

A&M Commercials Limited
Abbreviated Financial Statements
for the year ended 31 May 2016



A&M Commercials Limited

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A&M Commercials Limited
DIRECTORS AND OTHER INFORMATION

Directors	Michael McNally Assumpta McNally
Company Secretary	Assumpta McNally
Company Number	NI036272
Registered Office and Business Address	36 Doohat Road Derrynoose Keady Co. Armagh BT60 3HE Northern Ireland
Auditors	John MacMahon & Co. Chartered Accountants and Registered Auditors 112 Camlough Road Newry Co. Down BT35 7EE Northern Ireland

A&M Commercials Limited

STRATEGIC REPORT

for the year ended 31 May 2016

Review of the Company's Business

The principal activity of the company is the sale of new and used commercial vehicles. A&M Commercials Ltd have been operating in business for over 30 years trading high value goods. The directors are heavily involved in the day to day running of the business, there are high level management controls in place and a system of regular review in operation.

There has been no significant change in the business activities during the year ended 31st May 2016. The directors are satisfied with the overall positive results for the year ended 31st May 2016, which shows a profit before tax of £550,857. The key performance indicators are sales and profits which are closely monitored throughout the year. There was a reduction in the profit before tax of £71,195 between 31st May 2015 and the 31st May 2016. However the profit before tax figure in 2015 benefited from an exchange rate gain due to fluctuating exchange rates during the year. If this exchange is excluded from both the 2015 and 2016 figures then the operational performance of the company for the year ended 31st May 2016 has in fact improved.

Principal Risks and Uncertainties

The company's operations expose it to a variety of financial risks that include the effects of changes in foreign currency risk, commodity prices, credit risk, liquidity risk and interest rate risk. The company closely monitors the key risks on an on-going basis. The company prepares quarterly management accounts which become the focus of quarterly management meetings, the board formally reviews them and where appropriate processes are put in place to mitigate risk.

The main risks arising are currency risk, interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below:

Currency Risk

The location of the company's outlets along the border regions gives rise to exposure from changes in foreign exchange rates, particularly the euro. The company monitors currency rates daily, hedging against same with forward contracts for sterling when matching cashflows in sterling and euro is not possible. The company endeavors to relate the structure of borrowings to the trading cash flows that service them.

Interest Rate Risk

The company finances its operations through a mixture of retained profits and bank borrowings. The Company's exposure to interest rate fluctuations on its borrowings is managed through annual review of its borrowing requirements, and where appropriate, through the use of fixed or floating interest arrangements.

Liquidity Risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

Stock Management

The company has tight controls on the level and value of stock held.

Development and Performance

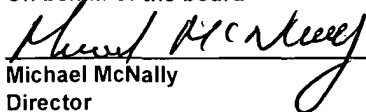
The directors continue to work on all factors within their control to maintain turnover. The company has made improvements in buying, inventory management and overhead cost savings. The directors are satisfied with the current years results and are confident the present level of activity will be sustained. In order to monitor company performance, the company prepares and formally reviews quarterly management accounts.

The company has a strong balance sheet and is in a position to be profitable over the coming years. The company's objectives are to continue to hold a market share and exploit any opportunities within the sector.

Financial Key Performance Indicators

The key performance indicators are sales and profits which are closely monitored throughout the year. The results of the company are shown on page 8. Profit before tax for the year ended 31st May 2016 totalled £550,857 (2015 - £622,052), whilst shareholders funds at the 31st May 2016 were £2,777,786 (2015 - £2,371,242).

On behalf of the board


Michael McNally
Director

21 April 2017


Assumpta McNally
Director

21 April 2017

A&M Commercials Limited

DIRECTORS' REPORT

for the year ended 31 May 2016

The directors present their report and the audited financial statements for the year ended 31 May 2016.

Principal Activity

The principal activity of the company is the sale of commercial vehicles.

Results and Dividends

The profit for the year after providing for depreciation and taxation amounted to £426,544 (2015 - £494,933).

The directors have paid a final dividend amounting to £20,000.

Directors

The directors who served during the year are as follows:

Michael McNally
Assumpta McNally

There were no changes in shareholdings between 31 May 2016 and the date of signing the financial statements.

Future Developments

The company plans to continue its present activities and endeavour to maintain current trading levels. Employees are kept fully informed as practicable about developments within the business.

Charitable and Political Contributions

The company did not make any disclosable political donations in the current year.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 "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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

The auditors, John MacMahon & Co., (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the business and the company's risk management objectives and policies are set out in the Strategic Report.

