

Abbot Commercials Ltd
Unaudited Abridged Financial Statements
31 March 2017



BEST ACCOUNTANCY SERVICES (NEWTON ABBOT) LIMITED

Association of Accounting Technicians

Ground Floor
9 Market Street
Newton Abbot
Devon
England
TQ12 2RJ

Statement of Consent to Prepare Abridged Financial Statements

All of the members of Abbot Commercial Ltd have consented to the preparation of the abridged statement of comprehensive income and the abridged statement of financial position for the year ending 31 March 2017 in accordance with Section 444(2A) of the Companies Act 2006.

Abbot Commercials Ltd
Abridged Financial Statements
Year ended 31 March 2017

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Abbot Commercials Ltd

Officers and Professional Advisers

Director	Mr M J Hoare
Company secretary	Mr M J Hoare
Registered office	Brunel Road Newton Abbot Devon TQ12 4PB
Accountants	Best Accountancy Services (Newton Abbot) Limited Association of Accounting Technicians Ground Floor 9 Market Street Newton Abbot Devon England TQ12 2RJ
Bankers	National Westminster Bank PLC 48 Courtenay Street Newton Abbot Devon TQ12 2EE

Abbot Commercial Ltd

Director's Report

Year ended 31 March 2017

The director presents his report and the unaudited abridged financial statements of the company for the year ended 31 March 2017.

Director

The director who served the company during the year was as follows:

Mr M J Hoare

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 3 November 2017 and signed on behalf of the board by:

Mr M J Hoare
Director



Registered office:
Brunel Road
Newton Abbot
Devon
TQ12 4PB

Mr M J Hoare
Company Secretary



Abbot Commercials Ltd
Abridged Statement of Comprehensive Income
Year ended 31 March 2017

	Note	2017 £	2016 £
Gross profit		451,134	356,137
Administrative expenses		<u>265,476</u>	<u>263,440</u>
Operating profit		185,658	92,697
Other interest receivable and similar income		<u>8,342</u>	8,433
Interest payable and similar expenses		<u>196</u>	<u>283</u>
Profit before taxation	5	193,804	100,847
Tax on profit		<u>39,961</u>	<u>28,532</u>
Profit for the financial year and total comprehensive income		<u>153,843</u>	<u>72,315</u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 7 to 12 form part of these abridged financial statements.

Abbot Commercials Ltd
Abridged Statement of Financial Position
31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	6	26,500	32,500
Tangible assets	7	<u>293,087</u>	<u>265,129</u>
		319,587	297,629
Current assets			
Stocks		439,123	339,513
Debtors		262,131	326,295
Cash at bank and in hand		<u>346,275</u>	<u>264,622</u>
		1,047,529	930,430
Creditors: amounts falling due within one year		<u>203,147</u>	<u>140,694</u>
Net current assets		844,382	789,736
Total assets less current liabilities		1,163,969	1,087,365
Creditors: amounts falling due after more than one year		750	—
Provisions			
Taxation including deferred tax		<u>58,617</u>	<u>53,026</u>
Net assets		<u>1,104,602</u>	<u>1,034,339</u>

The abridged statement of financial position
continues on the following page.

The notes on pages 7 to 12 form part of these abridged financial statements.

Abbot Commercials Ltd

Abridged Statement of Financial Position *(continued)*

31 March 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		77	77
Other reserves		50	50
Profit and loss account		<u>1,104,475</u>	<u>1,034,212</u>
Members funds		<u>1,104,602</u>	<u>1,034,339</u>

These abridged financial statements have been prepared 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'.


For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements.

These abridged financial statements were approved by the board of directors and authorised for issue on 3 November 2017, and are signed on behalf of the board by:

Mr M J Hoare
Director



Company registration number: 04121636

The notes on pages 7 to 12 form part of these abridged financial statements.

