REGISTERED NUMBER: 00764299 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 December 2016

for

Trident Garages Limited

Contents of the Financial Statements for the Year Ended 31 December 2016

Trident Garages Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:	R M Roberts C J Roberts S N Henderson J Roberts
SECRETARY:	C J Roberts
REGISTERED OFFICE:	Guildford Road Ottershaw Nr Chertsey Surrey KT16 0NZ
REGISTERED NUMBER:	00764299 (England and Wales)
AUDITORS:	ASE Audit LLP Statutory Auditors & Chartered Accountants Rowan Court Concord Business Park Manchester Greater Manchester M22 0RR
BANKERS:	Barclays Bank Plc PO Box 673 Town Gate House Church Street East Woking Surrey GY21 1AE

Strategic Report
for the Year Ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

KEY EVENTS

2016 represents the first full year of trading for Trident Garages Limited since the closure of its motor dealership at its freehold premises in Weybridge and the renovation of our workshop at Ottershaw.

In June 2016, planning permission was granted on appeal for the development of the Weybridge site for residential and retail, and in November 2016 the site was duly sold to Queensmead (Weybridge) Limited.

The sale of our Weybridge premises has resulted in a termination of the rental income from the site, a profit on the sale of the site of £1,485,000, as well as injecting £1m cash as the first payment for the site.

The business suffered a significant adverse effect from the roadworks resulting from Affinity Water's replacement of the water main along the A320 Guildford Road. These roadworks have largely meant temporary traffic lights throughout 2016, but have also included road closures which have greatly inconvenienced our customers and resulted in significant lost business.

REVIEW OF BUSINESS

Excluding the rental income from Weybridge and the profit on its sale, mentioned above, our adjusted quarterly performance is shown below:

Quarterly	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Total sales	5,401,976	5,653,062	5,708,221	4,854,596	21,617,855
Profit by department:					
- Sales	14,524	23,561	46,910	3,773	88,768
- Parts	31,447	22,699	30,034	28,618	112,798
- Service	147,661	133,862	115,921	76,915	474,359
- Forecourt	41,165	56,296	45,233	44,571	187,265
Sub total	234,797	236,418	238,098	153,877	863,190
Less: overheads	173,644	189,487	206,347	193,851	763,329
Grand total	61,153	46,931	31,751	(39,974)	99,861

Also excluding Weybridge, the company achieved 0.5% return on sales, compared to 1.08% achieved by the ASE composite average, a modest performance that we largely attribute to the Affinity Water roadworks, discussed above.

The sales department achieved a very strong 1.9:1 used:new ratio, compared to just 1.1 for the ASE composite average, with stock-turn days of 52, compared to the ASE composite average of 57.9.

Trident also achieved an excellent 101% overhead absorption, compared to 53.3% achieved by the ASE composite average. This achievement was partly attributable to the forecourt, but even without the forecourt we still achieved a creditable 76% overhead absorption, far ahead of the ASE composite average.

The service department achieved an excellent 78.9% labour gross profit, compared to the ASE composite average of 75.7%. The parts department, whilst a relatively small operation, also managed a creditable return, with a stock-turn of 14.2 compared to 8.0 for the average dealer.

Trident Garages Limited (Registered number: 00764299)

Strategic Report
for the Year Ended 31 December 2016

BUSINESS OUTLOOK, PRINCIPAL RISKS AND UNCERTAINTIES

UK Economy

The economic outlook still appears to be uncertain, as we continue to progress towards an exit of the EU. We now expect transitional access to the single market following Brexit, which should delay the potential negative effect of leaving the EU for a further indefinite period.

Honda

The company is reliant on new vehicle products from its franchise partners. This exposes the company to risks in a number of areas including the availability, quality and pricing of new product.

It is the view of the directors that the quality of the Honda product is likely to continue to improve; that being a core value for Honda. Indeed, since the year end we have seen the extremely successful launch of the new 2017 model year Civic; designed as a global product, this new model has been launched to widespread praise. This positive publicity has already led to strong showroom activity in 2017.

