

Financial Statements

Dinnages Garages Limited

For the Year Ended 31 December 2015

Registered number: 00296492



Dinnages Garages Limited
Registered number:00296492

Company Information

Directors	M E Broyd J M Broyd D J Broyd A E Broyd J C W Broyd
Company secretary	A E Broyd
Registered number	00296492
Registered office	22 Wivelsfield Road Haywards Heath West Sussex RH16 4EQ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Explorer Building Fleming Way Gatwick RH10 9GT
Bankers	Barclays Bank Plc The Old Bank High Street Lewes East Sussex BN7 2JP

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Strategic Report

For the Year Ended 31 December 2015

Principal activity

The company is principally engaged as a Ford main dealer in the selling of motor vehicles, lubricants, motor parts and accessories and automobile engineering.

Business review

Turnover for the year ended 31 December 2015 was £57.3m (2014: £53.8m). The profit for the year after taxation was £476,000 (2014: £800,000). The directors have recommended and paid the preference share dividend of £540 (2014: £540) from reserves. No dividend is recommended on the Ordinary shares.

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business.

The directors are of the opinion that a thorough risk management process is adopted, which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Environmental matters

The company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations.

Financial instruments

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risk arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of the risks and they are summarised below:

Interest rate risk

The company finances its operations through a mixture of retained profits, shareholders loans and borrowings from Ford. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest in cash assets safely and profitably. The company policy throughout the year has been to ensure continuity of funding by using facilities from both Ford and the company's bankers. Short term flexibility is achieved by the use of overdraft facilities. Debt is structured so repayments can be made out of cash generated operations.

Strategic Report (continued)

For the Year Ended 31 December 2015

Principal risks and uncertainties (continued)

High proportion of fixed overheads and variable revenues

A large proportion of the company's overheads are fixed. There is the risk that any significant changes in revenue, may lead to the inability to cover such costs. Management closely monitor fixed overheads on a monthly basis and cost saving exercises are implemented when there is an anticipated decline in revenues.

Competition and future developments

The market in which the company operates is highly competitive. As a result there is constant downward pressure on margins and the additional risk of being unable to meet customers' expectations. Policies of constant price monitoring and on-going market research are in place to mitigate such risks.

We believe that our continued "hands on approach", with particular emphasis on service and customer relationship management, will enable us to improve on our already strong market position.

Whilst economic conditions remain uncertain, the directors believe the company is in a strong position to continue to expand its market share.

Financial key performance indicators

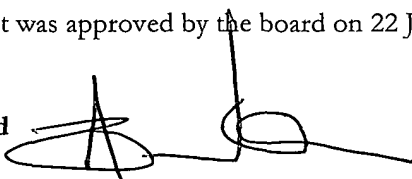
	2015 £'000	2014 £'000	Change £'000	%
Turnover	57,257	53,785	3,472	6
Gross profit	2,569	2,715	(146)	(5)
Profit before tax	585	980	(395)	(40)

Strategy

The strategy adopted during the year was one of increasing volume profitably.

This report was approved by the board on 22 July 2016 and signed on its behalf.

A E Broyd
Director



Directors' Report

For the Year Ended 31 December 2015

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

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £476,000 (2014 - £800,000).

Directors

The directors who served during the year were:

M E Broyd
J M Broyd
D J Broyd
A E Broyd
J C W Broyd

Future developments

The strategy adopted during the year was one of increasing volume profitably, which will continue for the future.

Directors' Report

For the Year Ended 31 December 2015

Disclosure of information to auditor

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

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

Post balance sheet events

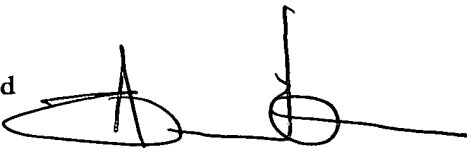
There have been no significant events affecting the Company since the year end.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 July 2016 and signed on its behalf.

A E Broyd
Director

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line and a circular flourish.



Independent Auditor's Report to the Members of Dinnages Garages Limited

We have audited the financial statements of Dinnages Garages Limited for the year ended 31 December 2015, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes. 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 FRS 102 The Financial Reporting Standard applicable to the UK and Republic of Ireland.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Dinnages Garages Limited

Matters on which we are required to report by exception

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

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

Grant Thornton UK LLP

Christian Heeger (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Gatwick

22 July 2016

Statement of Income and Retained Earnings

For the Year Ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	4	57,257	53,785
Cost of sales		(54,688)	(51,070)
Gross profit		2,569	2,715
Administrative expenses		(2,035)	(1,886)
Other operating income	5	108	94
Operating profit	6	642	923
Interest receivable and similar income	10	31	132
Interest payable and expenses	11	(88)	(75)
Profit before tax on ordinary activities		585	980
Tax on profit on ordinary activities	12	(109)	(180)
Profit after tax on ordinary activities		476	800
Retained earnings at the beginning of the year		1,974	1,174
		1,974	1,174
Profit for the year		476	800
Retained earnings at the end of the year		2,450	1,974

The notes on pages 10 to 29 form part of these financial statements.

