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Parent Company Accounts
Guarantee Page 15

F.R.F. South Wales (Holdings) Limited
Annual report and financial statements
For the year ended 31 December 2019

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COMPANIES HOUSE

F.R.F. South Wales (Holdings) Limited

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Registered number: 06793412

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F.R.F. South Wales (Holdings) Limited

Officers and professional advisers

DIRECTORS

J S Radcliffe
D M Radcliffe
J E Radcliffe
S A Rees

SECRETARY

J S Radcliffe

REGISTERED OFFICE

Toyota Dealership
Neath Road
Morriston
Swansea
SA6 8HF

BANKERS

Barclays Bank plc
Swansea

SOLICITORS

JCP Solicitors
Swansea

AUDITOR

Baldwins Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
Wales
CF23 8AB

F.R.F. South Wales (Holdings) Limited

Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

THE BUSINESS MODEL

The principal activity of the company, and of the group, during the year was that of motor vehicle dealers. The dealerships are based on five sites across South Wales stretching from Bridgend to Haverfordwest. In addition, the group also operates an Accident Repair Centre from a site in Swansea.

A FAIR VIEW OF THE BUSINESS

During the current year total group turnover increased from £70,257,592 to £71,327,486

The group's overall gross profit increased from £8,660,434 to £8,907,482

Group profit before tax increased from £2,053,279 to £2,108,668

The overall cash position of the group is £2,411,757 (2018 – £2,452,010). Significant outflows during the year included a dividend of £1,000,000 (2018 – £800,000).

There are no concerns regarding the financial position and liquidity at the year-end with a Current Ratio of 1.51 (2018 - 1.72).

KEY PERFORMANCE INDICATORS

The directors undertake detailed analysis of the group's position during the year and at the year-end using turnover and profitability as key performance indicators as detailed in the business review.

Additionally, the manufacturers have benchmarked a number of KPIs that have been identified as instrumental in the success of a dealership including:

Overall expenses as a percentage of Turnover: Benchmark 14% - Group 9.6% (2018 - Benchmark 14% - Group 9.5%)

Stock turn days: Benchmark 60 – Group 60 (2018 - Benchmark 60 – Group 60)

PRINCIPAL RISKS AND UNCERTAINTIES

Credit risk - The company's principal financial assets are bank balances, cash, trade and other receivables. The amounts shown within the balance sheet are net of allowances for doubtful debts. An allowance is made for impairment where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the asset.

Due to the nature of the trade, the company has no significant concentration of credit risk, with exposure spread over a large number of customers.

Liquidity risk - In order to maintain liquidity to ensure that sufficient funds are available, the company uses a mix of internally generated funds and short-term debt finance. Short-term debt finance is used for seasonal variations.

Business Risks – In order to maintain sales volume, marketing spend to remain at current levels. Continuing research into consumer finance products to ensure customers treated fairly as per current FCA regulation.

F.R.F. South Wales (Holdings) Limited

Strategic report (continued)

FUTURE DEVELOPMENTS AND POST BALANCE SHEET EVENTS

COVID-19

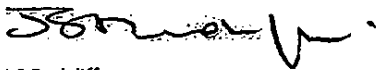
In light of the situation arising in the UK and globally in respect of Covid-19 and the measures taken by the UK Government to contain the virus, the day to day operations of the business have been disrupted. The extent of the impact of Covid-19 is unclear and it is difficult to evaluate all of the potential implications on the group's trade, customers, suppliers and the wider economy. Based on the information that is currently known however, the directors have taken steps to manage cashflow and taken advantage of the government schemes available to bridge the period of disruption. Additionally, the banking facility providers and manufacturers have expressed a willingness to support the business for the foreseeable future. On this basis the group is confident it can manage its cash flow requirements during this period of uncertainty and is able to meet its obligations as they fall due.

GOING CONCERN BASIS

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being the period of at least 12 months from signing these financial statements. The group is in a strong position in terms of cash and liquidity, enabling it to meet its day-to-day working capital requirements. On this basis, the directors continue to adopt the going concern basis in preparing the financial statements. Further information in relation to going concern is provided in note 1 to the financial statements.

