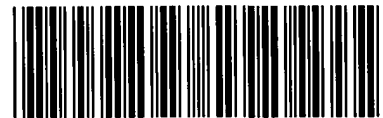


REGISTERED NUMBER: 02048726 (England and Wales)

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
CHESTERFIELD MOTOR COMPANY LIMITED

THURSDAY



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CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

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FOR THE YEAR ENDED 31 DECEMBER 2017

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CHESTERFIELD MOTOR COMPANY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTOR: S Wheeldon-Wright

SECRETARY: S Wheeldon-Wright

REGISTERED OFFICE: Eckington Way
Sheffield
S20 3FG

REGISTERED NUMBER: 02048726 (England and Wales)

AUDITORS: Allen, West and Foster Limited
Statutory Auditors
2 Broomgrove Road
Sheffield
South Yorkshire
S10 2LR

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents his strategic report of the company and the group for the year ended 31 December 2017.

REVIEW OF BUSINESS

The group's principal activities during the year are as stated in the directors' report.

The group operates from 3 locations, one of these is a car supermarket, one a ford franchise and the other is a second hand car dealership.

The director uses a range of performance measures to monitor and manage the business. The key performance indicators are shown below.

	Unit	2017	2016
Gross Profit	%	4.17	4.67
Operating Profit	%	0.05	0.98
Current Ratio		2.16	12.83

The group went through a year of change with one of its directors leaving the company. Turnover fell from £35,343,540 to £28,632,894 but profit after tax has increased from £132,553 to £161,843

The company's current asset investments were disposed off during the year after they increased in value by £165,950.

Shareholders' funds at the end of the financial year were £5,114,259. The director considers this a satisfactory position which he is confident will grow in future years.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

PRINCIPAL RISKS AND UNCERTAINTIES

There are certain risks, which could materially and adversely impact the company's result compared to expectation. A summary of the key risks is set out below. This is not an exhaustive list of the factors that could affect the 's group's performance.

General economic conditions :

The general economic environment and levels of consumer and business confidence have a direct impact on levels of demand in the motor retail sector. In addition, fuel prices, interest rates and levels of unemployment can all impact sales levels. Demand levels are closely monitored by the group company's on an ongoing basis (via sales and enquiry analysis).

Used vehicle prices

Used vehicle volatility can present a significant risk in the event that the market price moves rapidly between the point of purchase and the point of sale of a used vehicle. this leads to reduced margins and increased provisions on unsold stock. This risk is mitigated by a combination of regular monitoring of the used vehicle market by the group's buyers and a focus on stock turnover to reduce the time used vehicles are held in stock.

Competitive environment

The market in which the group company's operate is competitive locally, and therefore competitor pressure could result in losing sales to its competitors. The group manages this risk by regularly reviewing prices locally to make sure they remain competitive.

Loss of key personnel

This would present significant operational difficulties for the group company's. The management seek to ensure that key personnel are appropriately remunerated.

Liquidity

The group finances its business through a mixture of retained profit, trade credit and funding facilities provided by its director and its bankers. It is considered that the facilities in place are adequate for the group's plans.

ON BEHALF OF THE BOARD:


.....
S Wheeldon-Wright - Director

Date: 

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents his report with the financial statements of the company and the group for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The company's principal activity during the year was the sale, repair and servicing of new and used motor vehicles.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2017.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

S Wheeldon-Wright has held office during the whole of the period from 1 January 2017 to the date of this report.

Other changes in directors holding office are as follows:

T Allsop - resigned 9 January 2017

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The group uses various financial instruments: these include, borrowings, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail below.

The financial risk management objectives and policies of the group are as follows:

Price risk

Price risk is controlled through the initial purchasing decisions and the constant monitoring of stock and sales data.

Credit risk

The group's principal financial assets are cash and trade debtors. The credit risk associated with the cash is minimal. The principle credit risk arises from its trade debtors.