The new Civic Type R, based on the 2017 Civic platform, has also received widespread praise and, whilst volumes of this product are likely to be relatively low, the halo effect for Honda could be significant.

Following Honda's commitment to remain in the UK, its investment of a further 200 million pounds to expand the production of the new Civic 5 Door, as well as the benefit that the low pound brings to exporters, we believe that there is no significant risk of Honda moving their manufacturing away from the UK.

As far as availability is concerned, supply is easiest for those models manufactured at Honda's Swindon factory, which includes CR-V, Civic 5 Door, Civic Tourer and the all new Civic Type R.

Jazz and HR-V remain imported models, but with more than half our sales being produced within the UK, we are to some degree insulated against the currency issues being experienced following the EU referendum.

The negative press against diesel particulates has had some limited impact on our used stock residual values, but as far as new cars are concerned Honda is in a better position than most manufacturers to weather this effect, especially with the launch of their highly efficient petrol turbo engines. We are starting to see a demand for an electric model and are looking forward to Honda entering that market in 2019.

Queensmead (Weybridge) Limited

Queensmead (Weybridge) Limited is a joint venture between the majority of the shareholders of Trident Garages Limited and Cleanslate Limited and was incorporated for the purpose of developing the site at 30 Queens Road Weybridge for a mix of residential and retail.

Queensmead (Weybridge) Limited owes Trident Garages Limited £2.25m for the remaining balance of their purchase of the Weybridge site. Payment of this remaining balance has been given legal priority, after development funding, but before the developer's management fee and profit distribution.

The directors believe that there is little significant risk of default on this payment, and believe that the company is sufficiently strong to cope in the unlikely event of it occurring.

ON BEHALF OF THE BOARD:

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C J Roberts - Director

Date: 11/9/17

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of garage proprietors.

DIVIDENDS
The total distribution of dividends for the year ended 31 December 2016 will be £172,224 (2015: £Nil).

FUTURE DEVELOPMENTS
As part of our Honda franchise standards assessment, the directors have agreed to redevelop our Ottershaw showroom by the end of 2018. The likely cost of this development is approximately £150,000 and we expect to stay open throughout the development.

Given the recent sale of its Weybridge site, the company has been able to significantly reduce its indebtedness and is therefore confident of its ability to fund this development.

Other Honda franchise standards are already being met and the company is achieving its performance targets set by Honda. With these planned changes, the directors remain confident of the company's future with Honda.

Since the year end the company has completed its migration to the latest ISO9001:2015 standard and has begun working towards GDPR (General Data Protection Regulations) compliance. The company already has data protection and privacy policies in place, and is confident that it will be fully compliant prior to May 2018.

The Affinity Water roadworks are expected to be completed by the end of October 2017. We have lodged a claim for compensation against Affinity Water for the road closures of 2014, and will put in a subsequent claim for the major disruptions experienced recently. These claims are being made in conjunction with Shell UK.

With the Affinity Water roadworks nearing completion, and the sale of Weybridge completed, the company enjoys minimal borrowings and a sufficient pool of customers to support the business even in the event of a significant downturn.

In the light of all the above, the directors remain confident in the company's future success.

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

R M Roberts
C J Roberts
S N Henderson
J Roberts

FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The company uses various financial instruments, other than derivatives, which include bank, financial institution and stocking loans, cash and various items, such as consignment stock, trade debtors and trade creditors that arise directly from operations. The main purpose of these financial instruments is to raise finance for the company's operations. Their existence exposes the company to a number of financial risks.

The significant risks arising from the company's financial instruments are interest rate risk, liquidity risk and credit risk. The directors review and agree policies for the management of each of these risks which are noted below. These policies are consistent with those from the previous year.

INTEREST RATE RISK

The company finances its operations through a mixture of bank and other external borrowings. The companys exposure to interest rate fluctuations on its borrowings is managed by the use of fixed and floating facilities. The Statement of Financial Position includes trade debtors and creditors which do not attract interest and are therefore subject to fair value interest rate risk.