APPROVAL

This report was approved by the Board of Directors on 31st May 2020 and signed on its behalf by:



J S Radcliffe
Company Secretary

F.R.F. South Wales (Holdings) Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2019.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,697,751 (2018 – £1,673,497). The directors declared a dividend during the year of £1,000,000 (2018 - £800,000).

The directors have included commentary on financial risk management, including credit risk and liquidity risk in the Strategic Report.

DIRECTORS

The directors of the company, who served throughout the financial year and subsequently, are as shown on page 1.

DISABLED EMPLOYEES

It is the group's policy to give fair consideration to applications for employment by disabled persons whose aptitude and skills can be utilised within its business, and to their training and career development opportunities.

Should any employee become disabled it would be considered appropriate, in all but the most extreme circumstances, to ensure that their employment within the group continues, and that an alternative job or appropriate retraining be provided as necessary, to enable them to maximise their potential.

EMPLOYEE INVOLVEMENT

F.R.F. South Wales (Holdings) Limited recognises the importance of maintaining a high quality, motivated workforce and is committed to employee involvement throughout the group.

Employees are encouraged to discuss with management any matters which they are concerned about or that affect the group. Additionally, the Board takes account of employees' interests when making decisions, and employees are kept informed of the group's performance and objectives through regular briefings and meetings. It is the group's policy to encourage career development for all employees to help achieve job satisfaction while increasing personal motivation.

AUDITOR

In the case of each of the persons who are directors of the company at the date when this report is approved:

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

Baldwins Audit Services were appointed on 7 November 2017 and will be proposed for the reappointment at the forthcoming annual general meeting.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors
and signed on behalf of the Board



J S Radcliffe
Company Secretary
31st May 2020

F.R.F. South Wales (Holdings) Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF F.R.F. South Wales (Holdings) Limited

Opinion

We have audited the financial statements of F.R.F. South Wales (Holdings) Limited for the year ended 31 December 2019 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2019 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company'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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF F.R.F. South Wales (Holdings) Limited

Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report 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 strategic report and the director's report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the director's responsibilities statement set out on page 5, the directors are 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 directors determine is 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 directors are 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF F.R.F. South Wales (Holdings) Limited

Use of our report

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Baldwins Audit Services.

Ian Thomas BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

12 June 2020

**Accountants
Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
Wales
CF23 8AB**

F.R.F. South Wales (Holdings) Limited

Consolidated profit and loss account

For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	3	71,327,486	70,257,592
Cost of sales		<u>(62,420,004)</u>	<u>(61,597,158)</u>
Gross profit		8,907,482	8,660,434
Administrative expenses		<u>(6,851,104)</u>	<u>(6,650,406)</u>
Other operating income	3	<u>46,456</u>	<u>49,186</u>
Operating profit		2,102,834	2,059,214
Finance costs (net)	4	<u>5,834</u>	<u>(5,935)</u>
Profit before taxation	5	2,108,668	2,053,279
Tax on profit on ordinary activities	8	<u>(410,917)</u>	<u>(379,782)</u>
Profit for the financial year		<u><u>1,697,751</u></u>	<u><u>1,673,497</u></u>

The company had no recognised gains or losses other than those reflected in the profit and loss account. Consequently, no statement of other comprehensive income is presented.

All operations of the company are continuing.