In order to manage credit risk, the director has implemented processes to ensure receipt of cleared funds for vehicle sales before the vehicle is released. Other trade debtors require approved credit in advance, which is supported by references, and payment is required within the terms and conditions agreed and hence credit risk is minimised.

Liquidity risk

The group makes efforts to manage the financial risk by the monitoring of cashflow to ensure the group is able to meet its foreseeable debts as they fall due and to invest any cash assets profitably.

The group has an overdraft facility which it manages to minimise interest rate expense, whilst ensuring it has sufficient liquid resources to meet the operating needs of its business.

Cash flow interest rate risk

The group is part of a group overdraft facility which it manages to minimise interest rate expense, whilst ensuring it has sufficient liquid resources to meet the operating needs of its business.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2017

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:


.....
S Wheeldon-Wright - Director
Date: 7/6/18


**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHESTERFIELD MOTOR COMPANY LIMITED**

Opinion

We have audited the financial statements of Chesterfield Motor Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2017 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHESTERFIELD MOTOR COMPANY LIMITED**

Opinion on other matters 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 Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page five, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.



Stephen Allen (Senior Statutory Auditor)
for and on behalf of Allen, West and Foster Limited
Statutory Auditors
2 Broomgrove Road
Sheffield
South Yorkshire
S10 2LR

Date: 7/6/18

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
TURNOVER	3	28,632,894	35,343,540
Cost of sales		27,439,753	33,694,111
GROSS PROFIT		1,193,141	1,649,429
Administrative expenses		1,178,174	1,304,815
OPERATING PROFIT	5	14,967	344,614
Interest receivable and similar income	6	8,153	40,127
Amounts written off investments	7	23,120 (165,950)	384,741 172,267
		189,070	212,474
Interest payable and similar expenses	8	1,700	859
PROFIT BEFORE TAXATION		187,370	211,615
Tax on profit	9	25,527	79,062
PROFIT FOR THE FINANCIAL YEAR		161,843	132,553
Profit attributable to:			
Owners of the parent		161,983	133,477
Non-controlling interests		(140)	(924)
		161,843	132,553

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

Notes	2017 £	2016 £
PROFIT FOR THE YEAR	161,843	132,553
OTHER COMPREHENSIVE INCOME		
Purchase of own shares	(7,549,000)	-
Share capital redeemed	5,001	-
Income tax relating to components of other comprehensive income	-	-
	<u> </u>	<u> </u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(7,543,999)	-
	<u> </u>	<u> </u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(7,382,156)	132,553
	<u> </u>	<u> </u>
Total comprehensive income attributable to:		
Owners of the parent	(7,382,016)	133,477
Non-controlling interests	(140)	(924)
	<u> </u>	<u> </u>
	(7,382,156)	132,553
	<u> </u>	<u> </u>

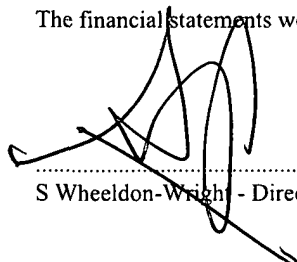
The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		1,639,740		1,594,246
Investments	12		-		-
			<hr/>		<hr/>
			1,639,740		1,594,246
CURRENT ASSETS					
Stocks	13	6,018,688		5,457,933	
Debtors	14	474,033		867,203	
Investments	15	-		486,898	
Cash at bank and in hand		2,616		5,030,127	
			<hr/>		<hr/>
		6,495,337		11,842,161	
CREDITORS					
Amounts falling due within one year	16	3,001,910		922,680	
			<hr/>		<hr/>
NET CURRENT ASSETS			3,493,427		10,919,481
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,133,167		12,513,727
PROVISIONS FOR LIABILITIES	19		(18,908)		(12,311)
			<hr/>		<hr/>
NET ASSETS			5,114,259		12,501,416
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Called up share capital	20		5,001		10,002
Capital redemption reserve			5,001		-
Retained earnings			5,082,297		12,469,314
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			5,092,299		12,479,316
NON-CONTROLLING INTERESTS	21		21,960		22,100
			<hr/>		<hr/>
TOTAL EQUITY			5,114,259		12,501,416
			<hr/>		<hr/>