The company policy throughout the year has been to achieve its objective of managing interest rate risk through day to day involvement of management in business decisions rather than through setting maximum or minimum levels for the level of fixed interest rate borrowings.

LIQUIDITY RISK

The company seeks to manage risk by ensuring sufficient liquidity is available to meet foreseeable needs to invest cash assets safely and profitably.

The company's policy throughout the year has been to achieve this objective through the day to day involvement of management in business decisions rather than through setting maximum or minimum liquidity ratios.

CREDIT RISK

The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the counterparts have high credit ratings assigned by international credit-rating agencies. The principal credit risk therefore arises from its trade debtors.

In order to manage credit risk, the directors set credit limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the finance director on a regular basis in conjunction with debt ageing and collection history.

DISCLOSURE IN THE STRATEGIC REPORT

The directors review of business, and their consideration of the risks and uncertainties surrounding the business may be found in the Strategic Report.

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.

Report of the Directors
for the Year Ended 31 December 2016

AUDITORS
The auditors, ASE Audit LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD:

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C J Roberts - Director

Date: 11/9/17

Report of the Independent Auditors to the Members of Trident Garages Limited

We have audited the financial statements of Trident Garages Limited for the year ended 31 December 2016 on pages nine to twenty five. 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 five, 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
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements
As more fully explained in note 23 to the financial statements the company has not accounted for the pension costs, assets and liabilities in respect of the company defined benefit pension scheme in accordance with FRS 102 ("FRS102") The Financial Reporting Standard applicable in the UK and Republic of Ireland section 28 Employee Benefits. Instead, pension costs have been accounted for as if the company were operating a defined contribution pension scheme and no net pension asset or liability has been recognised in the company statement of financial position. The latest actuarial valuation dated 5 April 2014, prepared for funding purposes rather than on the basis required under FRS102, shows a surplus for the company of £243,000. The information required by FRS102, section 28 Employee Benefits has not been obtained for either the year ended 31 December 2015 or the year ended 31 December 2016, nor have the relevant disclosures required by FRS102, section 28 Employee Benefits been made in the financial statements. In the absence of an FRS102 valuation, it is not possible for us to quantify the financial effect of the company's failure to account for the pension costs, assets and liabilities of the company defined benefit pension scheme in accordance with FRS102 section 28 Employee Benefits. This also resulted in the qualification of our audit opinion on the financial statements for the year ended 31 December 2015.

Opinion on financial statements
In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2016 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements and the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Trident 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.

ASE Audit LLP

Beverley Richardson FCA (Senior Statutory Auditor)
for and on behalf of ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

Date: 12/9/17

Trident Garages Limited (Registered number: 00764299)

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
TURNOVER	3	22,164,613	24,557,832
Cost of sales		19,675,577	22,134,357
GROSS PROFIT		2,489,036	2,423,475
Administrative expenses		917,637	2,071,579
		1,571,399	351,896
Other operating income	4	182,380	74,412
OPERATING PROFIT	6	1,753,779	426,308
Interest payable and similar expenses	7	25,633	44,268
PROFIT BEFORE TAXATION		1,728,146	382,040
Tax on profit	8	(31,109)	65,139
PROFIT FOR THE FINANCIAL YEAR		1,759,255	316,901
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,759,255	316,901

The notes form part of these financial statements

Trident Garages Limited (Registered number: 00764299)

Statement of Financial Position
31 December 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	10	4,408,971	4,406,604
Investment property	11	-	1,765,000
		4,408,971	6,171,604
CURRENT ASSETS			
Stocks	12	1,578,775	1,526,102
Debtors	13	3,313,410	365,208
Cash at bank and in hand		234,210	179,191
		5,126,395	2,070,501
CREDITORS			
Amounts falling due within one year	14	(3,118,309)	(2,997,126)
NET CURRENT ASSETS/(LIABILITIES)		2,008,086	(926,625)
TOTAL ASSETS LESS CURRENT LIABILITIES		6,417,057	5,244,979
PROVISIONS FOR LIABILITIES	19	(496,940)	(911,893)
NET ASSETS		5,920,117	4,333,086
CAPITAL AND RESERVES			
Called up share capital	20	211,200	211,200
Share premium	21	10,550	10,550
Revaluation reserve	21	3,373,903	3,373,903
Capital redemption reserve	21	6,800	6,800
Retained earnings	21	2,317,664	730,633
SHAREHOLDERS' FUNDS		5,920,117	4,333,086