F.R.F. South Wales (Holdings) Limited

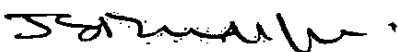
Consolidated balance sheet

At 31 December 2019

		2019	2018
	Note	£	£
Fixed assets			
Intangible assets	10	17,350	25,998
Tangible assets	11	9,510,023	8,430,403
		<u>9,527,373</u>	<u>8,456,401</u>
Current assets			
Stocks	13	11,695,488	10,725,112
Debtors	14	2,823,049	1,994,911
Cash at bank and in hand		3,814,470	3,000,429
		<u>18,333,007</u>	<u>15,720,452</u>
Creditors: Amounts falling due within one year	15	<u>(12,151,158)</u>	<u>(9,150,681)</u>
Net current assets		<u>6,181,849</u>	<u>6,569,771</u>
Total assets less current liabilities		<u>15,709,222</u>	<u>15,026,172</u>
Provisions for liabilities	17	<u>(630,584)</u>	<u>(609,390)</u>
Creditors: Amounts falling due after more than one year	16	<u>(18,009)</u>	<u>(53,904)</u>
Net assets		<u>15,060,629</u>	<u>14,362,878</u>
Capital and reserves			
Called-up share capital	18	4	4
Share premium account	18	30,000	30,000
Revaluation reserve	18	2,219,601	2,233,231
Profit and loss account	18	12,811,024	12,099,643
Shareholder's funds		<u>15,060,629</u>	<u>14,362,878</u>

The financial statements of F.R.F. South Wales (Holdings) Limited, registration number 06793412, were approved by the Board of Directors and authorised for issue on Date 31st May 2020.

They were signed on its behalf by:



JS Radcliffe

Director

F.R.F. South Wales (Holdings) Limited

Company balance sheet

At 31 December 2019

		2019	2018
	Note	£	£
Fixed assets			
Tangible assets	11	6,919,988	5,855,978
Investments	12	250,004	250,004
		<u>7,169,992</u>	<u>6,105,982</u>
Current assets			
Stocks	13	6,013,015	5,409,259
Debtors	14	884,450	770,940
Cash at bank and in hand		61,633	60,533
		<u>6,959,098</u>	<u>6,240,732</u>
Creditors: Amounts falling due within one year	15	<u>(7,958,078)</u>	<u>(5,512,659)</u>
Net current assets		<u>(998,980)</u>	<u>(728,073)</u>
Total assets less current liabilities		<u>6,171,012</u>	<u>6,834,055</u>
Provision for liabilities:			
Deferred taxation	17	<u>(308,423)</u>	<u>(310,530)</u>
Net assets		<u>5,862,589</u>	<u>6,523,525</u>
Capital and reserves			
Called-up share capital	18	4	4
Share premium account	18	30,000	30,000
Revaluation reserve	18	80,579	80,579
Profit and loss account	18	5,752,006	6,412,942
Shareholder's funds		<u>5,862,589</u>	<u>6,523,525</u>

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company achieved a profit for the financial year of £339,054 (2018: profit of £3,266,213).

The financial statements of F.R.F. South Wales (Holdings) Limited, registration number 06793412, were approved by the Board of Directors and authorised for issue on 31st May 2020.

They were signed on its behalf by:



JS Radcliffe

Director

F.R.F. South Wales (Holdings) Limited

Consolidated statement of changes in equity

At 31 December 2019

	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 31 December 2017	4	30,000	2,273,818	11,185,559	13,489,381
Profit for the financial year	-	-	-	1,673,497	1,673,497
Total comprehensive income	4	30,000	2,273,818	12,859,056	15,162,878
Dividends paid on equity shares	-	-	-	(800,000)	(800,000)
Difference between the historical cost depreciation charge and the actual depreciation charge for the year	-	-	(40,587)	40,587	-
At 31 December 2018	4	30,000	2,233,231	12,099,643	14,362,878
Profit for the financial year	-	-	-	1,697,751	1,697,751
Total comprehensive income	4	30,000	2,233,231	13,797,394	16,060,629
Dividends paid on equity shares	-	-	-	(1,000,000)	(1,000,000)
Difference between the historical cost depreciation charge and the actual depreciation charge for the year	-	-	(13,630)	13,630	-
At 31 December 2019	4	30,000	2,219,601	12,811,024	15,060,629

F.R.F. South Wales (Holdings) Limited

Company statement of changes in equity

At 31 December 2019

	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 31 December 2017	4	30,000	80,579	3,946,729	4,057,312
Profit for the financial year	-	-	-	3,266,213	3,266,213
Total comprehensive income	4	30,000	80,579	7,212,942	7,323,525
Dividends paid on equity shares	-	-	-	(800,000)	(800,000)
At 31 December 2018	4	30,000	80,579	6,412,942	6,523,525
Profit for the financial year	-	-	-	339,064	339,064
Total comprehensive income	4	30,000	80,579	6,752,006	6,862,589
Dividends paid on equity shares	-	-	-	(1,000,000)	(1,000,000)
At 31 December 2019	4	30,000	80,579	5,752,006	5,862,589

