

COMPANY REGISTRATION NUMBER: 03008553

ALM GARAGES LIMITED
FILLETED FINANCIAL STATEMENTS
31 DECEMBER 2017

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ALM GARAGES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

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ALM GARAGES LIMITED

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	1,655,731	1,233,317
Current assets			
Stocks		1,296,648	1,406,366
Debtors	6	148,735	863,138
Cash at bank and in hand		–	1,191
		<u>1,445,383</u>	<u>2,270,695</u>
Creditors: amounts falling due within one year	7	<u>2,382,029</u>	<u>2,787,679</u>
Net current liabilities		<u>936,646</u>	<u>516,984</u>
Total assets less current liabilities		<u>719,085</u>	<u>716,333</u>
Creditors: amounts falling due after more than one year	8	<u>–</u>	<u>248,171</u>
Net assets		<u><u>719,085</u></u>	<u><u>468,162</u></u>
Capital and reserves			
Called up share capital		100,000	100,000
Share premium account		100,000	100,000
Revaluation reserve		1,184,329	764,401
Profit and loss account		<u>(665,244)</u>	<u>(496,239)</u>
Shareholders funds		<u><u>719,085</u></u>	<u><u>468,162</u></u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

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

The statement of financial position
continues on the following page.

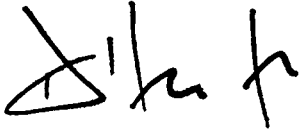
The notes on pages 3 to 10 form part of these financial statements.

ALM GARAGES LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 DECEMBER 2017

These financial statements were approved by the board of directors and authorised for issue on 26 September 2018, and are signed on behalf of the board by:



D A Holdcroft
Director

Company registration number: 03008553

The notes on pages 3 to 10 form part of these financial statements.

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

1. General information

The company is a private company limited by shares and is incorporated in England and Wales. The address of the registered office is Westminster House, 10 Westminster Road, Macclesfield, Cheshire, SK10 1BX. The principal activity of the company continued to be that of motor vehicle sales, motor vehicle servicing, motor vehicle repairs and motor vehicle parts sales.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will continue to trade for the foreseeable future, and continue to receive the support from the company directors.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The year end carrying value of stock at the year end is reviewed in accordance with their expected selling value at the year end. Demonstrator models generally are written down by 2% each month unless use would require a more appropriate percentage. Used cars are reviewed against CAP (current auction price) values to ensure their carrying values are reliable.

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as described below.

As described in the accounting policies of the financial statements, depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidence by disposals during current and prior accounting periods.

Revenue recognition

Turnover represents the total invoice value, excluding value added tax, of sales made during the year, together with commissions and bonuses received as a direct consequence of the invoiced amounts.

Revenue is recognised in the period in which the work is completed.

Corporation tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Long leasehold property	-	Previously depreciated at varying rates on cost, now held at valuation.
Plant and machinery	-	10% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stock is valued at the lower of cost and net realisable value.

In arriving at cost, the cost incurred in bringing each product to its present location and condition is incorporated. Net realisable value is, wherever possible, based on actual selling price, otherwise it is estimated less further costs expected to be incurred.

Employee benefits

The company provides a range of benefits to employees.

Short term benefits, including holiday pay, are recognised as an expense in the profit and loss account in the period in which they are incurred.

The company operates a defined contribution plan for its employees. Amounts in respect of defined contribution plans are recognised as an expense in the profit and loss account when they are due.

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

4. Employee numbers

The average number of persons employed by the company during the year amounted to 21 (2016: 27).

5. Tangible assets

	Long leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2017	1,203,469	467,112	1,670,581
Additions	–	43,387	43,387
Disposals	–	(298,039)	(298,039)
Revaluations	346,531	–	346,531
At 31 December 2017	<u>1,550,000</u>	<u>212,460</u>	<u>1,762,460</u>
Depreciation			
At 1 January 2017	73,397	363,867	437,264
Charge for the year	–	15,774	15,774
Disposals	–	(272,912)	(272,912)
Revaluations	(73,397)	–	(73,397)
At 31 December 2017	<u>–</u>	<u>106,729</u>	<u>106,729</u>
Carrying amount			
At 31 December 2017	<u>1,550,000</u>	<u>105,731</u>	<u>1,655,731</u>
At 31 December 2016	<u>1,130,072</u>	<u>103,245</u>	<u>1,233,317</u>

Tangible assets held at valuation

The freehold land and buildings were revalued on an open market basis on 8th December 2017 by Knight Frank LLP, a firm of independent chartered surveyors. In the opinion of the director's this is deemed to be a fair representation of the fair value of the property at 31 December 2017.