The financial statements were approved by the Board of Directors on 11/9/17 and were signed on its behalf by:

....
R M Roberts - Director

The notes form part of these financial statements

Trident Garages Limited (Registered number: 00764299)

Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2015	211,200	413,732	10,550
Changes in equity			
Total comprehensive income	-	316,901	-
Balance at 31 December 2015	211,200	730,633	10,550
Changes in equity			
Dividends	-	(172,224)	-
Total comprehensive income	-	1,759,255	-
Balance at 31 December 2016	211,200	2,317,664	10,550

	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 January 2015	3,373,903	6,800	4,016,185
Changes in equity			
Total comprehensive income	-	-	316,901
Balance at 31 December 2015	3,373,903	6,800	4,333,086
Changes in equity			
Dividends	-	-	(172,224)
Total comprehensive income	-	-	1,759,255
Balance at 31 December 2016	3,373,903	6,800	5,920,117

The notes form part of these financial statements

Trident Garages Limited (Registered number: 00764299)

Statement of Cash Flows
for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	(12,082)	759,215
Interest paid		(25,633)	(44,268)
Tax paid		-	(32)
Net cash from operating activities		(37,715)	714,915
Cash flows from investing activities			
Purchase of tangible fixed assets		(23,654)	(279,056)
Sale of tangible fixed assets		2,126	14,405
Sale of investment property		1,000,000	-
Net cash from investing activities		978,472	(264,651)
Cash flows from financing activities			
Loan repayments in year		(713,514)	156,746
Equity dividends paid		(172,224)	-
Net cash from financing activities		(885,738)	156,746
Increase in cash and cash equivalents		55,019	607,010
Cash and cash equivalents at beginning of year	2	179,191	(427,819)
Cash and cash equivalents at end of year	2	234,210	179,191

The notes form part of these financial statements

Trident Garages Limited (Registered number: 00764299)

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	1,728,146	382,040
Depreciation charges	20,084	24,506
Profit on disposal of fixed assets	(1,485,923)	(3,509)
Gain on revaluation of fixed assets	-	(365,000)
Finance costs	25,633	44,268
	287,940	82,305
(Increase)/decrease in stocks	(52,673)	746,212
(Increase)/decrease in trade and other debtors	(698,202)	395,793
Increase/(decrease) in trade and other creditors	450,853	(465,095)
Cash generated from operations	(12,082)	759,215

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	234,210	179,191

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	179,191	1,273
Bank overdrafts	-	(429,092)
	179,191	(427,819)

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. STATUTORY INFORMATION

Trident Garages Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The company's principal place of business is the same as the registered office. The company's principal activity is disclosed in the Report of the Directors.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These 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. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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 below).

The following principal accounting policies have been applied:

Significant judgements and estimates
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Consignment stock
Vehicles held on consignment have been included in 'vehicle stock' within 'stocks' on the basis that the company has determined that it holds the significant risks and rewards attached to these vehicles.

Stock valuation
Stock valuation is regularly monitored against age profile and market demand. Management use a number of market tools during the appraisal process including Glass' and CAP valuation guides. The directors maintain oversight of ageing stock profiles and a monthly review of any provision required is performed.

Property, plant and equipment assets
Property, plant and equipment are reviewed for impairment if events or circumstances indicate that the carrying value may not be recoverable. When an impairment review is carried out the recoverable value is determined based on value in use calculations which require estimates to be made of future cash flows.