Balance Sheet

As at 31 December 2015

	Note	2015 £000	2014 £000
Fixed assets			
Tangible assets	13	1,571	915
Investments	14	14	14
Investment property	15	340	340
		<u>1,925</u>	<u>1,269</u>
Current assets			
Stocks	16	15,241	10,810
Debtors: amounts falling due within one year	17	2,208	1,539
Cash at bank and in hand	18	2,615	3,538
		<u>20,064</u>	<u>15,887</u>
Creditors: amounts falling due within one year	19	(19,402)	(15,090)
Net current assets		<u>662</u>	<u>797</u>
Total assets less current liabilities		<u>2,587</u>	<u>2,066</u>
Creditors: amounts falling due after more than one year	20	(9)	(9)
Provisions for liabilities			
Deferred tax	22	(112)	(67)
		<u>(112)</u>	<u>(67)</u>
Net assets		<u><u>2,466</u></u>	<u><u>1,990</u></u>

Balance Sheet (continued)

As at 31 December 2015

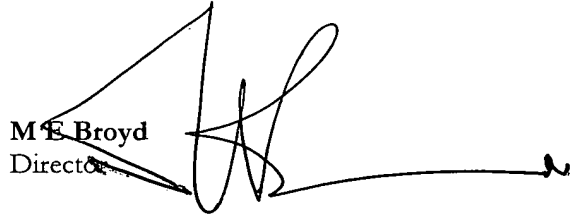
	Note	2015 £000	2014 £000
Capital and reserves			
Called up share capital	23	11	11
Other reserves	24	5	5
Profit and loss account	24	2,450	1,974
		<u>2,466</u>	<u>1,990</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 July 2016.

D J Broyd
Director



M E Broyd
Director



The notes on pages 10 to 29 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1. General information

The entity is a limited liability company incorporated in the United Kingdom. The address of the registered office is: 22 Wivelsfield Road, Haywards Heath, West Sussex. RH16 3EQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investment property which is carried at fair value, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The financial statements are prepared in Sterling.

Information on the impact of first-time adoption of FRS 102 is given in note 29.

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

The following principal accounting policies have been applied:

2.2 Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Report of the Directors and Strategic Report.

The financial position of the company, including borrowing facilities, are detailed in the financial statements.

The company meets its day to day working capital requirements through a positive cash balance and has agreed borrowing facilities.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate with the level of its current facilities.

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

2.3 Cashflow

The company, being a subsidiary where the parent of the group prepares consolidated financial statements and the financial statements are publicly available, is exempt from the requirement to prepare a cash flow statement in accordance with FRS 102 1.8 - 12.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.4 Revenue

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

Sale of goods

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

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

Rendering of services

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

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

2.5 Tangible fixed assets

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

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

Depreciation is provided on the following basis:

Short term leasehold property	- Straight line over the period of the lease
Plant & machinery	- 7.5% - 33% per annum straight line

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

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

2.6 Operating leases: Lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the period of the lease.

2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of income and retained earnings.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Stocks

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

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less cost to complete and sell. The impairment loss is recognised immediately in the statement of income and retained earnings.

2.10 Debtors

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

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.11 Cash and cash equivalents

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

2.12 Financial instruments

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

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

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured at cost less impairment.

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

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

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

2.13 Creditors

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

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.14 Finance costs

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

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

2.17 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.18 Borrowing costs

All borrowing costs are recognised in the statement of income and retained earnings in the year in which they are incurred.

2.19 Provisions for liabilities

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

Provisions are charged as an expense to the statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.20 Current and deferred taxation

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

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

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

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

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

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

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

Useful economic life of fixed assets - note 13

Investment property fair values - note 15

4. Analysis of turnover

All turnover arose within the United Kingdom.

5. Other operating income

	2015 £000	2014 £000
Net rents receivable	108	94
	<u>108</u>	<u>94</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

6. Operating profit

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

	2015 £000	2014 £000
Increase in fair value of investment properties	-	(213)
Depreciation of tangible fixed assets	97	90
Operating leases - land and buildings	512	512
	<u>512</u>	<u>512</u>

7. Auditor's remuneration

	2015 £000	2014 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	15	14
	<u>15</u>	<u>14</u>

Fees payable to the Company's auditor and its associates in respect of:

Other services relating to taxation	7	5
All other services	3	16
	<u>10</u>	<u>21</u>

Other services include fees for remuneration planning, advice on the purchase of a property and VAT services.

