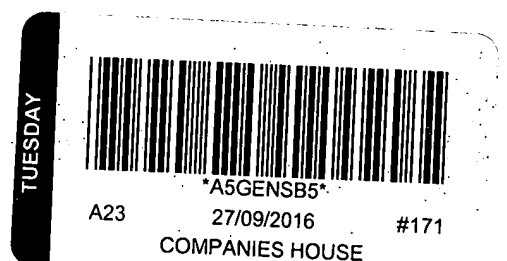


Registered number: 2762560

CICELEY COMMERCIALS LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

PM+M Solutions for Business LLP
Chartered Accountants
Statutory Auditors
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB



CICELEY COMMERCIALS LIMITED

COMPANY INFORMATION

Directors	B Morgan C Briggs R Morgan S D Wilson M A W Lewis
Company secretary	R Morgan
Registered number	2762560
Registered office	Cicely Lane Blackburn Lancashire BB1 1HQ
Independent auditors	PM+M Solutions for Business LLP Chartered Accountants & Statutory Auditors Greenbank Technology Park Challenge Way Blackburn Lancashire BB1 5QB
Bankers	HSBC Bank Plc 60 Church Street Blackburn Lancashire BB1 5AS

CICELEY COMMERCIALS LIMITED

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CICELEY COMMERCIALS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Business review

The Directors are pleased with the results for 2015.

The Company has maintained its high standards throughout 2015 which had resulted in it being awarded with the prestigious Mercedes Benz award for 'Van Dealer of the Year' 2015. This performance has been maintained following the success of also winning the award for 'Commercial Vehicle Dealer of the Year' in 2014, 2013 and 2010 along with the prestigious Motor Transport Dealer of the Year award for 2010. The Company was the second most profitable Mercedes-Benz Commercial Vehicle Dealer in 2015 with strong performance across all Truck and Van departments.

Ciceley has continued to invest in its staff and facilities and is proud to have retained the VanPro Dealer status. In addition to the £300k spent in 2014, in the region of a further £300k was invested in 2015 on improvements to showrooms, service receptions, and IT across all four dealerships, all aimed at improving the customer experience.

Turnover had increased by 36% in 2014 and was maintained in 2015 at £106 million, whilst gross profit increased by 6% to £11.4 million. This is partly a reflection of changes in the mix of turnover with after sales turnover in 2015 increasing to 18.5% of total turnover from 17.8% in 2014. New truck registrations in 2015 increased by 10% resulting in Ciceley exceeding targets set by Mercedes-Benz. Although turnover remained static, NPBT increased to 1.99% in 2015 from 1.90% in 2014 indicating that budgeting and cost control has also been effectively managed.

The Company has a strong balance sheet. The current ratio has improved in 2015 to 1.43 from 1.30 in 2014. Trade debtor days has improved from a strong 21.2 days in 2014 to 19.7 days in 2015, whilst stock turnover improved from 6.39 in 2014 to 7.75 in 2015.

Going Concern Disclosure

The company has sufficient financial resources and has no current requirement for borrowing facilities due to its good liquidity position. As well as selling and maintaining a high quality, desirable product in respect of Mercedes Benz Commercial Vehicles, there is an excellent working relationship with Mercedes Benz. As a consequence, the directors believe that the company is well placed to manage the business risks under an improving economic climate.

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

CICELEY COMMERCIALS LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Principal risks and uncertainties

Interest rate risk

The Group does not make use of overdraft facilities and uses instant access deposit accounts to service short term cash flow requirements. There is no risk from borrowings that are affected by changes to interest rates..

Liquidity risk

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

Credit risk

The principal credit risk of the Group arises from its trade debtors. In order to manage this credit risk the management set *credit limits for customers based on a combination of third party credit references and payment history*. These credit limits are reviewed monthly by the Directors along with aged debt.

Future Developments

The Group is in a strong position financially and is capable of funding any acquisitions or growth developments should the opportunities arise.

This report was approved by the board on 20 September 2016 and signed on its behalf.

**R Morgan
Director**



**CICELEY COMMERCIALS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company financial statements and then apply them consistently;
- make judgments 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,697,112 (2014 - £1,598,098).

Directors

The directors who served during the year were:

B Morgan
C Briggs
R Morgan
S D Wilson
M A W Lewis

**CICELEY COMMERCIALS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

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

Auditors

The auditors, PM+M Solutions for Business LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 September 2016 and signed on its behalf.