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

5. Tangible assets *(continued)*

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Long leasehold property £
At 31 December 2017	
Aggregate cost	590,088
Aggregate depreciation	(212,669)
Carrying value	<u>377,419</u>
At 31 December 2016	
Aggregate cost	590,088
Aggregate depreciation	(203,237)
Carrying value	<u>386,851</u>

6. Debtors

	2017 £	2016 £
Trade debtors	92,729	565,308
Amounts owed by group undertakings and undertakings in which the company has a participating interest	9,760	–
Other debtors	46,246	297,830
	<u>148,735</u>	<u>863,138</u>

Amounts owed by Group undertakings are unsecured, interest free, and are repayable on demand.

Included within other debtors is £nil (2016: £145,338) relating to directors' loan accounts.

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	–	325,317
Trade creditors	1,383,587	2,194,774
Amounts owed to group undertakings and undertakings in which the company has a participating interest	944,570	–
Social security and other taxes	29	83,476
Other creditors	53,843	184,112
	<u>2,382,029</u>	<u>2,787,679</u>

ALM GARAGES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

7. Creditors: amounts falling due within one year *(continued)*

The bank facilities are secured by way of a fixed charge dated 27 April 2018 over the leasehold land and property.

The company is part of a composite accounting agreement dated 20 November 2013 with each participating company providing a guarantee to the bank. Unlimited guarantee is provided by Hanley Realisations Limited, Holdcroft Honda Limited, Holdcroft Hyundai Limited, Holdcroft Nissan Limited, Holdcroft North Staffs Limited, Holdcroft Properties Limited, Holdcroft Renault Limited, HP2011 Limited, Stuart Graham Limited, T. G. Holdcroft (Holdings) Limited, T G Holdcroft (Motors) Limited, T G Holdcroft (Newcastle) Limited and TMK Finance Limited.

Amounts owed to Group undertakings are unsecured, interest free, and are repayable on demand.

8. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	–	248,171

The bank loans and overdrafts of £nil (2016: £248,171) are secured by way of a fixed charge over all present freehold and leasehold property and a floating charge over all other assets.

9. Capital commitments

There were none, either contracted, or authorised but not contacted.

10. Going concern

The company directors are also the directors of the parent and ultimate parent companies. The directors' have reviewed the company's trading and cashflow position and have provided assurances that the group will continue to provide support to the company in order that it may continue its activities, as hitherto. Consequently the director's are of the opinion that the financial statements should be prepared on a going concern basis.

11. Events after the end of the reporting period

There were no material events after the end of the reporting period up to 26 September 2018, being the date of approval of the financial statements by the Board.

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NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

12. Summary audit opinion

The auditors report for the year ended 31 December 2017 was qualified.

Basis for disclaimer of opinion

Not all accounting records for the period from 1 January 2017 to 31 May 2017, the point at which the company changed ownership, have been obtained due to inability to access transactional details from the previous accounting system.

We were unable to obtain sufficient and appropriate audit evidence regarding the allocation and classification of income and costs in the statement of comprehensive income. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the allocation and classification of income and costs in the statement of comprehensive income for this period. We were unable to satisfy ourselves by alternative means concerning the allocation and classification of income and costs in the statement of comprehensive income for the period to 31 May 2017.

We are satisfied that the inability to audit the transactions is limited to the 5 month period of 1 January 2017 to 31 May 2017.

The audit report was signed by the senior statutory auditor on 26 September 2018.

The senior statutory auditor was Simon Owen, for and on behalf of DPC Accountants Limited, Chartered Accountants and Statutory Auditors, Vernon Road, Stoke on Trent, ST4 2QY.

13. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A J Merifield	<u>145,338</u>	<u>-</u>	<u>(145,338)</u>	<u>-</u>

	2016			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
A J Merifield	<u>-</u>	<u>145,338</u>	<u>-</u>	<u>145,338</u>

The above director had an interest free loan during the year with no fixed repayment term.

14. Related party transactions

The company has taken advantage of the exemption from the disclosures required by paragraph 33.1A of Financial Reporting Standard 102 regarding transactions between fellow group companies as the subsidiary is a wholly owned member, and group financial statements in which this subsidiary is included are publicly available.

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NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

15. Controlling party

The company regards Holdcroft Hyundai Limited, a company registered in England and Wales, as its immediate parent undertaking.

The company regards T. G. Holdcroft (Holdings) Limited, a company registered in England and Wales, as its ultimate parent undertaking. The consolidated financial statements can be obtained from www.beta.companieshouse.gov.uk.