Notes to the Financial Statements

For the Year Ended 31 December 2015

8. Employees

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

	2015 £000	2014 £000
Wages and salaries	3,061	2,973
Social security costs	354	346
Cost of defined contribution scheme	43	55
	<u>3,458</u>	<u>3,374</u>

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

	2015 No.	2014 No.
Workshop staff	88	84
Selling staff	33	25
Administrative staff	10	13
	<u>131</u>	<u>122</u>

9. Directors' remuneration

	2015 £000	2014 £000
Directors' emoluments	42	42
Company contributions to defined contribution pension schemes	36	36
	<u>78</u>	<u>78</u>

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

10. Interest receivable

	2015 £000	2014 £000
Other interest receivable	31	132
	<u>31</u>	<u>132</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

11. Interest payable and similar charges

	2015 £000	2014 £000
Bank interest payable	88	75
	<u>88</u>	<u>75</u>

12. Taxation

	2015 £000	2014 £000
Corporation tax		
Current tax on profits for the year	72	175
Adjustments in respect of previous periods	(8)	-
	<u>64</u>	<u>175</u>
Total current tax	<u>64</u>	<u>175</u>
Deferred tax		
Origination and reversal of timing differences	52	6
Changes to tax rates	(7)	(1)
	<u>45</u>	<u>5</u>
Total deferred tax	<u>45</u>	<u>5</u>
Taxation on profit on ordinary activities	<u>109</u>	<u>180</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

12. Taxation (continued)

Factors affecting tax charge for the year

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

	2015 £000	2014 £000
Profit on ordinary activities before tax	585	979
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	118	210
Effects of:		
Fixed asset differences	15	6
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2	11
Differences on tax rates used	(13)	(1)
Adjustments to tax charge in respect of prior periods	(8)	-
Difference between movement in the accounts and tax base of investment property	(1)	(46)
Group relief	(4)	-
Total tax charge for the year	109	180

Notes to the Financial Statements

For the Year Ended 31 December 2015

13. Tangible fixed assets

	Short Term Leasehold Property £000	Plant and machinery £000	Total £000
Cost or valuation			
At 1 January 2015	1,116	935	2,051
Additions	584	169	753
Disposals	-	(5)	(5)
At 31 December 2015	1,700	1,099	2,799
Depreciation			
At 1 January 2015	332	804	1,136
Charge owned for the period	43	54	97
Disposals	-	(5)	(5)
At 31 December 2015	375	853	1,228
Net book value			
At 31 December 2015	1,325	246	1,571
At 31 December 2014	784	131	915

Notes to the Financial Statements

For the Year Ended 31 December 2015

14. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2015	14
At 31 December 2015	14
Net book value	
At 31 December 2015	14
At 31 December 2014	14

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
B W & B (Park Garages) Limited	UK	Ordinary shares	99.9 %	Dormant company

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £000
B W & B (Park Garages) Limited	799

Notes to the Financial Statements

For the Year Ended 31 December 2015

15. Investment property

	Freehold investment property £000
Valuation	
At 1 January 2015	340
At 31 December 2015	<u>340</u>

The 2015 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2015 £000	2014 £000
Historic cost	127	127
	<u>127</u>	<u>127</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

16. Stocks

	2015 £000	2014 £000
Parts for resale	452	465
Vehicles for resale	14,789	10,345
	<u>15,241</u>	<u>10,810</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

17. Debtors

	2015 £000	2014 £000
Trade debtors	783	1,220
Amounts owed by group undertakings	743	-
Other debtors	510	147
Prepayments and accrued income	172	172
	<u>2,208</u>	<u>1,539</u>

18. Cash and cash equivalents

	2015 £000	2014 £000
Cash at bank and in hand	2,615	3,538
	<u>2,615</u>	<u>3,538</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

19. Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	15,148	10,353
Amounts owed to group undertakings	1,085	1,561
Corporation tax	63	175
Taxation and social security	90	96
Other creditors	81	83
Directors' loans	2,046	1,925
Related party loans	741	715
Accruals and deferred income	148	182
	<u>19,402</u>	<u>15,090</u>

The director's and related party loans have no formal repayment terms and interest is charged at 3% above bank base rate.

Other related party loans comprise loans from family members of the Broyd family. The total interest charged on the director's and related party loans for the year was £87,000 (2014: £75,000).

20. Creditors: Amounts falling due after more than one year

	2015 £000	2014 £000
Share capital treated as debt	9	9
	<u>9</u>	<u>9</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 23.

Notes to the Financial Statements

For the Year Ended 31 December 2015

21. Financial instruments

	2015 £000	2014 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>4,651</u>	<u>4,905</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(19,257)</u>	<u>(14,828)</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, intercompany balances and other debtors

Financial Liabilities measured at amortised cost comprise trade creditors, inter-group balances, loans, accruals and other creditors.

