

Company Registration No. 00851509 (England and Wales)

WOOD AUTO SUPPLIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

WOOD AUTO SUPPLIES LIMITED

COMPANY INFORMATION

Directors	A M Stead R E J Heywood G J Heywood
Secretary	A M Stead
Company number	00851509
Registered office	Cromwell Works Colne Road Huddersfield West Yorkshire HD1 3ES
Auditor	Pierce C A Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY
Business address	Cromwell Works Colne Road Huddersfield West Yorkshire HD1 3ES
Bankers	Natwest Bank Plc Ewood House Walker Office Park Walker Road Blackburn Lancs BB1 2QE RBS Invoice Finance Limited Smith House Elmwood Avenue Feltham Middlesex TW13 7QD

WOOD AUTO SUPPLIES LIMITED

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WOOD AUTO SUPPLIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present the strategic report for the year ended 31 March 2018.

Fair review of the business

The results for the year show a net profit before taxation of £345,878 and a net asset position of £3,866,041. The business continues to integrate and consolidate the operations of the various trading companies within the group to both improve efficiency and cross-selling opportunities.

The business is continuing to rollout its group-wide IT system to support further integration and consolidation within its trading companies. This is expected to help the company manage its significant stock holdings with greater precision and transparency. The company is also adjusting the marketing of its premium OEM products to better differentiate them from its aftermarket products. This should significantly improve the clarity and understanding of the company's product portfolio.

Principal risks and uncertainties

The company finances its operations by means of bank borrowings and an invoice discounting facility at normal commercial rates of interest. The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures and by an invoice discounting facility. The company's cash flow risk and price risk are therefore considered to be negligible.

Key performance indicators

The directors have identified that the company's sales and margins by customer and product type are key performance indicators, and as such are reviewed and monitored by management on a monthly basis.

On behalf of the board

A M Stead

Director

27 September 2018

WOOD AUTO SUPPLIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of the manufacture and distribution of automotive electrical components.

Directors

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

A M Stead
R E J Heywood
G J Heywood

Results and dividends

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

Interim ordinary dividends have been paid amounting to £187,500. The directors do not recommend payment of a final dividend.

Auditor

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

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;
- 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.

WOOD AUTO SUPPLIES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

On behalf of the board

A M Stead

Director

27 September 2018

WOOD AUTO SUPPLIES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WOOD AUTO SUPPLIES LIMITED

Opinion

We have audited the financial statements of Wood Auto Supplies Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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.

WOOD AUTO SUPPLIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WOOD AUTO SUPPLIES 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Paul Moulding (Senior Statutory Auditor)
for and on behalf of Pierce C A Limited

27 September 2018

Statutory Auditor

Mentor House
Ainsworth Street
Blackburn
Lancashire
BB1 6AY

WOOD AUTO SUPPLIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

		2018	2017
	Notes	£	£
Turnover	3	8,556,857	8,476,122
Cost of sales		(7,068,980)	(7,090,050)
Gross profit		1,487,877	1,386,072
Distribution costs		(318,923)	(342,608)
Administrative expenses		(771,665)	(851,685)
Other operating income		692	692
Operating profit	4	397,981	192,471
Interest payable and similar expenses	7	(52,103)	(60,322)
Profit before taxation		345,878	132,149
Tax on profit	8	(64,517)	(24,325)
Profit for the financial year		281,361	107,824
Other comprehensive income			
Tax relating to other comprehensive income		-	123,386
Total comprehensive income for the year		281,361	231,210

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

WOOD AUTO SUPPLIES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	10		1,016,689		1,013,880
Current assets					
Stocks	11	1,842,601		2,034,089	
Debtors	12	3,090,124		3,081,089	
Cash at bank and in hand		23,347		142,905	
		<u>4,956,072</u>		<u>5,258,083</u>	
Creditors: amounts falling due within one year	13	<u>(2,093,255)</u>		<u>(2,495,355)</u>	
Net current assets			<u>2,862,817</u>		<u>2,762,728</u>
Total assets less current liabilities			<u>3,879,506</u>		<u>3,776,608</u>
Creditors: amounts falling due after more than one year	14		(8,680)		(2,076)
Provisions for liabilities	17		<u>(4,785)</u>		<u>(2,352)</u>
Net assets			<u><u>3,866,041</u></u>		<u><u>3,772,180</u></u>
Capital and reserves					
Called up share capital	20		100		100
Share premium account			134,557		134,557
Revaluation reserve			607,724		610,778
Profit and loss reserves			<u>3,123,660</u>		<u>3,026,745</u>
Total equity			<u><u>3,866,041</u></u>		<u><u>3,772,180</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27 September 2018 and are signed on its behalf by:

A M Stead
Director

G J Heywood
Director

Company Registration No. 00851509

WOOD AUTO SUPPLIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2016		100	134,557	490,461	3,083,852	3,708,970
Year ended 31 March 2017:						
Profit for the year		-	-	-	107,824	107,824
Other comprehensive income:						
Tax relating to other comprehensive income		-	-	123,386	-	123,386
Total comprehensive income for the year		-	-	123,386	107,824	231,210
Dividends	9	-	-	-	(168,000)	(168,000)
Transfers		-	-	(3,069)	3,069	-
Balance at 31 March 2017		100	134,557	610,778	3,026,745	3,772,180
Year ended 31 March 2018:						
Profit and total comprehensive income for the year		-	-	-	281,361	281,361
Dividends	9	-	-	-	(187,500)	(187,500)
Transfers		-	-	(3,054)	3,054	-
Balance at 31 March 2018		100	134,557	607,724	3,123,660	3,866,041

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Wood Auto Supplies Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cromwell Works, Colne Road, Huddersfield, West Yorkshire, HD1 3ES.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of long leasehold properties. 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 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

The financial statements of the company are consolidated in the financial statements of RGA Newco (2012) Limited. These consolidated financial statements are available from its registered office, Cromwell Works, Colne Road, Huddersfield, West Yorkshire HD1 3ES.

1.2 Going concern

The company finances its operations by means of bank borrowings and an invoice discounting facility. The directors are not aware of any reasons why these facilities will not be maintained at their current levels. As a result the directors have continued to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	0.5% - 2.5% reducing balance
Plant and machinery	20% straight line and 20% - 25% reducing balance
Motor vehicles	20% - 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

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 payments 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.

1.9 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.

1.10 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. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Turnover and other revenue

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

	2018 £	2017 £
Turnover analysed by class of business		
Manufacture and distribution of automotive electrical components	8,556,857	8,476,122
	<u>8,556,857</u>	<u>8,476,122</u>
	2018 £	2017 £
Other significant revenue		
Grants received	692	692
	<u>692</u>	<u>692</u>
	2018 £	2017 £
Turnover analysed by geographical market		
UK and Ireland	5,845,308	6,062,610
Europe	1,552,376	1,281,673
Rest of the World	1,159,173	1,131,839
	<u>8,556,857</u>	<u>8,476,122</u>

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(692)	(692)
Fees payable to the company's auditor for the audit of the company's financial statements	16,500	16,500
Depreciation of owned tangible fixed assets	32,427	41,121
Depreciation of tangible fixed assets held under finance leases	2,920	-
Cost of stocks recognised as an expense	6,019,968	5,983,496
Operating lease charges	77,952	75,212
	<u>77,952</u>	<u>75,212</u>

5 Employees

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

	2018 Number	2017 Number
Management and staff	51	56
	<u>51</u>	<u>56</u>

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Employees (Continued)

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	967,347	1,019,688
Social security costs	81,665	86,866
Pension costs	80,330	82,590
	<u>1,129,342</u>	<u>1,189,144</u>

6 Directors' remuneration

	2018 £	2017 £
Company pension contributions to defined contribution schemes	<u>50,285</u>	<u>50,285</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2017 - 2).

7 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and loans	39,988	41,736
Interest on finance leases and hire purchase contracts	59	444
Interest on invoice finance arrangements	12,056	18,134
Other interest	-	8
	<u>52,103</u>	<u>60,322</u>

8 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	<u>62,084</u>	<u>25,108</u>
Deferred tax		
Origination and reversal of timing differences	<u>2,433</u>	<u>(783)</u>
Total tax charge	<u>64,517</u>	<u>24,325</u>

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Taxation

(Continued)

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:

	2018 £	2017 £
Profit before taxation	345,878	132,149
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	65,717	26,430
Tax effect of expenses that are not deductible in determining taxable profit	2,590	1,499
Effect of change in corporation tax rate	(563)	(124)
Group relief	(4,514)	(4,852)
Amortisation on assets not qualifying for tax allowances	1,287	1,372
Taxation charge for the year	64,517	24,325

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2018 £	2017 £
Deferred tax arising on:		
Revaluation of property	-	(123,386)

