REGISTERED NUMBER: SC098476

BRIDGEND ACCIDENT REPAIR CENTRE LIMITED

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The results for the year and financial position of the company are as shown in the annexed financial statements.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

Our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole. They are turnover, gross margin, operating profit and net assets.

Vehicle sales and associated turnover increased from £1.66 million for the year to March 2016 to £2.06 million for the year to March 2017. The gross profit margin increased from 54% in 2016 to 56%. The strategy of investing heavily in our stock allows the efficiencies to come through to our customers as volumes increase. Net assets at 31 March 2017 have decreased to £1.53m from £4.26m.

The principal risks and uncertainties facing the company are competition from other suppliers - we feel that the service provided and scale of our operations mitigates this risk - and the wider economic issues that continue to cause uncertainty in the consumer marketplace. We are however, continually reinvesting to strengthen the company and have sufficient resources to cope with any fluctuations in activity.

Margins and staff costs are controlled by careful planning and budgeting and continuing ongoing review, to ensure efficiency. Our overheads are held to a minimum to maximise the value offering to our customers and to maintain a strong customer base. The directors will continue to monitor costs and performance, seeking further efficiency gains wherever possible.

BY ORDER OF THE BOARD:

Daniel McLaughlan - Director

23 November 2017

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of motor vehicle accident repairs.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2017.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

Daniel McLaughlan
Alexander McLaughlan

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Martin Aitken & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD:

Daniel McLaughlan - Director

23 November 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRIDGEND ACCIDENT REPAIR CENTRE LIMITED

We have audited the financial statements of Bridgend Accident Repair Centre Limited for the year ended 31 March 2017 on pages four to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 2017 and of its loss 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

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.

Ewen F Dyer (Senior Statutory Auditor)
for and on behalf of Martin Aitken & Co Ltd
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

23 November 2017

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
TURNOVER		**2,062,287**	1,656,535
Cost of sales		**(899,633)**	(758,904)
GROSS PROFIT		**1,162,654**	897,631
Administrative expenses		**(959,708)**	(851,015)
OPERATING PROFIT	4	**202,946**	46,616
Intercompany loan write off	5	**(3,000,000)**	-
		(2,797,054)	46,616
Interest receivable and similar income		**139,937**	110,291
(LOSS)/PROFIT BEFORE TAXATION		**(2,657,117)**	156,907
Tax on (loss)/profit	6	**(71,429)**	(33,614)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(2,728,546)**	123,293

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
(LOSS)/PROFIT FOR THE YEAR		**(2,728,546)**	123,293
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(2,728,546)**	123,293

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2017

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		**676,853**		653,362
CURRENT ASSETS					
Stocks	8	**21,401**		41,937	
Debtors	9	**744,882**		2,756,634	
Cash at bank		**390,171**		1,063,413	
		1,156,454		3,861,984	
CREDITORS					
Amounts falling due within one year	10	**277,825**		237,879	
NET CURRENT ASSETS			**878,629**		3,624,105
TOTAL ASSETS LESS CURRENT LIABILITIES			**1,555,482**		4,277,467
PROVISIONS FOR LIABILITIES	11		**24,161**		17,600
NET ASSETS			**1,531,321**		4,259,867
CAPITAL AND RESERVES					
Called up share capital	12		**100**		100
Profit and loss account	13		**1,531,221**		4,259,767
SHAREHOLDERS' FUNDS			**1,531,321**		4,259,867

The financial statements were approved by the Board of Directors on 23 November 2017 and were signed on its behalf by:

Alexander McLaughlan - Director

Daniel McLaughlan - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2015	100	4,136,474	4,136,574
Changes in equity			
Total comprehensive income	-	123,293	123,293
Balance at 31 March 2016	100	4,259,767	4,259,867
Changes in equity			
Total comprehensive income	-	(2,728,546)	(2,728,546)
Balance at 31 March 2017	100	1,531,221	1,531,321