R Morgan
Director

CICELEY COMMERCIALS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CICELEY COMMERCIALS LIMITED

We have audited the financial statements of Ciceley Commercials Limited for the year ended 31 December 2015, set out on pages 9 to 25. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors' 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

CICELEY COMMERCIALS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CICELEY COMMERCIALS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Nigel Wright (Senior statutory auditor)

for and on behalf of
PM+M Solutions for Business LLP

Chartered Accountants
Statutory Auditors

Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

20 September 2016

CICELEY COMMERCIALS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Turnover	3	106,357,536	106,754,262
Cost of sales		(94,949,992)	(96,004,211)
Gross profit		11,407,544	10,750,051
Distribution costs		(6,390,768)	(6,066,310)
Administrative expenses		(2,920,654)	(2,667,905)
Operating profit	4	2,096,122	2,015,836
Interest receivable and similar income	8	115,122	74,122
Interest payable and expenses	9	(92,727)	(60,562)
Profit before tax		2,118,517	2,029,396
Tax on profit	10	(421,405)	(431,298)
Profit after tax		1,697,112	1,598,098
Retained earnings at the beginning of the year		6,457,578	4,859,480
Profit for the year		1,697,112	1,598,098
Dividends declared and paid		(1,500,000)	-
Retained earnings at the end of the year		6,654,690	6,457,578

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

CICELEY COMMERCIALS LIMITED
REGISTERED NUMBER:2762560

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible assets	11	33,750	45,000
Tangible assets	12	927,454	822,907
		<u>961,204</u>	<u>867,907</u>
Current assets			
Stocks	13	12,246,898	15,025,519
Debtors: amounts falling due within one year	14	7,680,314	7,670,718
Cash at bank and in hand	15	6,546	2,844,951
		<u>19,933,758</u>	<u>25,541,188</u>
Creditors: amounts falling due within one year	16	(13,907,469)	(19,662,860)
Net current assets		<u>6,026,289</u>	<u>5,878,328</u>
Total assets less current liabilities		<u>6,987,493</u>	<u>6,746,235</u>
Provisions for liabilities			
Deferred tax	18	(82,803)	(38,657)
		<u>(82,803)</u>	<u>(38,657)</u>
Net assets		<u><u>6,904,690</u></u>	<u><u>6,707,578</u></u>
Capital and reserves			
Called up share capital	19	250,000	250,000
Profit and loss account		6,654,690	6,457,578
		<u><u>6,904,690</u></u>	<u><u>6,707,578</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2016

R Morgan
 Director

The notes on pages 11 to 25 form part of these financial statements.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Ciceley Limited as at 31 December 2015 and these financial statements may be obtained from Cicely Lane, Blackburn, Lancashire, BB1 1HQ.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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

Depreciation is provided on the following basis:

Plant & machinery	- 15% - 20% straight line
Motor vehicles	- 25% straight line
Fixtures & fittings	- 15% straight line
Computer equipment	- 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Income and Retained Earnings.

1.6 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.7 Stocks

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

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

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

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

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.12 Finance costs

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

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.14 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

1.15 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

1.16 Provisions for liabilities

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

Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, which are described above, management has made some judgments that have an effect on the amounts recognised in the financial statements. These also include assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date. The main areas of judgement are in relation to stock and debtor provisions, and useful economic lives of the company's fixed assets.

3. Analysis of turnover

	2015 £	2014 £
Motor vehicle dealership	106,357,536	106,754,262
	<u>106,357,536</u>	<u>106,754,262</u>

All turnover arose within the United Kingdom.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

4. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	322,825	269,824
Amortisation of intangible assets, including goodwill	11,250	11,250
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	8,750	8,750
Defined contribution pension cost	229,889	134,779
	<u>229,889</u>	<u>134,779</u>

5. Auditors' remuneration

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	8,750	8,750
Fees payable to the Company's auditor and its associates in respect of all other services	1,901	1,701
	<u>10,651</u>	<u>10,451</u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	6,385,843	6,187,913
Social security costs	657,957	628,236
Cost of defined contribution scheme	229,889	134,779
	<u>7,273,689</u>	<u>6,950,928</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Administration	32	31
Selling	105	104
Technicians, partsmen and vehicle preparation	62	64
	<u>199</u>	<u>199</u>

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

7. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	509,093	515,187
Company contributions to defined contribution pension schemes	138,989	48,448
	<u>648,082</u>	<u>563,635</u>

During the year retirement benefits were accruing to 3 directors (2014 -3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £173,764 (2014 -£174,392).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,287 (2014 -£4,135).

8. Interest receivable

	2015 £	2014 £
Other interest receivable	115,122	74,122
	<u>115,122</u>	<u>74,122</u>

9. Interest payable and similar charges

	2015 £	2014 £
Bank interest payable	90,213	51,650
Finance leases and hire purchase contracts	2,514	8,912
	<u>92,727</u>	<u>60,562</u>

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

10. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	377,259	364,902
	<u>377,259</u>	<u>364,902</u>
Origination and reversal of timing differences	50,578	65,165
Changes to tax rates	(3,580)	-
Adjustments in respect of prior periods	(2,852)	1,231
	<u>44,146</u>	<u>66,396</u>
Taxation on profit on ordinary activities	<u>421,405</u>	<u>431,298</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 -*lower than*) the standard rate of corporation tax in the UK of 20.25% (2014 -21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	2,118,517	2,029,396
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.49%)	429,000	436,117
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,097	2,125
Adjustments to tax charge in respect of prior periods	(2,852)	-
Short term timing difference leading to an increase (decrease) in taxation	2,126	985
Other timing differences leading to an increase (decrease) in taxation	(9,966)	862
Other differences leading to an increase (decrease) in the tax charge	-	46
Group relief	-	(8,837)
Total tax charge for the year	<u>421,405</u>	<u>431,298</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