Incentives and other rebates from brand partners
The company receives income in the form of various incentives which are determined by our brand partners. The amount we receive is generally based on achieving specific objectives such as a specified sales volume, as well as other objectives including maintaining brand partner standards which may include, but are not limited to, retail centre image and design requirements, customer satisfaction survey results and training standards. Objectives are generally set and measured on either a quarterly or annual basis.

Where incentives are based on a specific sales volume or number of registrations, the related income is recognised as a reduction in cost of sales when it is reasonably certain that the income has been earned. This is generally the later of the date the related vehicles are sold or registered or when it is reasonably certain that the related target will be met. Where incentives are linked to retail centre image and design requirements, customer satisfaction survey results or training standards, they are recognised as a reduction in cost of sales when it is reasonably certain that the incentive will be received for the relevant period.

The company may also receive contributions towards advertising, promotional and rent expenditure. Where such contributions are received they are recognised as a reduction in the related expenditure in the period to which they relate.

continued...

2. ACCOUNTING POLICIES - continued

Turnover
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, and;
- 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;
- 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.

Commissions receivable
Revenue from commissions receivable is recognised when the amount can be reliably measured and it is probable that the company will receive the consideration.

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2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Tangible fixed assets under the cost model 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 Comprehensive Income during the period in which they are incurred.

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. The estimated useful lives range as follows:

Depreciation is provided on the following bases:

Freehold property	-	Not depreciated
Plant and machinery	-	25%-35% on reducing balance
Motor vehicles	-	25% on reducing balance

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 the Statement of Comprehensive Income

Although the Companies Act 2006 requires all assets to be depreciated, in the directors opinion, this would result in an inappropriate carrying value of freehold property being stated in the financial statements. The directors consider that the market value of the properties is at least equal to the residual value, hence no depreciation has been provided in the financial statements.

The company have taken advantage of the transitional arrangements under FRS102 to carry forward previously revalued assets as deemed cost.

The directors are satisfied that the aggregate value of those assets was not less than the aggregate amount at which they were then stated in the company's accounts.

Revaluation of tangible fixed assets
Individual freehold and leasehold properties are carried at current year value and at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the Statement of Comprehensive Income.

Operating leases: Lessee
Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from the changes in fair value is recognised in the Statement of Comprehensive Income.

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 Comprehensive Income

continued...

2. ACCOUNTING POLICIES - continued

Stocks
Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving stock.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Consignment stock
Consignment vehicles which bear considerably more of the risks and responsibilities of ownership are regarded effectively as being under the control of the company and, in accordance with FRS 102 are included in stocks on the statement of financial position, although legal title has not passed to the company. The corresponding liability is included in trade creditors and is secured directly on these vehicles.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits
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 Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan
The company operates a defined benefit scheme as part of the Motor Industry Pension Plan. The assets of which are held separately from those of the company. The scheme is closed to further contributions and new members.

No assets or liabilities are recognised in the financial statements in respect of the scheme. The pension charge is based on a full actuarial valuation dated 5 April 2014.

continued...

2. ACCOUNTING POLICIES - continued

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.

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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

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.

Finance costs
Finance costs are charged to the Statement of Comprehensive Income 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.

Dividends
Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Borrowing costs
All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

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, together with loans to related parties.

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, such as 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 outright 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.

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 Comprehensive Income.

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 reporting date.

continued...

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2016	2015
	£	£
Sale of goods	19,904,093	22,681,029
Rendering of services	2,204,749	1,822,034
Commissions receivable	55,771	54,769
	22,164,613	24,557,832

All turnover arose within the UK,

4. OTHER OPERATING INCOME

	2016	2015
	£	£
Rents received	182,380	74,412

5. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	1,657,190	1,740,794
Social security costs	193,003	147,595
Other pension costs	48,775	45,205
	1,898,968	1,933,594

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

	2016	2015
Management	11	10
Selling and distribution	11	15
Servicing	13	11
Forecourt	23	24
Administration	25	23
	83	83

	2016	2015
	£	£
Directors' remuneration	306,203	309,028
Directors' pension contributions to money purchase schemes	9,000	6,550

The number of directors to whom retirement benefits were accruing was as follows:

Defined benefit schemes	4	4

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	108,476	110,676

continued...