The financial statements were approved by the director on 7/6/18 and were signed by:


.....
S Wheeldon-Wright - Director

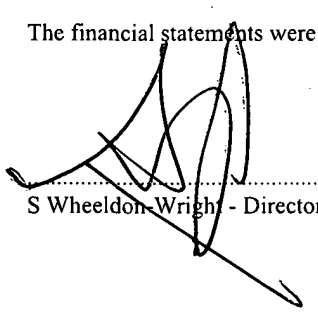
The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

COMPANY BALANCE SHEET
31 DECEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	11	-	-
Investments	12	310,300	336,714
		<u>310,300</u>	<u>336,714</u>
CREDITORS			
Amounts falling due within one year	16	62,431	3,600
NET CURRENT LIABILITIES		<u>(62,431)</u>	<u>(3,600)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>247,869</u>	<u>333,114</u>
CAPITAL AND RESERVES			
Called up share capital	20	5,001	10,002
Capital redemption reserve		5,001	-
Retained earnings		237,867	323,112
SHAREHOLDERS' FUNDS		<u>247,869</u>	<u>333,114</u>
Company's profit/(loss) for the financial year		7,463,755	(13)

The financial statements were approved by the director on 7/6/18 and were signed by:


S Wheeldon-Wright - Director

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Retained earnings £	Capital redemption reserve £
Balance at 1 January 2016	10,002	12,335,837	-
Changes in equity			
Total comprehensive income	-	133,477	-
Balance at 31 December 2016	10,002	12,469,314	-
Changes in equity			
Issue of share capital	(5,001)	-	-
Total comprehensive income	-	(7,387,017)	5,001
Balance at 31 December 2017	5,001	5,082,297	5,001
	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2016	12,345,839	23,024	12,368,863
Changes in equity			
Total comprehensive income	133,477	(924)	132,553
Balance at 31 December 2016	12,479,316	22,100	12,501,416
Changes in equity			
Issue of share capital	(5,001)	-	(5,001)
Total comprehensive income	(7,382,016)	(140)	(7,382,156)
Balance at 31 December 2017	5,092,299	21,960	5,114,259

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2016	10,002	323,125	-	333,127
Changes in equity				
Total comprehensive income	-	(13)	-	(13)
Balance at 31 December 2016	10,002	323,112	-	333,114
Changes in equity				
Issue of share capital	(5,001)	-	-	(5,001)
Total comprehensive income	-	(85,245)	5,001	(80,244)
Balance at 31 December 2017	5,001	237,867	5,001	247,869

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	(490,109)	1,874,056
Interest paid		(1,648)	(859)
Tax paid		(51,950)	(112,077)
Taxation refund		-	2,476
Net cash from operating activities		<u>(543,707)</u>	<u>1,763,596</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(211,062)	(147,902)
Sale of tangible fixed assets		72,296	80,284
Sale of current asset investments		652,848	-
Interest received		-	7,801
Dividends received		7,687	32,326
Net cash from investing activities		<u>521,769</u>	<u>(27,491)</u>
Cash flows from financing activities			
Amount introduced by directors		1,853,054	3,467
Amount withdrawn by directors		(1,800)	(185,998)
Share buyback		(7,549,000)	-
Net cash from financing activities		<u>(5,697,746)</u>	<u>(182,531)</u>
(Decrease)/increase in cash and cash equivalents		<u>(5,719,684)</u>	<u>1,553,574</u>
Cash and cash equivalents at beginning of year	2	5,030,127	3,476,553
Cash and cash equivalents at end of year	2	<u><u>(689,557)</u></u>	<u><u>5,030,127</u></u>