9 Dividends

	2018 £	2017 £
Interim paid	187,500	168,000

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

10 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	985,575	1,202,892	76,056	2,264,523
Additions	-	34,306	5,750	40,056
Disposals	-	(1,453)	(13,700)	(15,153)
At 31 March 2018	985,575	1,235,745	68,106	2,289,426
Depreciation and impairment				
At 1 April 2017	41,435	1,164,040	45,168	1,250,643
Depreciation charged in the year	6,773	17,756	10,818	35,347
Eliminated in respect of disposals	-	(1,453)	(11,800)	(13,253)
At 31 March 2018	48,208	1,180,343	44,186	1,272,737
Carrying amount				
At 31 March 2018	937,367	55,402	23,920	1,016,689
At 31 March 2017	944,140	38,852	30,888	1,013,880

	2018 £	2017 £
Plant and machinery	11,672	-
Depreciation charge for the year in respect of leased assets	2,920	-

One of the company's leasehold properties was revalued in August 2014 at an open market value of £850,000. The remaining property is stated at historic cost.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2018 £	2017 £
Cost	651,907	651,907
Accumulated depreciation	(322,264)	(318,545)
Carrying value	329,643	333,362

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,842,601	2,034,089

12 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,469,269	1,452,315
Amount due from parent undertaking	579,173	476,776
Amounts due from fellow group undertakings	979,470	1,108,632
Other debtors	891	-
Prepayments and accrued income	61,321	43,366
	3,090,124	3,081,089

The company has an invoice discounting facility with RBS Invoice Finance Limited. At the financial year end the total factored debts amounted to £1,021,386 (2017 - £1,005,739).

13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	15	342,886	627,240
Obligations under finance leases	16	4,864	-
Trade creditors		838,630	860,229
Amounts due to group undertakings		750,771	831,384
Corporation tax		62,084	25,108
Other taxation and social security		33,982	81,634
Other creditors		8,254	16,274
Accruals and deferred income		51,784	53,486
		2,093,255	2,495,355

14 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	16	7,296	-
Government grants		1,384	2,076
		8,680	2,076

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

15 Loans and overdrafts

	2018 £	2017 £
Bank overdrafts	342,886	627,240
Payable within one year	342,886	627,240

The company's invoice discounting facilities with RBS Invoice Finance Limited of £259,596 (2017 - £555,720) are secured by a fixed and floating charge over the assets of the company, together with an unlimited guarantee given by other group companies.

The company's bank borrowings under an overdraft facility of £83,290 (2017 - £71,520) are also secured by a fixed and floating charge over the assets of the company.

The bank also holds a first legal charge over all of the group's property dated 6 January 2015.

16 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	4,982	-
In two to five years	7,473	-
	12,455	-
Less: future finance charges	(295)	-
	12,160	-

Net obligations under finance leases and hire purchase contracts are secured by fixed charges on the assets concerned.

17 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	18	4,785	2,352

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	4,785	2,352
	<u>4,785</u>	<u>2,352</u>
Movements in the year:		2018 £
Liability at 1 April 2017		2,352
Charge to profit or loss		2,433
		<u>4,785</u>
Liability at 31 March 2018		<u>4,785</u>

19 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	80,330	82,590
	<u>80,330</u>	<u>82,590</u>

The company contributes to defined contribution pension schemes for the directors and certain employees. The assets of the schemes are held separately from those of the company in independently administered funds.

20 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

WOOD AUTO SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

21 Financial commitments, guarantees and contingent liabilities

The company has guaranteed the bank borrowings of its fellow group companies, RGA Newco (2012) Limited, Wood Auto Factors Limited and Leyland Auto Limited. At the financial year end the total group indebtedness amounted to £2,318,553 (2017 - £2,700,288).

The company has also guaranteed the RBS Invoice Finance Limited invoice discounting facility liabilities of its fellow group companies, Wood Auto Factors Limited and Leyland Auto Limited. At the financial year end the total group indebtedness amounted to £616,880 (2017 - £917,489).

The company is party to a group VAT registration of which its fellow subsidiaries, Wood Auto Factors Limited and Leyland Auto Limited, are members. At the financial year end the company had a contingent liability for VAT liabilities owed by its fellow subsidiaries amounting to £117,840 (2017 - £99,357).

22 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:

	2018 £	2017 £
Within one year	26,470	45,348
Between two and five years	58,673	32,741
	<u>85,143</u>	<u>78,089</u>

The company is also committed to pay ground rents of £3,330 per annum on a leasehold property with an original lease term of 120 years from 16 May 2005.

23 Directors' transactions

Included as other creditors are interest-free loans advanced by two of the company's directors amounting to £8,254 (2017 - £16,274).

24 Controlling party

The company is a wholly owned subsidiary of its intermediate parent company, Wood Auto (Holdings) Limited, which in turn is wholly owned by RGA Newco (2012) Limited, the ultimate parent company, both entities being registered in England and Wales.

The company is ultimately controlled by its directors by virtue of their shareholdings in RGA Newco (2012) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.