F.R.F. South Wales (Holdings) Limited

Consolidated cash flow statement

For the year ended 31 December 2019

	Note	2019 £	2018 £
Net cash flows from operating activities	19	2,508,134	3,882,259
Cash flows from investing activities			
Purchases of tangible fixed assets		(1,484,695)	(352,062)
Corporation tax paid		-	(135,646)
Proceeds from sale of tangible fixed assets		14,719	3,252
Net cash flows from investing activities		<u>(1,469,976)</u>	<u>(484,456)</u>
Cash flows from financing activities			
Dividends paid		(1,000,000)	(800,000)
Proceeds of interest income		9,322	5,522
Interest paid		(3,488)	(11,457)
Decrease in finance lease creditor		(84,245)	(82,986)
Net cash flows from financing activities		<u>(1,078,411)</u>	<u>(888,921)</u>
Net decrease in cash		<u>(40,253)</u>	<u>2,508,882</u>
Cash and cash equivalents at beginning of year		<u>2,452,010</u>	<u>(56,872)</u>
Cash and cash equivalents at end of year		<u>2,411,757</u>	<u>2,452,010</u>
Reconciliation to cash at bank and in hand			
Cash at bank and in hand		3,814,470	3,000,429
Cash equivalents		(1,402,713)	(548,419)
Cash and cash equivalents		<u>2,411,757</u>	<u>2,452,010</u>

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies

F.R.F. South Wales (Holdings) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Toyota Dealership, Neath Road, Morriston, Swansea, SA6 8HF.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

FRF South Wales (Holdings) Limited is a company incorporated in England and Wales, United Kingdom, under the Companies Act. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the strategic report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of FRF South Wales (Holdings) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

FRF South Wales (Holdings) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, related party disclosures and remuneration of key management personnel.

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of F.R.F. South Wales (Holdings) Limited and its United Kingdom subsidiary companies up to 31 December 2019. All inter-group profits and losses are eliminated on consolidation.

Subsidiary audit exemption

The company has guaranteed the liabilities of the following subsidiaries outstanding as at the balance sheet date and as a result they are exempt from audit under s479A Companies Act 2006.

Name	Registration Number	Principal activity	Holding %
Bassetts (Swansea) Ltd	02596357	Dormant	100%
F.R.F. (South Wales) Ltd	04793172	Vehicle sales	100%
F.R.F. (Accident Repair Centre) Ltd	05154021	Vehicle repairs	100%

The registered address of all the subsidiaries is Toyota Dealership, Neath Road, Morriston, Swansea SA6 8HF.

c. Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. In making their assessment the directors have reviewed the balance sheet, the likely future cash flows of the business and have considered the facilities that are in place at the date of signing the report.

Post year end because of the measures taken by the UK Government to manage the impact of Covid-19, the day to day operations of the business has been disrupted. It is difficult to evaluate all the potential implications of these measures on the company's trade, customers, suppliers and the wider economy. Based on the information that is currently known however, the directors have taken steps to manage cashflow and taken advantage of the government schemes available to bridge the period of disruption.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies (continued)

At the time of approving the financial statements therefore, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis.

d. Intangible assets

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is 8 years 8 months. Provision is made for any impairment.

e. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Freehold property	1-2% per annum straight-line
Leasehold property	over the term of the lease
Plant and machinery	25% per annum straight-line
Fixtures, fittings and equipment	25% per annum straight-line
Motor vehicles	See below

Demonstrator vehicle depreciation is on a straight-line basis over the expected useful lives to anticipated market value on disposal. The length of anticipated ownership varies on each class and type of vehicle. No depreciation is provided on long leasehold property.

f. Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies (continued)

g. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Manufacturer bonuses are awarded on the sale of new stock items. It is common practice for cars to be purchased from the manufacturer by the entity, at which point these bonuses will be set against the cost of the stock items for the purpose of calculating the overall stock valuation.