6. OPERATING PROFIT

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

	2016	2015
	£	£
Depreciation - owned assets	20,084	24,507
Profit on disposal of fixed assets	(1,485,923)	(3,509)
Auditors' remuneration	14,184	14,274
Auditors' remuneration for non audit work	5,091	3,456

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Bank interest	1,907	2,674
Bank loan interest	19,391	19,907
Stocking loan interest	4,463	21,919
Bank interest receivable	(128)	(232)
	25,633	44,268

8. TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the profit for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	383,844	-
Deferred tax	(414,953)	65,139
Tax on profit	(31,109)	65,139

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

	2016	2015
	£	£
Profit before tax	1,728,146	382,040
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	345,629	76,408
Effects of:		
Expenses not deductible for tax purposes	789	478
Capital allowances in excess of depreciation	(295,820)	(10,105)
Surplus on revaluation of investment property	-	(73,000)
Unrelieved tax losses carried forward	-	9,308
Balance sheet adjustments	(1,216)	(156)
Land remediation adjustment	-	(2,933)
Deferred tax	(414,953)	65,139
Gain on property	334,462	-
Total tax (credit)/charge	(31,109)	65,139

Factors that may affect future tax charges
A reduction in the corporation tax rate from 20% to 19% from 1 April 2019 and to 17% from 1 April 2020 was substantively enacted on 18 November 2015. Future tax liabilities will reduce accordingly and deferred tax has been provided at 17% in these financial statements.

continued...

9. DIVIDENDS

	2016	2015
	£	£
Ordinary shares of £1 each		
Interim	172,224	-

10. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£
COST OR VALUATION				
At 1 January 2016	4,338,421	474,938	19,621	4,832,980
Additions	16,769	6,885	-	23,654
Disposals	-	(57,617)	-	(57,617)
At 31 December 2016	4,355,190	424,206	19,621	4,799,017
DEPRECIATION				
At 1 January 2016	-	410,806	15,570	426,376
Charge for year	-	19,071	1,013	20,084
Eliminated on disposal	-	(56,414)	-	(56,414)
At 31 December 2016	-	373,463	16,583	390,046
NET BOOK VALUE				
At 31 December 2016	4,355,190	50,743	3,038	4,408,971
At 31 December 2015	4,338,421	64,132	4,051	4,406,604

All the assets held by the company are pledged as security for the bank overdraft.

Cost or valuation at 31 December 2016 is represented by:

	Freehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£
Valuation in 2014	3,376,140	-	-	3,376,140
Cost	979,050	424,206	19,621	1,422,877
	4,355,190	424,206	19,621	4,799,017

If the land and buildings had not been revalued they would have been included at the following historical cost:

	2016	2015
	£	£
Cost	979,049	962,280

Freehold property was valued on an open market value basis on 24 November 2014 by G E Commercial Property Consultants, Chartered Surveyors.

continued...

11. INVESTMENT PROPERTY

	Total
	£
FAIR VALUE	
At 1 January 2016	1,765,000
Disposals	(1,765,000)
At 31 December 2016	-
NET BOOK VALUE	
At 31 December 2016	-
At 31 December 2015	1,765,000

12. STOCKS

	2016	2015
	£	£
Vehicle stocks	1,417,528	1,369,471
Work in progress	2,035	4,854
Parts stocks	159,212	151,777
	1,578,775	1,526,102

Stock recognised in cost of sales during the year as an expense was £18,822,802.34 (2015: £21,494,095).

An impairment reversal of £19,593 (2015: £37,625 loss movement) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

All stock is pledged as security for the vehicle funding and bank overdraft.