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit before taxation	187,370	211,615
Depreciation charges	96,772	88,450
Profit on disposal of fixed assets	(3,500)	(4,600)
Current asset investments written back	(165,950)	-
Current asset investments written off	-	172,267
Finance costs	1,700	859
Finance income	(8,153)	(40,127)
	<hr/>	<hr/>
	108,239	428,464
(Increase)/decrease in stocks	(560,755)	1,300,012
Decrease/(increase) in trade and other debtors	114,308	(79,001)
(Decrease)/increase in trade and other creditors	(151,901)	224,581
	<hr/>	<hr/>
Cash generated from operations	(490,109)	1,874,056
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	2,616	5,030,127
Bank overdrafts	(692,173)	-
	<hr/>	<hr/>
	(689,557)	5,030,127
	<hr/>	<hr/>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	5,030,127	3,476,553
	<hr/>	<hr/>

The notes form part of these financial statements

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

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

1. STATUTORY INFORMATION

Chesterfield Motor Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The nature of the group's activity and principal activity is as stated in the directors' report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been 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. The 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.

Going concern

The financial statements have been prepared on a going concern basis.

In the opinion of the director the group has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting in preparing the financial statements.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2017.

No profit and loss account is presented for the company as permitted by section 408 of the Companies Act 2006. The profit for the year ended 31 December 2017 was £7,463,755 (2016 - (£13)).

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of cars and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating internal sales.

The group recognises revenue when:

The amount of revenue can be reliably measured;

It is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible assets are stated 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 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:

Freehold land	Not depreciated
Freehold buildings	2% and 5% on cost
Plant and machinery	Varying rates between 12.5% to 33% on cost
Fixtures and fittings	Varying rates between 10% to 33% on cost
Motor vehicles	25% and 33% on cost

Stocks

Stock is valued at the lower of cost and net estimated selling price less selling costs.

Cost includes purchase price and associated costs in bringing stock to their present location and condition.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to the selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme for its employees. Fixed contributions are paid into a separate entity. Once the contributions have been paid the group has no further payments obligations.

The contributions are recognised as an expense in the income statement when they fall due. Amounts not paid are shown in creditors due within one year as a liability in the Statement of Financial Position. The assets of the plan are held separately from the group in independently administered funds.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and 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.

Current asset investments

Listed investments are measured at fair value. Movements in fair value are recognised in the Profit and Loss Account.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Trade debtors

Trade debtors are amounts due from customers for cars sold 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.

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 rate method and is included in interest payable and similar charges.

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

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.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In preparing these financial statements, the director has had to make the following judgements:

Tangible fixed assets

Assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Stocks

Consideration has been given by the director to the level of provision against vehicle stocks. In determining the provision required the director has used guidance from independent valuation tools and their knowledge of the industry.

3. TURNOVER

The whole of the turnover is attributable to the principal activity of the group.

All turnover arose within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	1,617,342	1,837,101
Social security costs	147,353	168,336
Other pension costs	17,915	11,054
	<u>1,782,610</u>	<u>2,016,491</u>

The average number of employees during the year was as follows:

	2017	2016
Administration and support	12	17
Sales	19	20
Workshop and vehicle preparation	41	42
	<u>72</u>	<u>79</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 72 (2016 - 79).

	2017	2016
	£	£
Directors' remuneration	54,130	205,962
Compensation to director for loss of office	<u>12,500</u>	<u>-</u>

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	96,772	88,450
Profit on disposal of fixed assets	(3,500)	(4,600)
The audit of the company's annual accounts	16,000	24,500
Other non- audit services	750	4,000
Foreign exchange differences	(24)	40
	<u> </u>	<u> </u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	£	£
Deposit account interest	-	7,739
Other interest receivable	466	62
UK dividend income	7,687	32,326
	<u> </u>	<u> </u>
	<u>8,153</u>	<u>40,127</u>

7. AMOUNTS WRITTEN OFF INVESTMENTS

	2017	2016
	£	£
Amounts written (back to)/off investments	(165,950)	172,267
	<u> </u>	<u> </u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank interest	1,588	807
Other interest payable	112	52
	<u> </u>	<u> </u>
	<u>1,700</u>	<u>859</u>