Where slow-moving items of stock are identified, these are provided for accordingly by writing down to their net realisable value with reference to open market selling prices.

A significant portion of the stock on hand at year-end is held on consignment from the manufacturer; there is a corresponding creditor held on the balance sheet which remains until vehicles are sold.

h. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units (CGU) of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies (continued)

h. Impairment of assets (continued)

Financial assets (continued)

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

i. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less/(more) than the value at which it is recognised, a deferred tax liability/(asset) is recognised for the additional tax that will be paid/(avoided) in respect of that difference. Similarly, a deferred tax asset/(liability) is recognised for the additional tax that will be avoided/(paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies (continued)

j. Turnover

Turnover is stated net of VAT. Turnover from the sale of goods is recognised when the goods are physically delivered to the customers. Turnover from the sale of services is recognised over the period of delivery of the service. Other income is recognised equally over the period in which it is earned.

k. Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual contributions payable is charged to the profit and loss account.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. In applying management's policy noted previously relating to the manufacturer bonuses being set against the cost of stock, there is a judgement whereby the book value of stock is assumed to be equal to the cost, less the manufacturer bonus available once the vehicle is sold.

Key source of estimation uncertainty – valuation of used cars in stock

Stock must be held at the lower of cost or net realisable value. Management judgement is required in order to determine whether or not a provision should be made against used cars held in stock. During the current year, used stock increased from £5,968,602 to £6,446,878

3. Turnover

An analysis of the group's turnover by class of business is set out below. All turnover arises in the UK.

	2019	2018
Turnover	£	£
Vehicle sales	61,214,487	61,071,035
Repairs and maintenance	10,112,999	9,186,557
	<u>71,327,486</u>	<u>70,257,592</u>
Other operating income		
Rent receivable	6,250	25,000
Other income	40,206	24,186
	<u>46,456</u>	<u>49,186</u>

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

4. Finance costs (net)

	2019 £	2018 £
Interest received	9,322	5,522
Interest payable on borrowings	(3,488)	(11,457)
	<u>5,834</u>	<u>(5,935)</u>

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets (note 11)	362,202	325,161
Amortisation of intangible fixed assets (note 10)	8,648	8,647
(Profit)/Loss on sale of tangible fixed assets	28,155	(2,525)
Operating lease rentals	80,000	100,000
Cost of stock recognised as an expense	<u>58,156,575</u>	<u>57,805,069</u>

The analysis of the auditor's remuneration is as follows:

	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>13,000</u>	<u>12,000</u>
Total audit fees	<u>13,000</u>	<u>12,000</u>
Fees payable to the company's auditor and its associates for other services to the Group		
Taxation compliance services	3,000	3,000
Other	-	-
Total non-audit fees	<u>3,000</u>	<u>3,000</u>

Fees payable to Baldwins for non-audit services are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

No services were provided pursuant to contingent fee arrangements in either period.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

6. Staff numbers and costs

The average monthly number of employees (including executive directors) was:

	2019 Number	2018 Number
Directors	3	3
Other	190	189
	<u>193</u>	<u>192</u>

Their aggregate remuneration comprised:

	£	£
Wages and salaries	3,452,811	3,394,496
Social security costs	381,536	376,280
Other pension costs	124,450	90,279
Directors' pension costs	36,299	39,259
	<u>3,995,096</u>	<u>3,900,314</u>

7. Directors' remuneration and transactions

	2019 £	2018 £
Directors' remuneration		
Emoluments	301,488	283,656
Company contributions to money purchase pension schemes	36,299	39,259
	<u>337,787</u>	<u>322,915</u>
	Number	Number
The number of directors who		
Are members of a money purchase pension scheme	3	3
	£	£
Remuneration of the highest paid director		
Emoluments	120,057	123,869

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The annual contributions payable is charged to the profit and loss account. Pension contributions of £20,314 were outstanding at the year-end (2018 - £14,271).

