Bowker Blackburn Limited

Annual report and financial statements

Registered number 1364761

31 December 2017

Contents

Company information

Directors:	WH Bowker – deceased on 18 September 2017 KN Bowker WH Bowker Jnr KN Bowker Jnr AP Bowker D Thomason C Eccles
Registered office:	Trident Way Trident Park Blackburn Lancashire BB1 3NU
Registered number:	1364761 (England and Wales)
Auditors:	KPMG LLP 1 St Peter's Square Manchester M2 3AE

Strategic report

Principal activities

The principal activity of the business continues to be that of an authorised BMW and MINI centre, which includes the sale of new and used cars, parts and the undertakings of repairs and servicing.

Business review

The Directors are satisfied with the trading performance of Bowker Blackburn Limited, despite the disruption caused by the considerable investment in the refurbishment of the facilities to meet with BMW and MINI latest retail standards. This work commenced in May 2017 and will be completed in 2018.

The key performance indicators for the business are turnover and profit before tax.

Turnover decreased in the year from £61,210,000 to £60,029,000. The profit before taxation in the year was £417,000 (*2016: £581,000*); whilst the profit for the year after taxation amounted to £349,000 (*2016: £477,000*) and has been transferred to reserves.

Principal risks and uncertainties

The principal risks and uncertainties facing the business are outlined below:

Economic risk

The ongoing profitability of the Company could be affected by a downturn in the economic position. The Directors recognise this risk, and tight procedures in relation to stock and working capital control are in place.

External factors, outside the control of the Directors, could have a bearing on the supply of vehicles or spare parts, which could affect future car sales.

Financial risk

As a result of the continued expansion of the Group to which the Company belongs, the Directors have taken the opportunity to undertake a strategic review of its funding facilities and as a result have replaced its existing facilities with structured term-loans provided by BMW Financial Services Limited and working capital facilities provided by HSBC Bank plc. The Directors believe this gives the Group increased flexibility and leaves it well placed to pursue its strategic objectives. The stocking plan facilities provided by BMW Financial Services Limited and Blackhorse Financial Services Limited remained unaffected.

Trade debtors are assessed before credit is extended to mitigate the risk of bad debts, although risk of default cannot be fully eliminated.

By order of the Board

D Thomason
Company Secretary

Trident Way
Trident Park
Blackburn
Lancashire
BB1 3NU

25 September 2018

Directors' report

The Directors present their annual report and audited financial statements for the year ended 31 December 2017.

Directors

The Directors who served during the year were:

WH Bowker – deceased on 18 September 2017
KN Bowker
WH Bowker Jnr
KN Bowker Jnr
AP Bowker
D Thomason
C Eccles

Dividends

The Directors do not recommend the payment of a dividend *(2016: £nil)*.

Going concern

During the year the Group to which the Company belongs was financed by loans and an overdraft from Lloyds Bank plc. As explained more fully in note 15, post year end the Group has refinanced and obtained finance from a combination of BMW Financial Services Limited and HSBC plc. Based on these available facilities the Directors have prepared forecasts which show a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board

D Thomason
Company Secretary

Trident Way
Trident Park
Blackburn
Lancashire
BB1 3NU

25 September 2018

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Bowker Blackburn Limited

Opinion

We have audited the financial statements of Bowker Blackburn Limited ("the Company") for the year ended 31 December 2017 which comprise the Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Bowker Blackburn *(continued)*

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Liam Finnigan

Liam Finnigan (Senior Statutory Auditor)
For and behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

28th September 2018

Profit and Loss Account and Other Comprehensive Income

for the year ended 31 December 2017

	Note	2017 £000	2016 £000
Gross billings	1,2	**73,124**	80,245
Turnover	1,2	**60,029**	61,210
Cost of sales		**(53,931)**	(54,942)
Gross profit		**6,098**	6,268
Administrative expenses		**(5,530)**	(5,525)
Operating profit	3	**568**	743
Interest payable	6	**(152)**	(172)
Interest receivable		**1**	10
Profit before taxation		**417**	581
Tax on profit	7	**(68)**	(104)
Profit for the financial year		**349**	477
Other comprehensive income		**-**	-
Total comprehensive income		**349**	477

The notes on pages 10 to 17 form part of these financial statements.

All amounts relate to continuing operations.

There was no material difference between the reported profits and historical cost profits of the Company.

Balance Sheet

as at 31 December 2017

	Note	2017 £000	2017 £000	2016 £000	2016 £000
Fixed assets					
Tangible fixed assets	*8*		**4,369**		3,880
Current assets					
Stocks	*9*	**13,816**		12,451	
Debtors (including £400,000 *(2016 : £360,000)* due after more than one year)	*10*	**4,350**		4,563	
Cash at bank and in hand		**1**		915	
		18,167		17,929	
Creditors: amounts falling due within one year	*11*	**(18,103)**		(17,532)	
Net current assets			**64**		397
Total assets less current liabilities			**4,433**		4,277
Creditors: amounts falling due after more than one year	*12*		**(64)**		(256)
Provisions for liabilities	*13*		**(181)**		(182)
Net assets			**4,188**		3,839
Capital and reserves					
Called up share capital	*14*		**55**		55
Profit and loss account			**4,133**		3,784
Shareholders' funds			**4,188**		3,839

The notes on pages 10 to 17 form part of these financial statements.