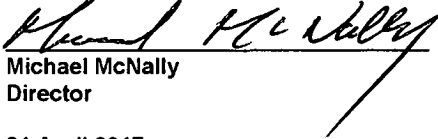
A&M Commercials Limited
DIRECTORS' REPORT

for the year ended 31 May 2016

Special provisions relating to medium companies


The accounts are prepared in accordance with the special provisions in Section 445(3) of the Companies Act 2006 in regards to medium-sized companies.

On behalf of the board



Michael McNally
Director

21 April 2017



Assumpta McNally
Director

21 April 2017

INDEPENDENT AUDITOR'S REPORT TO A&M COMMERCIALS LIMITED

under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 8 to 18 together with the financial statements of the company for the year ended 31 May 2016 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that Section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006 and the abbreviated accounts on pages 8 to 18 have been properly prepared in accordance with the regulations made under that Section.


John MacMahon (Senior Statutory Auditor)

for and on behalf of

JOHN MACMAHON & CO.

Chartered Accountants and Registered Auditors

112 Camlough Road

Newry

Co. Down

BT35 7EE

Northern Ireland

21 April 2017

A&M Commercials Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 May 2016

	Notes	2016 £	2015 £
Turnover		<u>17,755,700</u>	<u>17,924,801</u>
Gross profit		1,576,378	1,309,580
Administrative expenses		<u>(985,377)</u>	<u>(667,225)</u>
Operating profit	4	591,001	642,355
Interest receivable and similar income	5	110	-
Interest payable and similar charges	6	<u>(40,254)</u>	<u>(20,303)</u>
Profit on ordinary activities before taxation		550,857	622,052
Tax on profit on ordinary activities	8	<u>(124,313)</u>	<u>(127,119)</u>
Total Comprehensive Income		<u>426,544</u>	<u>494,933</u>

A&M Commercials Limited

Company Number: NI036272

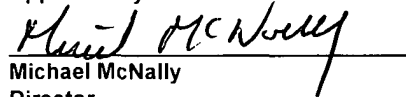
BALANCE SHEET

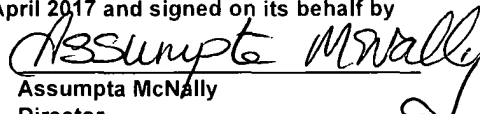
as at 31 May 2016

	Notes	2016 £	2015 £
Fixed Assets			
Tangible assets	10	2,057,838	2,206,206
Current Assets			
Stocks	11	3,528,575	3,911,370
Debtors	12	1,122,968	1,112,378
Cash and cash equivalents		256,742	103,971
		4,908,285	5,127,719
Creditors: Amounts falling due within one year	13	(3,600,052)	(4,050,285)
Net Current Assets		1,308,233	1,077,434
Total Assets less Current Liabilities		3,366,071	3,283,640
Creditors			
Amounts falling due after more than one year	14	(453,500)	(775,030)
Provision for Liabilities and Charges	16	(134,785)	(137,368)
Net Assets		2,777,786	2,371,242
Capital and Reserves			
Called up share capital	17	2	2
Profit and Loss Account		2,777,784	2,371,240
Equity attributable to owners of the company		2,777,786	2,371,242

These abbreviated financial statements have been prepared in accordance with the special provisions relating to medium-sized companies in Section 445(3) of the Companies Act 2006.

Approved by the Board and authorised for issue on 21 April 2017 and signed on its behalf by


Michael McNally
Director


Assumpta McNally
Director

A&M Commercials Limited
RECONCILIATION OF SHAREHOLDERS' FUNDS
as at 31 May 2016

	Share capital	Retained earnings	Total
	£	£	£
At 1 June 2014	2	1,876,307	1,876,309
Profit for the year	-	494,933	494,933
At 31 May 2015	2	2,371,240	2,371,242
Profit for the year	-	426,544	426,544
Payment of dividends	-	(20,000)	(20,000)
At 31 May 2016	2	2,777,784	2,777,786

A&M Commercials Limited

CASH FLOW STATEMENT

for the year ended 31 May 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		426,544	494,933
Adjustments for:			
Interest receivable and similar income		(110)	-
Interest payable and similar charges		40,254	20,303
Tax on profit on ordinary activities		124,313	127,119
Depreciation		194,535	177,115
Profit/Loss on disposal of tangible fixed assets		(109,851)	-
		<u>675,685</u>	<u>819,470</u>
Movements in working capital:			
Movement in stocks		382,795	(544,807)
Movement in debtors		(10,590)	48,537
Movement in creditors		(434,726)	(192,160)
		<u>613,164</u>	<u>131,040</u>
Cash generated from operations		613,164	131,040
Interest paid		(40,254)	(20,303)
Tax paid		(85,340)	(106,795)
		<u>487,570</u>	<u>3,942</u>
Cash flows from investing activities			
Interest received		110	-
Payments to acquire tangible fixed assets		(231,329)	(1,039,991)
Receipts from sales of tangible fixed assets		295,013	-
		<u>63,794</u>	<u>(1,039,991)</u>
Net cash generated from/(used in) investment activities		63,794	(1,039,991)
Cash flows from financing activities			
New long term loan		-	750,000
Repayment of short term loan		(150,000)	(35,000)
Capital element of hire purchase contracts		(142,595)	(150,958)
Dividends paid		(20,000)	-
		<u>(312,595)</u>	<u>564,042</u>
Net cash (used in)/generated from financing activities		(312,595)	564,042
Net increase/(decrease) in cash and cash equivalents		238,769	(472,007)
Cash and cash equivalents at beginning of financial year		(69,179)	402,828
Cash and cash equivalents at end of financial year	20	<u>169,590</u>	<u>(69,179)</u>