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

8. Tax on profit on ordinary activities

The tax charge comprises:

	2019 £	2018 £
Current tax on profit on ordinary activities		
UK corporation tax at 19% (2018 – 19%)	389,723	383,655
Adjustment in relation to prior years	-	-
Total current tax	389,723	383,655
Deferred tax		
Origination and reversal of timing differences	21,194	(3,873)
Adjustment in relation to prior years	-	-
Effect of change in tax rate on opening liability	-	-
Total deferred tax (see note 17)	21,194	(3,873)
Total tax on profit on ordinary activities	410,917	379,782

The standard rate of tax applied to reported profit on ordinary activities is 19 % (2018 – 19%). During the year beginning 1 January 2019, the net reversal of deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £21,194. This is due to the excess of taxation allowances over depreciation on fixed assets.

There is no expiry date on timing differences, unused tax losses or tax credits.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	£	£
Group profit on ordinary activities before tax	2,108,668	2,053,279
Tax on group profit on ordinary activities at standard UK corporation tax rate of 19% (2018 – 19%)	400,647	390,123
Effects of:		
- Impact of additional indexation	-	(19,159)
- Expenses not deductible for tax purposes	12,763	10,617
- Adjustment in respect of prior years	-	-
- Effect of change in tax rate	(2,493)	(1,799)
Group total tax charge for period	410,917	379,782

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

9. Dividends on equity shares

	2019	2018
	£	£
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2019 of £500,000 (2018 - £400,000) per ordinary share	<u>1,000,000</u>	<u>800,000</u>
The total amount of £1,000,000 (2018 - £800,000) was declared and paid during the year.		

10. Intangible fixed assets - Goodwill

Group

	£
Cost	
At 1 January 2019 and 31 December 2019	<u>75,000</u>
Amortisation	
At 1 January 2019	(49,002)
Charge for the year	<u>(8,648)</u>
At 31 December 2019	<u>(57,650)</u>
Net book value	
At 31 December 2019	<u>17,350</u>
At 31 December 2018	<u>25,998</u>

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

11. Tangible fixed assets

Group	Freehold land & buildings £	Leasehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2019	7,911,079	584,783	703,320	957,535	119,140	10,275,857
Additions	1,124,865	2,862	245,907	103,411	7,650	1,484,695
Transfers	266,578	(266,578)	-	-	-	-
Disposals	(33,629)	-	(29,188)	(76,737)	(23,848)	(163,402)
At 31 December 2019	9,268,893	321,067	920,039	984,209	102,942	11,597,150
Depreciation						
At 1 January 2019	291,595	310,265	510,021	682,295	51,278	1,845,454
Charge for the year	76,439	20,641	89,742	152,203	23,177	362,202
Transfers	79,974	(79,974)	-	-	-	-
Disposals	(1,681)	-	(27,487)	(71,141)	(20,220)	(120,529)
At 31 December 2019	446,327	250,932	572,276	763,357	54,235	2,087,127
Net book value						
At 31 December 2019	8,822,566	70,135	347,763	220,852	48,707	9,510,023
At 31 December 2018	7,619,484	274,518	193,299	275,240	67,862	8,430,403

Leased assets included above:

Net book value						
At 31 December 2019	-	-	-	53,900	-	53,900
At 31 December 2018	-	-	-	136,889	-	136,889

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

11. Tangible fixed assets (continued)

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

	2019 £	2018 £
Historical cost		
At beginning of financial year	5,818,409	5,705,145
At end of financial year	6,909,645	5,818,409
Depreciation		
At beginning of financial year	432,153	394,795
Charge for the year	62,809	37,358
Disposal	(3,392)	-
At end of financial year	491,570	432,153
Net historical cost value		
At end of financial year	6,418,075	5,386,256
At beginning of financial year	5,386,256	5,310,350