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	**(681,127)**	699,331
Tax paid		**(64,868)**	(36,986)
Net cash from operating activities		**(745,995)**	662,345
Cash flows from investing activities			
Purchase of tangible fixed assets		**(94,231)**	(86,967)
Sale of tangible fixed assets		**27,047**	27,586
Interest received		**139,937**	110,291
Net cash from investing activities		**72,753**	50,910
(Decrease)/increase in cash and cash equivalents		**(673,242)**	713,255
Cash and cash equivalents at beginning of year	2	**1,063,413**	350,158
Cash and cash equivalents at end of year	2	**390,171**	1,063,413

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
(Loss)/profit before taxation	(2,657,117)	156,907
Depreciation charges	54,604	55,917
Profit on disposal of fixed assets	(10,911)	(6,615)
Finance income	(139,937)	(110,291)
	(2,753,361)	95,918
Decrease/(increase) in stocks	20,536	(17,390)
Decrease in trade and other debtors	2,011,752	598,349
Increase in trade and other creditors	39,946	22,454
Cash generated from operations	(681,127)	699,331

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	390,171	1,063,413

Year ended 31 March 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	1,063,413	350,158

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. STATUTORY INFORMATION

Bridgend Accident Repair Centre Limited is a private company, limited by shares, registered in Scotland. The registered office is Riverside Complex, Glasgow Road, Kilwinning, Ayrshire, KA13 7JB.

The financial statements are presented in Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. There have been no material departures from this standard.

This is the first year in which the financial statements have been prepared under FRS 102. In preparing the financial statements of the company, the directors have considered whether, in applying the accounting policies required by FRS 102, the restatement of comparative items was required. Refer to note 15 for an explanation of the transition and the effect on the financial statements of the company.

Going concern
After reviewing the company's forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Significant judgements and estimates
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Turnover
Turnover represents the total invoice value, excluding value added tax, of goods and services rendered during the year. The company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods and services have been passed to the buyer.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Heritable property	- 2% straight line
Improvements to property	- 20% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Courtesy cars	- 20% on reducing balance

Land included in heritable property is not depreciated.

Fixed assets are included in the financial statements at cost less depreciation and impairment.

continued...

2. ACCOUNTING POLICIES - continued

Stocks
Stocks and work in progress are valued at the lower of cost and net realisable value. Replacement cost of stock would not be materially different.

Work in progress which relates to vehicle repairs is incorporated at cost of labour and parts.

Financial instruments
The company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term trade 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.

Taxation
Taxation represents the sum of tax currently payable and deferred tax. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

With the exception of changes arising on the initial recognition of a business combination, the tax expense is presented either in profit or loss, other comprehensive income or statement of changes in equity depending on the transaction that resulted in the tax expense.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Pension costs and other post-retirement benefits
The company pays into the personal pensions of certain employees. Contributions payable for the year are charged to profit and loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	607,146	517,408
Social security costs	49,089	44,569
Other pension costs	63,670	41,506
	719,905	603,483

continued...

3. **EMPLOYEES AND DIRECTORS - continued**

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

	2017	2016
Administration	7	6
Operators	22	20
Directors	2	2
	31	28

	2017	2016
	£	£
Directors' remuneration	-	-

4. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	54,604	55,917
Profit on disposal of fixed assets	(10,911)	(6,615)
Auditors' remuneration	4,700	4,200

5. **EXCEPTIONAL ITEMS**

	2017	2016
	£	£
Intercompany loan write off	(3,000,000)	-

During the year, £3,000,000 was written off relating to a loan owed from Bridgend Garage Limited, a fellow subsidiary, as it was considered to be irrecoverable. There is no tax payable on this amount.

6. **TAXATION**

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	2017	2016
	£	£
Current tax:		
UK corporation tax	64,868	36,986
Deferred tax	6,561	(3,372)
Tax on (loss)/profit	71,429	33,614

continued...

6. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017	2016
	£	£
(Loss)/profit before tax	(2,657,117)	156,907
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	(531,423)	31,381
Effects of:		
Expenses not deductible for tax purposes	32	319
Depreciation for the year (lower than)/in excess of capital allowances	(3,741)	5,286
Deferred tax movement	6,561	(3,372)
Intercompany loan write off	600,000	-
Total tax charge	71,429	33,614

7. **TANGIBLE FIXED ASSETS**

	Heritable property	Improvements to property	Plant and machinery
	£	£	£
COST			
At 1 April 2016	678,324	110,183	280,643
Additions	-	-	12,876
At 31 March 2017	678,324	110,183	293,519
DEPRECIATION			
At 1 April 2016	201,030	101,037	263,374
Charge for year	12,275	1,829	6,029
Eliminated on disposal	-	-	-
At 31 March 2017	213,305	102,866	269,403
NET BOOK VALUE			
At 31 March 2017	465,019	7,317	24,116
At 31 March 2016	477,294	9,146	17,269

continued...

7. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Courtesy cars £	Totals £
COST				
At 1 April 2016	128,309	122,949	204,423	1,524,831
Additions	-	32,405	48,950	94,231
Disposals	-	-	(33,245)	(33,245)
At 31 March 2017	128,309	155,354	220,128	1,585,817
DEPRECIATION				
At 1 April 2016	111,402	112,559	82,067	871,469
Charge for year	2,536	7,323	24,612	54,604
Eliminated on disposal	-	-	(17,109)	(17,109)
At 31 March 2017	113,938	119,882	89,570	908,964
NET BOOK VALUE				
At 31 March 2017	14,371	35,472	130,558	676,853
At 31 March 2016	16,907	10,390	122,356	653,362

Included in the cost of heritable property is land of £64,550 (2016 - £64,550) which is not depreciated.

8. STOCKS

	2017 £	2016 £
Stocks	3,500	3,500
Work in progress	17,901	38,437
	21,401	41,937

Stock recognised in cost of sales during the year as an expense was £801,835 (2016 - £673,104).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	204,031	310,353
Amounts due from group undertakings	531,521	2,437,099
Prepayments	9,330	9,182
	744,882	2,756,634

continued...

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	113,874	97,247
Social security and other taxes	70,603	75,402
Corporation tax	64,868	36,986
Accrued expenses	28,480	28,244
	277,825	237,879

11. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	24,161	17,600

	Deferred tax
	£
Balance at 1 April 2016	17,600
Accelerated capital allowances	6,561
Balance at 31 March 2017	24,161

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017	2016
			£	£
100	Ordinary shares	£1	100	100

Ordinary shares have equal rights with regards to voting, participation and dividends.

13. RESERVES

	Profit and loss account
	£
At 1 April 2016	4,259,767
Deficit for the year	(2,728,546)
At 31 March 2017	1,531,221

14. PENSION COMMITMENTS

The company pays into the personal pensions of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions this year amounted to £63,670 (2016: £41,506). There were no contributions outstanding at the year end (2016: £nil).

continued...

15. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with group members where group accounts are available. Amounts owed by group undertakings included in note 9, are unsecured, carry a market rate of interest, have no fixed date of repayment and are repayable on demand.

The directors highlight the restructuring of inter-company balances resulting in £3m release of historic debt between Bridgend Garage Ltd and Bridgend Accident Repair Centre Ltd.

16. ULTIMATE PARENT COMPANY

The holding company is Bridgend Holdings Limited, a company registered in Scotland.

Bridgend Holdings Limited is the parent undertaking of the only group of which the company is a member. Consolidated group accounts are available from Mr Daniel McLaughlan, Bridgend Garage Limited, East Road, Irvine, Ayrshire.

17. FIRST YEAR ADOPTION

As required in Section 35 of FRS 102, the balances previously reported under the old UK GAAP at the date of transition, 1 April 2015, and the prior year end, 31 March 2016 need to be restated for the changes which have occurred on transition to FRS 102.

No restatement of the Profit and Loss Account, Other Comprehensive Income or Balance Sheet and no changes to accounting policies have been required on transition.