A&M Commercials Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31 May 2016

1. GENERAL INFORMATION

A&M Commercials Limited is a private limited company by shares incorporated in Northern Ireland. The registered office address is 36 Doohat Road, Keady, Co Armagh, BT60 3HE.

These financial statements cover the individual entity for the year ended 31st May 2016.

The financial statements are presented in pounds sterling (£), which is also the functioning currency of the company.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31st May 2016 have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council and in accordance with the Companies Act 2006. There have been no transitional adjustments made.

Basis of preparation

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year. Turnover from the provision of goods is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods are shipped to or picked up by the customer.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	- 4% Straight Line
Plant and machinery	- 20% Reducing Balance
Fixtures, fittings and equipment	- 15% Reducing Balance

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and Hire Purchases

Tangible fixed assets held under leasing and hire purchase arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Balance Sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Profit and Loss Account.

Stock

Stocks are valued at the lower of cost and net realisable value on a first in first out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

A&M Commercials Limited

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

continued

for the year ended 31 May 2016

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at 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 have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

3. ADOPTION OF FRS 102

This is the first set of financial statements prepared by A&M Commercials Limited in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The company transitioned from previously extant Irish and UK GAAP to FRS 102 as at 1 June 2014.

4. OPERATING PROFIT	2016 £	2015 £
Operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	194,535	177,115
Profit on disposal of tangible fixed assets	(109,851)	-
Loss/(profit) on foreign currencies	46,853	(332,661)
Auditor's remuneration		
- audit services	7,733	8,500

A&M Commercials Limited**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

continued

for the year ended 31 May 2016

5. INTEREST RECEIVABLE AND SIMILAR INCOME	2016	2015
	£	£
Bank interest	110	-
	110	-
6. INTEREST PAYABLE AND SIMILAR CHARGES	2016	2015
	£	£
On bank loans and overdrafts	32,696	15,831
Hire purchase interest	7,544	4,472
Interest on overdue tax	14	-
	40,254	20,303

7. EMPLOYEES AND REMUNERATION**Number of employees**

The average number of persons employed (including executive directors) during the year was as follows:

	2016	2015
	Number	Number
Administration & Sales	16	21
	16	21
The staff costs (inclusive of directors' salaries) comprise:	2016	2015
	£	£
Wages and salaries	262,786	261,490
Social security costs	14,433	17,508
	277,219	278,998

The key management personnel compensation totalled £30,233 for the year ended 31st May 2016. (2015 £30,228)

A&M Commercials Limited
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

continued

for the year ended 31 May 2016

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2016 £	2015 £
(a) Analysis of charge in the year		
Current tax:		
Corporation tax at 20.00% (2015 - 20.67%)	125,112	83,556
Under/over provision in prior year	1,784	-
Total current tax	<u>126,896</u>	<u>83,556</u>
Deferred tax:		
Origination and reversal of timing differences	(2,583)	43,563
Total deferred tax (Note 16)	<u>(2,583)</u>	<u>43,563</u>
Tax on profit on ordinary activities (Note 8 (b))	<u>124,313</u>	<u>127,119</u>

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK 20.00% (2015 - 20.67%) The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>550,857</u>	<u>622,052</u>
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK at 20.00% (2015 - 20.67%)	110,171	128,578
Effects of:		
Expenses not deductible for tax purposes	-	617
Depreciation in excess of capital allowances for period	14,941	(45,499)
Deferred tax	(2,583)	43,563
Marginal Rate Tax Relief	-	(140)
Adjustment to tax charge in respect of previous periods	1,784	-
Total tax charge for the year (Note 8 (a))	<u>124,313</u>	<u>127,119</u>

The corporation tax rate for medium companies was reduced from 21% to 20% during the year ended 31st May 2015. This resulted in an effective rate of tax in 2015 of 20.67% and 20% in 2016.

