-</u>

12. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	<u>246,501</u>	<u>309,275</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>311,048</u>	<u>337,377</u>

Financial assets measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and cash.

Financial liabilities at amortised cost comprise of trade creditors, other creditors and accruals.

ABBEEY (HOLMETHORPE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Deferred taxation

	2017 £	2016 £
At beginning of year	(4,485)	(4,517)
Charged to profit or loss	(502)	32
At end of year	(4,987)	(4,485)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	5,147	4,645
Short term timing differences	(160)	(160)
	(4,987)	(4,485)

14. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
160,000 Ordinary 'A' shares shares of £1 each	160,000	160,000
40,000 Ordinary 'B' shares shares of £1 each	40,000	40,000
16,215 Ordinary 'A' deferred shares shares of £0.01 each	162	162
29,940 Ordinary 'B' deferred shares shares of £0.01 each	299	299
25,035 Ordinary 'C' deferred shares shares of £0.01 each	250	250
	200,711	200,711

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.

ABBAY (HOLMETHORPE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Within one year	107,250	107,250
Later than 1 year and not later than 5 years	274,500	381,750
	<u>381,750</u>	<u>489,000</u>

16. 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.

During the year, the company paid rent to a small self-administered pension scheme of which the directors are beneficiaries of £47,250 (2016: £47,250).

17. Controlling 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.