22. Deferred taxation

	Deferred tax £000
At 1 January 2015	(67)
Charged to the profit or loss	(45)
At 31 December 2015	<u>(112)</u>

The provision for deferred taxation is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	(73)	(28)
Chargeable gains on investment property	<u>(39)</u>	<u>(39)</u>
	<u>(112)</u>	<u>(67)</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

23. Share capital

	2015 £000	2014 £000
Shares classified as equity		
Allotted, called up and fully paid		
10,880 Ordinary shares shares of £1 each	11	11
	<u>11</u>	<u>11</u>
Shares classified as debt		
Allotted, called up and fully paid		
9,000 Preference shares shares of £1 each (see note 20)	9	9
	<u>9</u>	<u>9</u>

The preference shares are non-equity shares which carry a dividend at the rate of 6p net per share, per annum. Holders of preference shares have one vote for every share held on a resolution for the winding up of the company or on a resolution affecting the rights attached to the shares. Preference shareholders have the right on a winding up to receive, in priority to any other class of shares, the sum of £1 per share together with any arrears of dividends.

24. Reserves

Capital redemption reserve

The capital redemption reserve relates to the repurchase of shares by the company in prior periods.

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

25. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £43,000 (2014: £55,000).

26. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

27. Ultimate parent undertaking and controlling party

The ultimate and immediate parent undertaking is Dinnages Holdings Limited, a company incorporated in England and Wales which holds 100% of the issued share capital of the company.

Notes to the Financial Statements

For the Year Ended 31 December 2015

28. Related party transactions

The following transactions occurred during the year between Dinnages Garages Limited and Carnforth, a separate business run by Mrs J Broyd.

	2015 £'000	2014 £'000
Service sales to Carnforth	58	52
Vehicle sales to Carnforth	99	146

During the year the company made payments amounting to £140,000 (2014: £130,000) to The Pavilion Trust in respect of rent. M E and J Broyd are Trustees of this Trust and D J, J C W and A E Broyd are beneficiaries.

During the year the company made payments amounting to £65,000 (2014: £65,000) to The Broyd Family Trust in respect of rent. M E and J Broyd are Trustees of this Trust and D J, J C W and A R Broyd are beneficiaries.

During the year the company also made payments amounting to £12,000 (2014: £12,000) to the Dinnages Executive Pension Scheme in respect of rent. D J Broyd, A E Broyd and J C W Broyd are members of the pension scheme.

In 2015, no director bought a car from the company. During 2014, one director purchased a vehicle from the company for a total cost of £7,000.

As a wholly owned subsidiary the company is exempt from the requirements of FRS 102 Para 33.4 to disclose related party transactions with other members of the Group headed by Dinnages Holdings Limited on the grounds that those accounts are publicly available from Companies House.

Dinnages Garages Limited

Notes to the Financial Statements

For the Year Ended 31 December 2015

29. First time adoption of FRS 102

	Note	As previously stated 1 January 2014 £000	Effect of transition 1 January 2014 £000	FRS 102 (as restated) 1 January 2014 £000	As previously stated 31 December 2014 £000	Effect of transition 31 December 2014 £000	FRS 102 (as restated) 31 December 2014 £000
Fixed assets		1,056	-	1,056	1,269	-	1,269
Current assets		14,003	-	14,003	15,887	-	15,887
Creditors: amounts falling due within one year		(13,798)	-	(13,798)	(15,090)	-	(15,090)
Net current assets		205	-	205	797	-	797
Total assets less current liabilities		1,261	-	1,261	2,066	-	2,066
Creditors: amounts falling due after more than one year		(9)	-	(9)	(9)	-	(9)
Provisions for liabilities		(22)	(40)	(62)	(27)	(40)	(67)
Net assets		1,230	(40)	1,190	2,030	(40)	1,990
Capital and reserves		1,230	(40)	1,190	2,030	(40)	1,990

Dinnages Garages Limited

Notes to the Financial Statements

For the Year Ended 31 December 2015

29. First time adoption of FRS 102 (continued)

	As previously stated 31 December 2014 £000	Effect of transition 31 December 2014 £000	FRS 102 (as restated) 31 December 2014 £000
Note			
Turnover	53,785	-	53,785
Cost of sales	(51,070)	-	(51,070)
	<hr/>	<hr/>	<hr/>
	2,715	-	2,715
Administrative expenses	(2,099)	213	(1,886)
Other operating income	94	-	94
	<hr/>	<hr/>	<hr/>
Operating profit	710	213	923
Interest receivable and similar income	132	-	132
Interest payable and similar charges	(75)	-	(75)
Taxation	(180)	-	(180)
	<hr/>	<hr/>	<hr/>
Profit on ordinary activities after taxation and for the financial year	587	213	800
	<hr/>	<hr/>	<hr/>

Explanation of changes to previously reported profit and equity:

- The change in the other operating income is the recognition of the revaluation of the investment properties through the profit and loss account.