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

9. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	18,930	78,398
	<hr/>	<hr/>
Deferred tax:		
Deferred tax	6,597	-
Arising from origination and reversal of timing differences	-	1,269
Arising from changes in tax rates and laws	-	(605)
	<hr/>	<hr/>
Total deferred tax	6,597	664
	<hr/>	<hr/>
Tax on profit	25,527	79,062
	<hr/>	<hr/>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	187,370	211,615
	<hr/>	<hr/>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	36,069	42,323
Effects of:		
Expenses not deductible for tax purposes	18,338	39,272
Income not taxable for tax purposes	(31,945)	-
Depreciation in excess of capital allowances	4,545	4,537
Arising from changes in tax rates and laws	-	(605)
Tax decrease from effect of dividends from UK companies	(1,480)	(6,465)
	<hr/>	<hr/>
Total tax charge	25,527	79,062
	<hr/>	<hr/>

Tax effects relating to effects of other comprehensive income

	Gross £	2017 Tax £	Net £
Purchase of own shares	(7,549,000)	-	(7,549,000)
Share capital redeemed	5,001	-	5,001
	<hr/>	<hr/>	<hr/>
	(7,543,999)	-	(7,543,999)
	<hr/>	<hr/>	<hr/>

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2017	1,949,095	237,575	323,393	130,470	2,640,533
Additions	3,780	39,402	26,266	141,614	211,062
Disposals	-	-	(3,950)	(115,106)	(119,056)
At 31 December 2017	1,952,875	276,977	345,709	156,978	2,732,539
DEPRECIATION					
At 1 January 2017	493,010	188,620	323,114	41,543	1,046,287
Charge for year	24,218	25,104	2,211	45,239	96,772
Eliminated on disposal	-	-	(3,950)	(46,310)	(50,260)
At 31 December 2017	517,228	213,724	321,375	40,472	1,092,799
NET BOOK VALUE					
At 31 December 2017	1,435,647	63,253	24,334	116,506	1,639,740
At 31 December 2016	1,456,085	48,955	279	88,927	1,594,246

Included in cost of land and buildings is freehold land of £768,332 (2016 - £768,332) which is not depreciated.

12. FIXED ASSET INVESTMENTS

	Company	
	2017	2016
	£	£
Shares in group undertakings	300	300
Loans to group undertakings	310,000	336,414
	<u>310,300</u>	<u>336,714</u>

Additional information is as follows:

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

12. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £
COST	
At 1 January 2017	
and 31 December 2017	300
NET BOOK VALUE	
At 31 December 2017	300
At 31 December 2016	300

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Direct Cars Limited

Registered office: United Kingdom

Nature of business: Motor dealers

	%
Class of shares:	holding
Ordinary	100.00

Eckington Motor Company Limited

Registered office: United Kingdom

Nature of business: Motor dealers

	%
Class of shares:	holding
Ordinary	100.00

Warsop Motor Company Limited

Registered office: United Kingdom

Nature of business: Motor dealers

	%
Class of shares:	holding
Ordinary	98.00

Company

	Loans to group undertakings £
At 1 January 2017	336,414
New in year	7,549,000
Repayment in year	(7,575,414)
At 31 December 2017	310,000

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

13. STOCKS

	Group	
	2017	2016
	£	£
Motor vehicles	5,989,930	5,416,605
Spare parts and fuel	26,991	39,889
Work-in-progress	1,767	1,439
	<u>6,018,688</u>	<u>5,457,933</u>

The impairment loss included in the group consolidated profit or loss for the year in respect of stock is £191,781 (2016 - £149,221).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2017	2016
	£	£
Trade debtors	156,585	220,509
Other debtors	235,596	286,718
Directors' current accounts	-	291,898
Tax	13,036	-
Prepayments and accrued income	68,816	68,078
	<u>474,033</u>	<u>867,203</u>