These financial statements were approved by the Board of Directors on 25 September 2018 and were signed on its behalf by:

A P Bowker
Director

Registered number 1364761

Statement of Changes in Equity
for the year ended 31 December 2017

	Called up share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2016	55	3,307	3,362
Total comprehensive income	-	477	477
Balance at 31 December 2016	55	3,784	3,839
Balance at 1 January 2017	55	3,784	3,839
Total comprehensive income	-	349	349
Balance at 31 December 2017	**55**	**4,133**	**4,188**

The notes on pages 10 to 17 form part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Bowker Blackburn Limited (the "Company") is a Company incorporated, domiciled and registered in the UK. The registered number is 1364761 and the registered address is Trident Way, Trident Park, Blackburn, Lancashire, BB1 3NU.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's parent undertaking, WH Bowker Limited includes the Company in its consolidated financial statements. The consolidated financial statements of WH Bowker Limited are available to the public and may be obtained from Holme Road, Bamber Bridge, Preston, PR5 6BP. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes;
- Estimates and Uncertainty note and
- Key Management Personnel compensation.

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the accounting policies, which have been applied consistently, are set out below.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost convention and on a going concern basis.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2.

During the year the Group to which the Company belongs was financed by loans and an overdraft from Lloyds Bank plc. As explained more fully in note 15, post year end the Group has refinanced and obtained finance from a combination of BMW Financial Services Limited and HSBC plc. Based on these available facilities the Directors have prepared forecasts which show a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Related party transactions

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of disclosures relating to transactions with wholly owned subsidiaries.

Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

Corporate vehicles supplied under 'Direct' terms agreed between the manufacturer and the customer are treated as agency sales. The total amount billed on these supplies are recorded in the accounts as gross billings, with the net amount due to the Company as an agent, included in turnover.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer; the sales value can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period, provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is only recognised to the extent that expenses recognised are recoverable.

Notes *(continued)*

1 Accounting policies *(continued)*

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Long term leasehold buildings	varying between 10% and 33% on cost
Plant and machinery	varying between 10% and 33% on cost
Motor vehicles	25% on cost
Furniture, fixtures and equipment	varying between 15% and 33% on cost

Finance costs

Finance costs are generally charged to the profit and loss account as incurred except finance costs directly attributable to the construction of tangible fixed assets, which are capitalised as part of the cost of the assets.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a contract periodic rate of charge on the net obligation outstanding in each period.

Demonstration vehicles are financed by a short term lease purchase scheme and are included in stock at cost. Obligations under such agreements are included in creditors, amounts falling due within one year and are shown net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding.

Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Consignment stock

Vehicles on consignment are included in the financial statements as stock when substantially all of the principal benefits and inherent risks rest with the Company. The corresponding liability is included under creditors.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Full provision is made for deferred tax and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computations.

The net deferred tax is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes *(continued)*

1 Accounting policies *(continued)*

Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2 Turnover

All turnover arose in the United Kingdom. The whole of the turnover is attributable to the principal activity of the Company being an authorised BMW and MINI motor retailer, which includes the sale of new and used cars, the sale of parts and the undertaking of repairs and servicing.

3 Expenses and auditor's remuneration

Expenses

	2017	2016
	£000	£000
Depreciation of tangible fixed assets – owned	**189**	189
Operating lease rentals	**112**	94
Auditor's remuneration		
Auditor's remuneration	**8**	8
Tax services	**5**	4

4 Staff costs

Staff costs, including Directors' remuneration were as follows:

	2017	2016
	£000	£000
Wages and salaries	**3,291**	3,286
Social security costs	**299**	279
Other pension costs	**43**	45
	3,633	3,610

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

	2017	2016
	No	No
Technicians, partsmen and car preparation	**36**	38
Selling and administration	**64**	63
	100	101

5 Directors' remuneration

	2017	2016
	£000	£000
Emoluments	**106**	104
Company pension contributions to money purchase pension scheme	**10**	10

During the year retirement benefits were accruing to one Director (*2016:* one) in respect of money purchase pension schemes.

