

Company Registration No. 00851095 (England and Wales)

JDS TRUCKS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



JDS TRUCKS LIMITED

COMPANY INFORMATION

Directors	M F Griffiths R N Davies C Bell P J F Glover
Secretary	M F Griffiths
Company number	00851095
Registered office	Navigation Garage Forrest Street Blackburn Lancashire BB1 3BB
Auditor	Pierce C A Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY
Business address	Navigation Garage Forrest Street Blackburn Lancashire BB1 3BB

JDS TRUCKS LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 17

JDS TRUCKS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Fair review of the business

Turnover increased marginally during 2016 following really strong growth of over 20% in the previous year. Vehicle order take dipped in the middle of the year following the BREXIT result, but picked up during the last quarter and we go into 2017 with a very good vehicle forward order bank.

There was continued growth in the aftermarket side of the business, both in terms of workshop throughput and sale of spare parts at all sites, albeit at a reduced rate to the prior year. This, together with continued close focus and control of costs, resulted in another strong profit before tax for the year.

The Company continues to invest in understanding customer requirements, monitoring vehicle performance and developing operating procedures so as to improve ongoing results.

Principal risks and uncertainties

The company does not actively use financial instruments as part of its financial risk management. The company is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures. The company's debt is exposed to prevailing market interest rates and repayments are met out of working capital. The company's exposure to price and liquidity risks is therefore considered to be minimal.

On behalf of the board



M F Griffiths

Director

24 March 2017

JDS TRUCKS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activities of the company continued to be those of the sale of heavy goods vehicles and vans, spares and accessories and the servicing and repair of heavy goods vehicles and vans.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M F Griffiths
R N Davies
C Bell
P J F Glover

Results and dividends

The results for the year are set out on page 6.

An interim ordinary dividend was paid amounting to £881,630. The directors do not recommend payment of a final dividend.

Future developments

It is anticipated the UK new truck market will reduce during 2017 following significant growth in previous years and the impact of inflationary pressure on prices following the significant reduction in the value of sterling. The company has started 2017 with a good vehicle order book and pipeline and continues to be well placed to take advantage of the opportunity that this will bring in terms of continued growth in the after-market side of the business. Medium term growth will be dependent on the impact of BREXIT on UK confidence levels. The company will continue to focus on cost control, whilst looking for opportunities to continue to expand the business.

Auditor

The auditor, Pierce C A Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

JDS TRUCKS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



M F Griffiths

Director

24 March 2017

JDS TRUCKS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JDS TRUCKS LIMITED

We have audited the financial statements of JDS Trucks Limited for the year ended 31 December 2016 set out on pages 6 to 17. 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).

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 set out on page 2, 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 annual report 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.

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 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

JDS TRUCKS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF JDS TRUCKS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Jane Smith

**Jane Smith (Senior Statutory Auditor)
for and on behalf of Pierce C A Limited**

24 March 2017

Statutory Auditor

Mentor House
Ainsworth Street
Blackburn
Lancashire
BB1 6AY

JDS TRUCKS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	2	38,471,528	38,060,001
Cost of sales		(35,656,638)	(35,086,538)
Gross profit		2,814,890	2,973,463
Administrative expenses		(1,567,948)	(1,344,673)
Operating profit	5	1,246,942	1,628,790
Interest receivable and similar income	7	3,548	3,396
Interest payable and similar expenses	6	(20,108)	(11,262)
Profit before taxation		1,230,382	1,620,924
Taxation	9	(249,078)	(323,391)
Profit for the financial year		981,304	1,297,533

The profit and loss account has been prepared on the basis that all operations are continuing operations.

JDS TRUCKS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		201,876		228,168
Current assets					
Stocks	11	2,207,546		1,880,656	
Debtors	12	1,995,408		2,948,030	
Cash at bank and in hand		2,705,560		1,636,235	
		<u>6,908,514</u>		<u>6,464,921</u>	
Creditors: amounts falling due within one year	13	<u>(3,587,623)</u>		<u>(3,152,866)</u>	
Net current assets			3,320,891		3,312,055
Total assets less current liabilities			<u>3,522,767</u>		<u>3,540,223</u>
Creditors: amounts falling due after more than one year	14		(249,950)		(367,080)
Net assets			<u><u>3,272,817</u></u>		<u><u>3,173,143</u></u>
Capital and reserves					
Called up share capital	16	25,000		25,000	
Profit and loss reserves		3,247,817		3,148,143	
Total equity		<u><u>3,272,817</u></u>		<u><u>3,173,143</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 24 March 2017 and are signed on its behalf by:



M F Griffiths
Director

Company Registration No. 00851095

JDS TRUCKS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2015		25,000	2,097,714	2,122,714
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	1,297,533	1,297,533
Dividends	8	-	(247,104)	(247,104)
Balance at 31 December 2015		25,000	3,148,143	3,173,143
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	981,304	981,304
Dividends	8	-	(881,630)	(881,630)
Balance at 31 December 2016		25,000	3,247,817	3,272,817

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

JDS Trucks Limited is a private company limited by shares incorporated in England and Wales. The registered office is Navigation Garage, Forrest Street, Blackburn, Lancashire, BB1 3BB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;

The financial statements of the company are consolidated in the financial statements of Rimape Limited. These consolidated financial statements are available from its registered office, Navigation Garage, Forrest Street, Blackburn, Lancashire, BB1 3BB.