13. DEBTORS

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	845,234	110,593
Other debtors	14,500	17,067
Prepayments	203,676	237,548
	1,063,410	365,208
Amounts falling due after more than one year:		
Other debtors	2,250,000	-
Aggregate amounts	3,313,410	365,208

An impairment loss movement of £3,523 (2015: £Nil) was recognised against trade debtors.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank loans and overdrafts (see note 15)	-	713,514
Trade creditors	1,833,450	2,052,158
Corporation tax	383,844	-
Other taxes and social security	49,050	44,204
VAT	704,976	46,546
Other creditors	2,927	23,701
Accrued expenses	144,062	117,003
	3,118,309	2,997,126

 continued...

15. LOANS

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank loans	-	713,514

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	9,120	11,769
Between one and five years	16,757	25,881
	25,877	37,650

17. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Bank loans	-	713,514
Vehicle funding	879,264	1,041,915
	879,264	1,755,429

The bank loan is secured by a legal charge over Trident Garage, Ottershaw, Surrey and freehold property at Queens Road, Weybridge.

The vehicle funding creditor is secured over the vehicles to which it relates.

18. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	3,109,733	127,659
Financial liabilities		
Financial liabilities measured at amortised cost	(1,980,436)	(2,906,373)

Financial assets measured at amortised cost comprise of trade and other debtors as well as items of accrued income included within prepayments.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals where a cash settlement will take place and bank loans.

19. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	496,940	911,893

continued...

19. **PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 January 2016	911,893
Credit to Statement of Comprehensive Income during year	(414,953)
Balance at 31 December 2016	496,940

20. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
211,200	Ordinary	£1	211,200	211,200

21. **RESERVES**

Share premium
This reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve
This reserve includes the uplift in respect of property valuations over the years.

Capital redemption reserve
This reserves includes the nominal value of shares repurchased by the company.

Retained earnings
This reserve includes all current and prior period retained profits and losses.

22. **PENSION COMMITMENTS**

The company operates a defined benefit pension scheme in the UK, named "Motor Industry Pension Plan - Trident Garages Limited", the assets of which are funded separately from the company.

The company has not complied with Financial Reporting Standard 102, section 28 Employee benefits, which requires that the scheme asset or liability be recognised in the Financial Statements for the year ended 31 December 16. Noted below are some details in respect of the scheme.

The last draft actuarial valuation was carried out at 5 April 2014, by a qualified independent actuary, which identified that the scheme had a net surplus of £243,000 (5 April 2011 net surplus of £77,000).

As of December 2016 company contributions are 19.5% of pensionable pay on the basis that this amount is adequate for the purpose of securing the Statutory Funding Objective being met.

The scheme is closed to new members and so under the projected unit method, the current service cost would be expected to increase over time as members of the scheme approach retirement.

No asset has been included in the financial statements for the surplus estimated by the actuary.

The company also operates a defined contributions 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 £48,775 (2015: £45,205). Amounts due to be paid to the fund at the year end are £Nil (2015: £Nil).

continued...

23. **CAPITAL COMMITMENTS**

	2016	2015
	£	£
Contracted but not provided for in the financial statements	56,800	125,609

The company had a commitment at the reporting date to repurchase vehicles from third party rental companies at agreed values. The company expect the market value of the vehicles to be in excess of the repurchase commitment.

At the reporting date legal title had passed to the third parties and the company does not have the risks and responsibilities of ownership.

24. **RELATED PARTY DISCLOSURES**

During the year, total dividends of £129,168 were paid to the directors (2015: £Nil).

During the year a number of sales were made to directors:

	2016	2015
	£	£
Vehicle sales made to J Roberts	435	-
Vehicle sales made to L Roberts (C Roberts wife)	8,888	-
	16,620	-

These transactions were arms length transactions at market value.

During the year, the property, 30 Queens Road, Weybridge was sold to Queensmead Weybridge Limited for £3,250,000, a company in which the directors of Trident Garages Limited are also directors.

During the year, Trident Garages Limited sponsored Woking & Sam Beare Hospices for £2,500 which is a related party due to the common directorship of R M Roberts.

25. **ULTIMATE CONTROLLING PARTY**

There was no individual ultimate controlling party during the year under review or the preceding year.