Abbot Commercial Ltd
Statement of Changes in Equity
Year ended 31 March 2017

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2015	76	50	1,029,480	1,029,606
Profit for the year	—	—	72,315	72,315
Total comprehensive income for the year	—	—	72,315	72,315
Issue of shares	1	—	—	1
Dividends paid and payable	—	—	(67,583)	(67,583)
Total investments by and distributions to owners	1	—	(67,583)	(67,582)
At 31 March 2016	77	50	1,034,212	1,034,339
Profit for the year	—	—	153,843	153,843
Total comprehensive income for the year	—	—	153,843	153,843
Dividends paid and payable	—	—	(83,580)	(83,580)
Total investments by and distributions to owners	—	—	(83,580)	(83,580)
At 31 March 2017	<u>77</u>	<u>50</u>	<u>1,104,475</u>	<u>1,104,602</u>

The notes on pages 7 to 12 form part of these abridged financial statements.

Abbot Commercial Ltd

Notes to the Abridged Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Brunel Road, Newton Abbot, TQ12 4PB, Devon.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income 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.

Abbot Commercials Ltd

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Income tax *(continued)*

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.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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.

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.

Abbot Commercials Ltd

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

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:

Fixtures and fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 20% 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.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the abridged statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the abridged statement of financial position and the amount of the provision as an expense.

Abbot Commercial Ltd

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to 15 (2016: 15).

5. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Amortisation of intangible assets	6,000	6,000
Depreciation of tangible assets	<u>97,559</u>	<u>87,534</u>

6. Intangible assets

	£
Cost	
At 1 April 2016 and 31 March 2017	<u>120,000</u>
Amortisation	
At 1 April 2016	87,500
Charge for the year	<u>6,000</u>
At 31 March 2017	<u>93,500</u>
Carrying amount	
At 31 March 2017	<u>26,500</u>
At 31 March 2016	<u>32,500</u>

Abbot Commercial Ltd

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

7. Tangible assets

	£
Cost	
At 1 April 2016	547,104
Additions	150,006
Disposals	(68,061)
At 31 March 2017	629,049
Depreciation	
At 1 April 2016	281,975
Charge for the year	97,559
Disposals	(43,572)
At 31 March 2017	335,962
Carrying amount	
At 31 March 2017	293,087
At 31 March 2016	265,129

8. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017 £	2016 £
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss	<u>1,367,116</u>	<u>1,228,059</u>
Financial liabilities measured at fair value through profit or loss		
Financial liabilities measured at fair value through profit or loss	<u>203,897</u>	<u>140,694</u>

9. Director's advances, credits and guarantees

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

	2017			
	Balance brought forward £	Advances/ (credits) to the director £	Amounts repaid £	Balance outstanding £
Mr M J Hoare	<u>25,253</u>	<u>60,223</u>	<u>(2,060)</u>	<u>83,416</u>
	2016			
	Balance brought forward £	Advances/ (credits) to the director £	Amounts repaid £	Balance outstanding £
Mr M J Hoare	<u>25,430</u>	<u>150,000</u>	<u>(150,178)</u>	<u>25,252</u>

Abbot Commercials Ltd

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 March 2017

10. Related party transactions

1) The company was under the control of Mr M J Hoare throughout the current and previous year. Mr M J Hoare is the managing director and majority shareholder.

2) The company occupies premises owned jointly by the director Mr M J Hoare and his father Mr J S Hoare. The rent payable, considered to be full market value, is £24,999.

3) An amount of £206,743 is loaned to Effaux Securities Limited, a company jointly owned by Mr M J Hoare and Mr J S Hoare. The loan is repayable on demand and interest is charged at the Government's commercial rate on the loan anniversary.

4) During the year the company made sales of commercial vehicles, parts and MOT's to Pottery Commercials Ltd, a company owned by the directors brother Mr T Hoare, to the value of £4,230, inclusive of VAT. At the year end the amount due from Pottery Commercials Ltd was £nil. All transactions during the year were considered to be at market value.

During the year the company purchased commercial vehicles from Pottery Commercials Ltd, a company owned by the directors brother Mr T Hoare, to the value of £7,059, inclusive of VAT. At the year end the amount due to Pottery Commercials Ltd was £nil. All transactions during the year were considered to be at market value.