1.2 Going concern

The directors are not aware of any material uncertainties affecting the company and are of the opinion that the company will have sufficient resources to continue trading for the foreseeable future. As a result the directors have continued to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover represents net invoiced sales in respect of heavy goods vehicles and vans, spares and accessories and the servicing and repair of heavy goods vehicles and vans, excluding value added tax.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% - 25% on reducing balance and on cost, 33% on reducing balance
Motor vehicles	25% straight line

1.5 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the year end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

The company operates defined contribution schemes for the benefit of certain members of staff and for two of its directors, M F Griffiths & R N Davies. Contributions payable are charged to the profit and loss account in the year they are payable.

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.11 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the lease.

1.12 Repair and maintenance contracts

A substantial proportion of new trucks sold incorporate the sale of a repair and maintenance contract. The contract results in income being received by the company in equal monthly instalments over the life of the contract, the majority of which are for between three and five years. The full costs incurred by the company in meeting its obligations under the contracts are charged to the profit and loss account as incurred. The balance of contract income in excess of costs is treated as deferred income and any remaining balance at the end of the contract is released to the profit and loss account. Actual contract losses are written off in the year in which they are incurred.

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Principal activity	38,471,528	38,060,001
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	3,548	3,396
	<u> </u>	<u> </u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Directors	4	4
Managerial staff	5	6
Other employees	81	75
	<u> </u>	<u> </u>
	90	85
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	2,618,791	2,472,563
Social security costs	250,919	233,273
Pension costs	109,166	111,175
	<u> </u>	<u> </u>
	2,978,876	2,817,011
	<u> </u>	<u> </u>

4 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	349,353	193,182
Company pension contributions to defined contribution schemes	54,000	54,350
	<u> </u>	<u> </u>
	403,353	247,532
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2015 - 2).

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

4	Directors' remuneration	(Continued)	
	Remuneration disclosed above include the following amounts paid to the highest paid director:		
	Remuneration for qualifying services	277,442	114,122
5	Operating profit	2016	2015
	Operating profit for the year is stated after charging/(crediting):	£	£
	Fees payable to the company's auditors for the audit of the company's financial statements	10,800	10,800
	Depreciation of owned tangible fixed assets	83,932	71,562
	(Loss)/profit on disposal of tangible fixed assets	843	(4,084)
	Operating lease charges	175,000	175,002
6	Interest payable and similar expenses	2016	2015
		£	£
	Other interest on financial liabilities	20,108	11,262
7	Interest receivable and similar income	2016	2015
		£	£
	Interest income		
	Interest on bank deposits	3,548	3,396
8	Dividends	2016	2015
		£	£
	Interim paid	881,630	247,104

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	249,078	323,391
Total tax charge	<u>249,078</u>	<u>323,391</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>1,230,382</u>	<u>1,620,924</u>
Expected tax charge based on a corporation tax rate of 20.00% (2015 - 20.00%)	246,076	328,237
Tax effect of expenses that are not deductible in determining taxable profit	2,112	1,540
Permanent capital allowances in excess of depreciation	890	(7,897)
Other tax adjustments	-	1,511
Tax expense for the year	<u>249,078</u>	<u>323,391</u>

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Tangible fixed assets

	Plant and Motor vehicles machinery		Total
	£	£	£
Cost			
At 1 January 2016	581,245	260,751	841,996
Additions	30,280	29,037	59,317
Disposals	(21,112)	(10,745)	(31,857)
At 31 December 2016	590,413	279,043	869,456
Depreciation and impairment			
At 1 January 2016	470,670	143,150	613,820
Depreciation charged in the year	39,451	44,481	83,932
Eliminated in respect of disposals	(19,927)	(10,245)	(30,172)
At 31 December 2016	490,194	177,386	667,580
Carrying amount			
At 31 December 2016	100,219	101,657	201,876
At 31 December 2015	110,567	117,601	228,168

11 Stocks

	2016 £	2015 £
Raw materials and consumables	2,195,291	1,845,532
Work in progress	12,255	35,124
	<u>2,207,546</u>	<u>1,880,656</u>

Unregistered vehicles with a value of £5,368,382 (2015 - £8,922,700) were held within the company's control at the year end on a Dealer Stocking Facility. These have not been included in the company's stock figure since substantially not all of the risks of ownership had been transferred to the company.

12 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	1,886,744	2,117,874
Amount due from parent undertaking	-	709,887
Prepayments and accrued income	108,664	120,269
	<u>1,995,408</u>	<u>2,948,030</u>

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

13 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,144,885	1,441,813
Corporation tax payable	149,078	216,824
Other taxation and social security	557,718	191,552
Other creditors	96,194	54,283
Accruals and deferred income	1,639,748	1,248,394
	<u>3,587,623</u>	<u>3,152,866</u>

14 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Accruals and deferred income	<u>249,950</u>	<u>367,080</u>

15 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>109,166</u>	<u>111,175</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

JDS TRUCKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

17 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	118,217	2,273
Between two and five years	23,007	319,995
	<u>141,224</u>	<u>322,268</u>

18 Financial commitments, guarantees and contingent liabilities

The company has guaranteed the bank borrowings of its parent company, Rimape Limited. At 31 December 2016 the bank borrowings of the parent company were £685,856 (2015 - £801,654).

19 Controlling party

The company is controlled by M F Griffiths & P J F Glover who, together with close family members, hold 80% of the issued voting share capital of the parent company Rimape Limited.