Company	Freehold land & buildings £	Leasehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2019	4,174,512	1,758,347	128,946	132,691	68,278	6,262,774
Additions	724,843	400,023	15,505	24,674	7,650	1,172,695
Disposals	-	(33,630)	(14,909)	(65,024)	(23,849)	(137,412)
At 31 December 2019	4,899,355	2,124,740	129,542	92,341	52,079	7,298,057
Depreciation						
At 1 January 2019	92,122	46,202	114,007	120,308	34,157	406,796
Charge for the year	28,138	11,550	6,823	11,518	13,378	71,407
Disposals	-	(1,681)	(13,208)	(65,025)	(20,220)	(100,134)
At 31 December 2019	120,260	56,071	107,622	66,801	27,315	378,069
Net book value						
At 31 December 2019	4,779,095	2,068,669	21,920	25,540	24,764	6,919,988
At 31 December 2018	4,082,390	1,712,145	14,939	12,383	34,121	5,855,978

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

12. Fixed asset investments

	Company	
	2019	2018
	£	£
Cost and net book value		
At 31 December 2019 and 31 December 2018	250,004	250,004

Investments

The parent company and the group have investments in the following subsidiary undertakings, associates and other significant investments.

	Country of Incorporation	Principal activity	Holding*	%
Subsidiary undertakings				
Bassets (Swansea) Ltd	UK	Dormant vehicle sales	Ordinary	100
FRF (South Wales) Ltd	UK	Vehicle sales	Ordinary	100
FRF (Accident Repair Centre) Ltd	UK	Vehicle repairs	Ordinary	100

Note: all of the above subsidiaries are directly owned. All of the above subsidiaries operate under the same address being: Toyota Dealership, Neath Road, Morriston, Swansea SA6 8HF.

13. Stocks

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
New and used vehicles	7,530,650	6,731,500	2,668,854	2,300,606
Consignment stock	3,965,372	3,829,512	3,299,580	3,067,121
Work in progress	37,714	17,774	-	-
Parts and other stocks	161,752	146,326	44,581	41,532
	<u>11,695,488</u>	<u>10,725,112</u>	<u>6,013,015</u>	<u>5,409,259</u>

Replacement value is not materially different from cost.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

14. Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,812,776	1,342,249	445,932	439,817
Amounts owed by group undertakings	-	-	74,472	76,219
Other debtors	697,292	358,037	294,006	188,269
Corporation tax	85	86	85	86
Prepayments and accrued income	312,896	294,539	69,955	66,549
Other taxation and social security	-	-	-	-
	<u>2,823,049</u>	<u>1,994,911</u>	<u>884,450</u>	<u>770,940</u>

15. Creditors – amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Overdraft	1,402,713	548,419	1,402,713	548,419
Obligations under finance leases and hire purchase contracts (see note 20)	34,636	82,986	-	-
Trade creditors	4,245,966	2,999,660	1,319,071	1,108,903
Consignment stock creditor	3,965,372	3,829,512	3,299,580	3,067,121
Amounts owed to group undertakings	-	-	1,200,772	468,187
Directors' loan accounts	458,268	35,889	458,268	35,889
Corporation tax	229,723	193,655	92,676	65,346
Other taxation and social security	356,060	283,940	39,659	61,548
Other creditors	961,045	762,634	1,611	9,615
Accruals and deferred income	497,375	413,986	143,728	147,631
	<u>12,151,158</u>	<u>9,150,681</u>	<u>7,958,078</u>	<u>5,512,659</u>

Barclays Bank plc holds a fixed and floating charge over the assets and undertakings of the group.

The directors' loan accounts relate to fees and dividends voted in previous years that have not been withdrawn.

The consignment stock creditor is payable within 90 days of receipt of a consignment vehicle, or on the sale of the vehicle if earlier.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

16. Creditors – amounts falling due after more than one year

	2019	2018
	£	£
Group		
Obligations under finance leases and hire purchase contracts	18,009	53,904

Creditor amounts falling due after more than one year are wholly in relation to a finance lease.