9. DIVIDENDS

	2016 £	2015 £
Dividends on equity shares:		
Ordinary Shares Class 1 - Final paid	<u>20,000</u>	<u>-</u>

A&M Commercials Limited
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

continued

for the year ended 31 May 2016

10. TANGIBLE FIXED ASSETS

	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 June 2015	1,513,848	1,272,508	72,368	2,858,724
Additions	69,876	160,249	1,204	231,329
Disposals	-	(361,750)	-	(361,750)
At 31 May 2016	1,583,724	1,071,007	73,572	2,728,303
Depreciation				
At 1 June 2015	104,139	511,839	36,540	652,518
Charge for the year	62,150	126,924	5,461	194,535
On disposals	-	(176,588)	-	(176,588)
At 31 May 2016	166,289	462,175	42,001	670,465
Net book value				
At 31 May 2016	<u>1,417,435</u>	<u>608,832</u>	<u>31,571</u>	<u>2,057,838</u>
At 31 May 2015	<u>1,409,709</u>	<u>760,669</u>	<u>35,828</u>	<u>2,206,206</u>

10.1. TANGIBLE FIXED ASSETS CONTINUED

Included above are assets held under finance leases or hire purchase contracts as follows:

	2016 Net book value £	2015 Net book value £
Plant and machinery	<u>187,701</u>	<u>370,627</u>

11. STOCKS

	2016 £	2015 £
Finished goods and goods for resale	<u>3,528,575</u>	<u>3,911,370</u>

The replacement cost of stock did not differ significantly from the figures shown.

12. DEBTORS

	2016 £	2015 £
Trade debtors	1,073,162	728,406
Other debtors	720	720
Taxation (Note 15)	-	361,699
Prepayments and accrued income	49,086	21,553
	<u>1,122,968</u>	<u>1,112,378</u>

A&M Commercials Limited
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

continued

for the year ended 31 May 2016

13. CREDITORS	2016	2015
Amounts falling due within one year	£	£
Bank overdrafts	87,152	173,150
Bank loan	150,000	70,000
Net obligations under finance leases and hire purchase contracts	91,756	142,821
Trade creditors	2,912,530	3,502,479
Taxation (Note 15)	183,426	87,559
Directors' current accounts	152,200	51,124
Other creditors	4,432	10,322
Accruals	18,556	12,830
	3,600,052	4,050,285
14. CREDITORS	2016	2015
Amounts falling due after more than one year	£	£
Bank loan	415,000	645,000
Finance leases and hire purchase contracts	38,500	130,030
	453,500	775,030
Loans		
Repayable in one year or less, or on demand (Note 13)	237,152	243,150
Repayable between two and five years	415,000	645,000
	652,152	888,150
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	91,756	142,821
Repayable between one and five years	38,500	130,030
	130,256	272,851

The company has given security on debts totalling £407,152. Bank facilities are secured by way of an all monies debenture with fixed and floating charges over company assets, an unconditional guarantee and indemnity from the directors with collateral over personal assets and an inter-company cross guarantee from A&M Commercials Ireland Ltd.

15. TAXATION	2016	2015
	£	£
Debtors:		
VAT	-	361,699
Creditors:		
VAT	54,708	-
Corporation tax	125,112	83,556
PAYE / NI	3,606	4,003
	183,426	87,559

A&M Commercials Limited
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 May 2016

continued

16. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts provided for deferred taxation are analysed below:

	Capital allowances
	£
At 1 June 2015	137,368
Charged to profit and loss	(2,583)
	<u>134,785</u>
At 31 May 2016	<u><u>134,785</u></u>

17. SHARE CAPITAL

			2016	2015
			£	£
Description	Number of shares	Value of units		
Allotted, called up and fully paid				
Ordinary Shares Class 1	2	£1 each	<u>2</u>	<u>2</u>

18. DIRECTORS' REMUNERATION AND TRANSACTIONS

	2016	2015
	£	£
Remuneration	<u>30,233</u>	<u>30,228</u>

19. RELATED PARTY TRANSACTIONS

Michael & Assumpta McNally are directors of A&M Commercials Ltd and A&M Commercials Ireland Ltd an ROI registered company. During the period the company entered into the following transactions on normal trading terms and on an arms length basis.

Purchases and charges for services rendered from A & M Commercials Ireland Ltd.

Sales to A & M Commercials Ireland Ltd.

A trade creditor balance existed at the balance sheet date of £2,188,793 in relation to related party transactions.

The directors have given a personal guarantee in respect of company borrowings.

The directors receive rent in the amount of £136,800 per annum from the company for rental of a yard.

A dividend of £20,000 was paid to the company directors during the year ended 31st May 2016.

20. CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash and bank balances	256,742	103,971
Bank overdrafts	(87,152)	(173,150)
	<u>169,590</u>	<u>(69,179)</u>