CICELEY COMMERCIALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

11. Intangible assets

	Goodwill £
Cost	
At 1 January 2015	225,000
At 31 December 2015	225,000
Amortisation	
At 1 January 2015	180,000
Charge for the year	11,250
At 31 December 2015	191,250
Net book value	
At 31 December 2015	33,750
<i>At 31 December 2014</i>	<i>45,000</i>

12. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2015	1,277,975	880,189	613,994	590,206	3,362,364
Additions	180,528	318,173	105,959	60,947	665,607
Disposals	-	(426,975)	-	(16,156)	(443,131)
At 31 December 2015	1,458,503	771,387	719,953	634,997	3,584,840
Depreciation					
At 1 January 2015	1,181,545	432,622	464,647	460,643	2,539,457
Charge owned for the period	66,170	157,062	38,678	60,915	322,825
Disposals	-	(204,896)	-	-	(204,896)
At 31 December 2015	1,247,715	384,788	503,325	521,558	2,657,386
At 31 December 2015	210,788	386,599	216,628	113,439	927,454
<i>At 31 December 2014</i>	<i>96,430</i>	<i>447,567</i>	<i>149,347</i>	<i>129,563</i>	<i>822,907</i>

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NOTES TO THE FINANCIAL STATEMENTS
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13. Stocks

	2015 £	2014 £
Spare parts and accessories	1,685,898	1,490,005
New and used vehicles	10,331,118	13,407,945
Work in progress	229,882	127,569
	<u>12,246,898</u>	<u>15,025,519</u>

Stock recognised in cost of sales during the year as an expense was £94,949,992 (2014 - £96,004,211).

Impairment losses recognised in cost of sales against stock during the year due to slow-moving and obsolete stock were not material.

New and used vehicle stocks include new vehicles which are held on a consignment basis amounting to £4,205,144 (2014 - £7,916,766).

CICELEY COMMERCIALS LIMITED
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14. Debtors

	2015 £	2014 £
Trade debtors	5,754,373	6,211,365
Amounts owed by group undertakings	12,271	112,927
Other debtors	1,401,728	1,032,092
Prepayments and accrued income	511,942	314,334
	<u>7,680,314</u>	<u>7,670,718</u>

The amounts owed by group undertakings are not subject to any formal agreement.

15. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	6,546	2,844,951
Less: bank overdrafts	(234,919)	-
	<u>(228,373)</u>	<u>2,844,951</u>

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16. Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank overdrafts	234,919	-
Trade creditors	8,687,066	12,657,442
Amounts owed to group undertakings	92,237	27,013
Corporation tax	187,266	238,469
Taxation and social security	1,196,905	1,820,692
Obligations under finance lease and hire purchase contracts	536,693	772,402
Other creditors	97,206	76,406
Accruals and deferred income	2,875,177	4,070,436
	<u>13,907,469</u>	<u>19,662,860</u>

The company's banking facility is secured by a first legal charge over all book and other debts and a first floating charge over all other assets of the company. There is also an unlimited guarantee provided by other group companies.

Finance leases and hire purchase creditors are secured on the assets concerned.

The amounts owed to group undertakings are not subject to any formal agreement.

17. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	7,168,372	7,356,384
	<u>7,168,372</u>	<u>7,356,384</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(11,986,605)	(16,831,297)
	<u>(11,986,605)</u>	<u>(16,831,297)</u>

Financial assets measured at amortised cost are included within note 14 excluding prepayments and accrued income.

Financial Liabilities measured at amortised cost are included within note 16 and exclude taxation, social security and obligations under finance lease and hire purchase contracts.

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18. Deferred taxation

	Deferred tax £
At 1 January 2015	(38,657)
Charged to the profit or loss	(44,146)
At 31 December 2015	(82,803)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(86,514)	(42,780)
Short term timing differences	3,711	4,123
	(82,803)	(38,657)

19. Share capital

	2015 £	2014 £
Authorised, allotted, called up and fully paid		
250,000 Ordinary shares of £1 each	250,000	250,000

20. Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund.

Contributions made by the company to the scheme during the year amounted to £229,889 (2014 - £134,779). At 31 December 2015, £20,213 (2014 - £20,615) of contributions were due to the scheme.

21. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	As restated 2014 £
Not later than 1 year	215,502	154,010
Later than 1 year and not later than 5 years	295,486	365,816
	510,988	519,826

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22. Related party transactions

There have been various transactions throughout the year with other group companies. However, as the company is included in the consolidated financial statements and these are publicly available, the company has taken advantage of the exemption allowed by the FRS 102 reduced disclosure framework.

23. Ultimate parent company and controlling party

The parent undertaking of the largest and smallest group for which consolidated financial statements are prepared is Ciceley Limited. Consolidated financial statements are available from Companies House, Cardiff, CF14 3UZ. In the opinion of the directors this is the company's ultimate parent company.

Ciceley Limited is ultimately controlled by Mr B Morgan and his family.

24. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.