15. CURRENT ASSET INVESTMENTS

	Group	
	2017	2016
	£	£
Listed investments	<u>-</u>	<u>486,898</u>

The historical cost of the listed investments was £681,693.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts (see note 17)	692,173	-	-	-
Trade creditors	216,954	310,345	-	-
Amounts owed to group undertakings	-	-	60,631	-
Tax	-	20,398	-	-
Social security and other taxes	36,300	46,383	-	-
VAT	15,706	77,775	-	-
Other creditors	16,424	15,531	-	-
Outstanding defined contribution pension costs	6,269	5,595	-	-
Directors' current accounts	1,960,751	401,395	1,800	3,600
Accrued expenses	57,333	45,258	-	-
	<u>3,001,910</u>	<u>922,680</u>	<u>62,431</u>	<u>3,600</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>692,173</u>	<u>-</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2017	2016
	£	£
Within one year	481	3,600
Between one and five years	-	1,500
	<u>481</u>	<u>5,100</u>

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

19. PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£	£
Deferred tax		
Accelerated capital allowances	18,908	12,311
	<u>18,908</u>	<u>12,311</u>
Group		
		Deferred tax
		£
Balance at 1 January 2017		12,311
Charge to income statement during the year		6,597
		<u>18,908</u>
Balance at 31 December 2017		<u>18,908</u>

Deferred tax has not been recognised in the accounts of Eckington Motor Company Limited due to the unpredictability of future trading profits. At the expected rate of corporation tax the deferred tax asset would be £1,921 (2016 - £2,166) for depreciation in excess of capital allowances.

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2017	2016
			£	£
10,002	Ordinary shares	£1	5,001	10,002
			<u>5,001</u>	<u>10,002</u>

The company has one class of ordinary shares which carry all voting rights and each share is entitled pari passu to dividend payments

21. NON-CONTROLLING INTERESTS

At 31 December 2017 S Wheeldon-Wright held a 2% share in Warsop Motor Company Limited. This is represented by the amount shown as Non-controlling interests on the consolidated balance sheet.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2017 and 31 December 2016:

	2017 £	2016 £
T Allsop		
Balance outstanding at start of year	291,898	105,900
Amounts advanced	-	185,998
Amounts repaid	(291,898)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>291,898</u>

The loan to T Allsop was unsecured, interest free and repayable on demand. The loan was repaid in full on 9 January 2017.

23. RELATED PARTY DISCLOSURES

S Wheeldon-Wright
(Director)

During the year a group company paid rent of £nil (2016 - £17,333) to S Wheeldon-Wright. The transaction was made on normal commercial terms.

During the year S Wheeldon-Wright provided the group with an unsecured, interest free loan. This loan is repayable on demand.

At the balance sheet date the amount due to S Wheeldon-Wright was £1,960,751 (2016 - £401,395).

We Buy Good Cars Limited
(A company under the control of the director)

During the year group company's sold goods and services to We Buy Good Cars Limited of £2,693,306 (2016 - £5,114,059) and purchased goods amounting to £1,725 (2016 - £nil). All transactions were made on normal commercial terms.

During the year the group made a loan to We Buy Good Cars Ltd, this loan is interest free and repayable on demand.

At the balance sheet date the amount due from We Buy Good Cars Limited was £192,056 (2016 - £245,173).

The total remuneration of the directors is shown in note 4.

24. POST BALANCE SHEET EVENTS

On 31 March 2018 Eckington Motor Company Limited ceased trading.

25. ULTIMATE CONTROLLING PARTY

The controlling party is S Wheeldon-Wright.

The ultimate controlling party is S Wheeldon-Wright.

CHESTERFIELD MOTOR COMPANY LIMITED (REGISTERED NUMBER: 02048726)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

26. DEFINED CONTRIBUTION PENSION SCHEME

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £17,915 (2016 - £11,054).

Contributions totalling £6,716 (2016 - £5,595) were payable to the scheme at the end of the year.