

Company Registration No. 00851510 (England and Wales)

WOOD AUTO FACTORS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
PAGES FOR FILING WITH REGISTRAR

WOOD AUTO FACTORS LIMITED

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WOOD AUTO FACTORS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3	373,127		381,389	
Investment properties	4	200,000		200,000	
			573,127		581,389
Current assets					
Stocks		379,992		355,963	
Debtors	5	1,203,357		1,274,964	
Cash at bank and in hand		7,301		-	
			1,590,650		1,630,927
Creditors: amounts falling due within one year	6	(213,817)		(285,698)	
Net current assets			1,376,833		1,345,229
Total assets less current liabilities			1,949,960		1,926,618
Provisions for liabilities	8	(29,250)		(33,843)	
Net assets			1,920,710		1,892,775
Capital and reserves					
Called up share capital	9	100		100	
Share premium account		61,291		61,291	
Revaluation reserve	10	426,044		421,451	
Profit and loss reserves		1,433,275		1,409,933	
Total equity			1,920,710		1,892,775

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

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. 00851510

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Wood Auto Factors 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 leasehold properties and to include investment properties at fair value. 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 an invoice discounting facility. The directors are not aware of any reason why the invoice discounting facility will not be maintained at its current level. 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.

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

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	Over the remaining lease term
Plant and machinery	20% and 25% Reducing Balance and 20% Straight Line
Motor vehicles	20% and 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 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.6 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.

1.7 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.

1.8 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.

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 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.

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.

1.10 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.

1.11 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.

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2017 - 23).

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	360,000	89,175	96,851	546,026
Additions	-	-	7,118	7,118
Disposals	-	-	(18,222)	(18,222)
At 31 March 2018	360,000	89,175	85,747	534,922
Depreciation and impairment				
At 1 April 2017	4,456	82,452	77,729	164,637
Depreciation charged in the year	2,228	1,515	6,275	10,018
Eliminated in respect of disposals	-	-	(12,860)	(12,860)
At 31 March 2018	6,684	83,967	71,144	161,795
Carrying amount				
At 31 March 2018	353,316	5,208	14,603	373,127
At 31 March 2017	355,544	6,723	19,122	381,389

The company's leasehold land and buildings were revalued in August 2014 at an open market value of £360,000.

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	53,651	53,651
Accumulated depreciation	(34,952)	(34,473)
Carrying value	18,699	19,178

The revaluation surplus is disclosed in note 10.

4 Investment property

	2018 £
Fair value	
At 1 April 2017 and 31 March 2018	200,000

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Investment property

(Continued)

Investment property comprises the buildings located at 9 Colne Road, Huddersfield, West Yorkshire HD1 3ER. The fair value of the investment property has been arrived at on the basis of a valuation carried out at August 2014 by Eddisons Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The directors consider the fair value of the property at the balance sheet date to be not materially different from the carrying value.

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

	2018 £	2017 £
Cost	130,000	130,000
Accumulated depreciation	-	-
Carrying amount	130,000	130,000

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	210,021	200,148
Amount due from parent undertaking	6,512	6,512
Amounts due from fellow group undertakings	978,981	1,059,973
Prepayments and accrued income	7,843	8,331
	1,203,357	1,274,964

The company has an invoice discounting facility with RBS Invoice Finance Limited. At the financial year end the total factored debts amounted to £194,553 (2017 - £195,891).

6 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	7	27,763	63,325
Trade creditors		121,995	156,528
Corporation tax		5,189	5,364
Other taxation and social security		39,654	37,554
Accruals and deferred income		19,216	22,927
		213,817	285,698

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Loans and overdrafts

	2018 £	2017 £
Bank overdrafts	27,763	63,325
Payable within one year	27,763	63,325

The company's invoice discounting facilities with RBS Invoice Finance Limited of £27,763 (2017 - £58,105) 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 is utilising an overdraft facility with National Westminster Bank plc with an overdrawn balance of £nil (2017 - £5,220) which is secured by a floating charge over the assets of the company and a first legal charge over the company's properties.

8 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:		
Revaluations	29,250	33,843
Movements in the year:		2018 £
Liability at 1 April 2017		33,843
Credit to other comprehensive income		(4,593)
Liability at 31 March 2018		29,250

9 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

10 Revaluation reserve

	2018 £	2017 £
At beginning of year	421,451	364,235
Deferred tax on revaluation of tangible assets	4,593	57,216
At end of year	<u>426,044</u>	<u>421,451</u>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Moulding.
The auditor was Pierce C A Limited.

12 Financial commitments, guarantees and contingent liabilities

The company has guaranteed the bank borrowings of its fellow group companies, RGA Newco (2012) Limited, Wood Auto Supplies 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 Supplies 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 Supplies Limited and Leyland Auto Limited, are members. At the financial year end the company had a contingent liability for VAT liabilities owned by its fellow subsidiaries amounting to £83,064 (2017 - £112,410).

13 Operating lease commitments

Lessee

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

	2018 £	2017 £
Within one year	<u>2,350</u>	<u>2,350</u>

WOOD AUTO FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

14 Parent company

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.