17. Provisions for liabilities

	Deferred Tax £
Group	
At 1 January 2019	609,390
Charged to profit and loss account	21,194
Adjustment in respect of previous period	
At 31 December 2019	<u>630,584</u>

	Deferred Tax £
Company	
At 1 January 2019	310,530
Charged to profit and loss account	(2,107)
Adjustment in respect of previous period	
At 31 December 2019	<u>308,423</u>

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

17. Provisions for liabilities (continued)

Deferred tax

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2019 £	2018 £
Short Term Timing Differences – trading	(3,453)	(2,426)
Excess of taxation allowances over depreciation on fixed assets	<u>634,037</u>	<u>611,816</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of:

	£	£
Short Term Timing Differences – trading	-	-
Excess of taxation allowances over depreciation on fixed assets	<u>308,423</u>	<u>310,530</u>

Deferred tax assets and liabilities are offset only where the company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the company.

18. Called-up share capital and reserves

	2019 £	2018 £
Allotted, called-up and fully-paid		
2 'A' ordinary shares of £1	2	2
2 'B' ordinary shares of £1	<u>2</u>	<u>2</u>
	<u>4</u>	<u>4</u>

Both classes of share rank *pari passu* for rights to return of capital, income and voting. The articles provide for independent dividend rights.

The Group and Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

The revaluation reserve represents the cumulative effect of revaluations of freehold land and buildings.

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

19. Cash flow statement

Reconciliation of operating profit to cash generated by operations:

	2019 £	2018 £
Operating profit	2,108,668	2,053,279
Adjustment for:		
(Profit)/Loss on disposal of fixed assets	28,155	(2,458)
Depreciation and amortisation	370,851	333,808
Interest received	(9,322)	(5,522)
Finance costs	3,488	11,457
Operating cash flow before movement in working capital	2,501,840	2,390,564
Increase in stocks	(970,376)	(1,016,162)
Increase in debtors	(828,139)	910,614
Increase in provisions	21,194	(3,873)
Increase in creditors	1,783,615	1,601,116
Cash generated by operations	2,508,134	3,882,259

20. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 Fixtures, fittings & equipment £	2018 Fixtures, fittings & equipment £
Group		
- within one year	34,636	82,986
- between one and five years	18,009	53,904
- after five years	-	-
	52,645	136,890

F.R.F. South Wales (Holdings) Limited

Notes to the financial statements

For the year ended 31 December 2019

21. Related party transactions

Directors' transactions

The company has taken advantage of the exemption granted within Financial Reporting Standard 102 Section 33 ("Related party disclosures") which does not require disclosure of transactions between a subsidiary undertaking and other group undertakings, as 100% of the company's voting rights are controlled within the group and the consolidated financial statements of the ultimate parent company are publicly available.

The company has made full provision for the balance owed by Arthur Bassett & Co Limited of £ 250,000 (2018 - £250,000). Arthur Bassett & Co Limited is a company in which Mr H Francis is a director. Mr H Francis is the brother of Mr G J Francis, who was previously a director of F.R.F. South Wales (Holdings) Limited, the parent company of F.R.F. (Accident Repair Centre) Limited.

Rent was paid in the year of £ 60,000 (2018 - £60,000) to Mrs E Radcliffe, the wife of Mr J S Radcliffe who is a director of the company. There was no liability (2018 - £nil) in relation to rent due on the Toyota Swansea site at the year-end. Rent was paid in the year of £ 20,000 (2018 - £40,000) to Mr J S Radcliffe. The company purchased the property leased from Mr J S Radcliffe on 26/07/19.

The following transactions were undertaken with directors in the year:

	Interest Rate %	At 1 Jan 2019 £	Amount advanced £	Amount repaid £	At 31 Dec 2019 £	Max outstanding during the year £
Director 1	2.5	(35,889)	1,286,165	(1,708,545)	(458,269)	980,155
Director 2	nil	nil	51,556	nil	51,556	51,556
Director 3	nil	nil	51,556	nil	51,556	51,556

The overdrawn director loan accounts are included within other debtors. The loans are secured and repayable on 1 September 2020.

There are no other transactions requiring disclosure under Financial Reporting Standard 102 Section 33 in the current or prior financial year.

22. Controlling party

The company is owned by J S Radcliffe, who is considered to be the ultimate controlling party.