5) There were dividends voted during the year to: -

Mr M Hoare (director)	£5,000 - 50 A Shares
Mrs E Hoare (wife of Mr M J Hoare)	£39,940 - 25 B Shares
Miss V Hoare (daughter of Mr M J Hoare)	£38,640 - 1 C Share

11. Transition to FRS 102

These are the first abridged financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Abbot Commercials Ltd
Management Information
Year ended 31 March 2017

The following pages do not form part of the abridged financial statements.

Abbot Commercial Ltd

Association of Accounting Technicians Report to the Director on the Preparation of the Unaudited Statutory Abridged Financial Statements of Abbot Commercial Ltd

Year ended 31 March 2017

As described on the abridged statement of financial position, the director of the company is responsible for the preparation of the abridged financial statements for the year ended 31 March 2017, which comprise the abridged statement of comprehensive income, abridged statement of financial position, statement of changes in equity and the related notes.

You consider that the company is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these abridged financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

BEST ACCOUNTANCY SERVICES (NEWTON ABBOT) LIMITED
Association of Accounting Technicians

Ground Floor
9 Market Street
Newton Abbot
Devon
England
TQ12 2RJ

3 November 2017

Abbot Commercials Ltd
Detailed Abridged Income Statement
Year ended 31 March 2017

	2017 £	2016 £
Turnover		
Vehicle sales	2,590,085	2,237,512
Contract hire	171,927	162,784
Labour	137,504	122,361
MOT	35,450	33,527
Repairs and servicing	312,303	293,640
Road tax	41,516	36,393
Commission	25,715	25,339
	<u>3,314,500</u>	<u>2,911,556</u>
Cost of sales		
Opening stock - raw materials	339,513	459,610
Vehicle purchases	1,933,244	1,737,533
Servicing and repairs	75,826	62,648
Parts and spares	558,541	271,021
Road tax, insurance and MOT	59,355	52,282
Auction fees	49,678	42,452
Wages and salaries	217,631	201,773
Sales and management wages	45,698	45,872
Employers NIC on wages and salaries	17,816	16,531
Employers NIC on sales and management wages	5,187	5,210
	<u>3,302,489</u>	<u>2,894,932</u>
Closing stock - resale	439,123	339,513
	<u>2,863,366</u>	<u>2,555,419</u>
Gross profit	451,134	356,137
Overheads		
Administrative expenses	265,476	263,440
Operating profit	185,658	92,697
Other interest receivable and similar income	8,342	8,433
Interest payable and similar expenses	196	283
Profit before taxation	<u>193,804</u>	<u>100,847</u>

Abbot Commercials Ltd

Notes to the Detailed Abridged Income Statement

Year ended 31 March 2017

	2017 £	2016 £
Administrative expenses		
Directors salaries	8,064	7,802
Wages and salaries	25,365	28,289
Employers NIC contributions	297	582
Staff pension contributions - defined contribution	375	-
Rent	24,999	24,999
Rates	21,531	19,953
Light and heat	5,126	5,461
Insurance	-	473
Repairs and maintenance	(1,209)	(1,665)
Other establishment expenses	2,190	2,032
Motor expenses	12,854	12,711
Travel and entertainment	1,456	1,140
Hire costs (non-operating leases)	1,855	1,854
Telephone	2,874	2,975
Insurance	6,437	6,926
Equipment repairs and renewals	5,987	9,575
Printing postage and stationery	3,777	3,421
Staff welfare	-	479
Miscellaneous expenses	6,389	6,810
Cleaning	1,268	1,211
Charitable donations	250	300
Computer costs and software	1,628	2,121
Advertising	22,344	19,865
Legal and professional fees (allowable)	3,894	-
Accountancy and bookkeeping	5,451	6,205
Amortisation of intangible assets	6,000	6,000
Depreciation of fixtures and equipment	97,559	87,534
(Gain)/loss on disposal of tangible assets	(8,120)	(1,908)
Bad debts written off	-	781
Bank charges	4,417	4,184
	<u>265,476</u>	<u>263,440</u>
Other interest receivable and similar income		
Interest on loans and receivables	<u>8,342</u>	<u>8,433</u>
Interest payable and similar expenses		
Interest on hire purchase and finance lease contracts	196	-
Other interest payable and similar charges	-	283
	<u>196</u>	<u>283</u>