Notes *(continued)*

6 Interest payable

	2017 £000	2016 £000
On bank loans and overdrafts	**3**	-
On finance leases and hire purchase contracts	**72**	88
On other stocking plans	**68**	70
Inter-Company loan interest	**9**	14
	152	172

7 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2017 £000	2017 £000	2016 £000	2016 £000
Current tax				
Current tax on income for the period	**39**		97	
Adjustments in respect of prior periods	**30**		14	
Total current tax		**69**		111
Deferred tax (see note 13)				
Origination and reversal of timing differences	**1**		2	
Change in tax rate	**-**		(11)	
Adjustments in respect of prior periods	**(2)**		2	
Total deferred tax		**(1)**		(7)
Total tax		**68**		104

Reconciliation of effective tax rate

	2017 £000	2016 £000
Profit for the year	**349**	477
Total tax expense	**68**	104
Profit excluding taxation	**417**	581
Tax using the UK corporation tax rate of 19.25% *(2016: 20%)*	**80**	116
Reduction in tax rate on deferred tax balances	**-**	(11)
Non-deductible expenses	**6**	1
Fixed asset timing differences	**18**	18
Group relief claimed	**(64)**	(36)
Under / (over) provided in prior years	**28**	16
Total tax expense included in profit or loss	**68**	104

Notes *(continued)*

8 Tangible fixed assets

	Long term Leasehold Buildings £000	Plant and Machinery £000	Motor vehicles £000	Furniture, fittings and Equipment £000	Total £000
Cost					
At 1 January 2017	4,328	690	286	496	5,800
Additions	615	31	3	31	680
Disposals	-	(71)	(2)	(280)	(353)
At 31 December 2017	**4,943**	**650**	**287**	**247**	**6,127**
Depreciation					
At 1 January 2017	917	518	72	413	1,920
Charge for year	94	39	15	41	189
On disposals	-	(71)	-	(280)	(351)
At 31 December 2017	**1,011**	**486**	**87**	**174**	**1,758**
Net book value					
At 31 December 2017	**3,932**	**164**	**200**	**73**	**4,369**
At 31 December 2016	3,411	172	214	83	3,880

Included within the cost of long term leasehold land and buildings are capitalised finance costs amounting to £99,000 (*2016: £99,000*) and net book value of £79,000 (*2016: £81,000*).

9 Stocks

	2017 £000	2016 £000
Spares and accessories	**274**	226
Consignment stock	**2,528**	1,841
Vehicles	**11,014**	10,384
	13,816	12,451

Included within vehicle stocks are demonstration vehicles costing £3,428,000 (*2016: £1,715,000*) which are being funded under lease purchase arrangements.

10 Debtors

	2017 £000	2016 £000
Trade debtors	**1,660**	1,970
Amounts owed by group undertakings	**848**	567
Other debtors	**802**	931
Prepayments and accrued income	**845**	870
Social security and other taxes	**195**	225
	4,350	4,563

Notes *(continued)*

10 Debtors *(continued)*

Debtors include amounts owed by group undertakings of £400,000 (*2016: £360,000*) due after more than one year.

Included within other debtors due within one year were loans to the Directors as follows:

D Thomason £38,929 (*2016: £37,213*). Maximum outstanding during the year was £38,929.
KN Bowker Jnr £54,855 (*2016: £58,101*). Maximum outstanding during the year £65,283.
AP Bowker £78,999 (*2016: £67,524*). Maximum outstanding during the year £78,999.
WH Bowker Snr £nil (*2016: £30,725*). Maximum outstanding during the year £31,647.
C Eccles £58,895 (*2016: £69,299*). Maximum outstanding during the year £73,453.

11 Creditors: amounts falling due within one year

	2017	2016
	£000	£000
Bank loans and overdrafts	**837**	-
Trade creditors	**324**	369
Loans to finance consignment stocks	**2,528**	1,841
Demonstrator vehicle funding	**5,458**	6,634
Other vehicle creditors	**7,389**	7,330
Corporation tax	**69**	143
Social security and other taxes	**85**	91
Accruals and deferred income	**923**	513
Amounts owed to group undertakings	**490**	611
	18,103	17,532

Vehicle finance, including loans to finance consignment stocks, are secured by a charge over the vehicles to which the funding relates.

12 Creditors: amounts falling due after more than one year

	2017	2016
	£000	£000
Intercompany loans	**64**	256

Interest is charged on the above intercompany loans at 2.25% above LIBOR.

13 Deferred taxation

	2017	2016
	£000	£000
At 1 January	**182**	189
Credit for the year	**(1)**	(7)
At 31 December	**181**	182

Notes *(continued)*

13 Deferred taxation *(continued)*

The provision for deferred taxation is made up as follows:

	2017 £000	2016 £000
Accelerated capital allowances	**181**	182

From 1 April 2015 the main rate of corporation tax was reduced to 20%. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. Any deferred tax at 31 December 2017 has been calculated based on the rate of 17% being the rate substantively enacted at the balance sheet date.

14 Share capital

	2017 £000	2016 £000
Allotted, called up and fully paid		
5,001 Ordinary shares of £1 each	**5**	5
50,004 4% preference shares of £1 each	**50**	50
	55	55

The 4% preference shares carry a preferential right to a non-cumulative dividend and have no right to attend or vote at any General Meeting of the Company unless the business of the meeting includes the consideration of a resolution varying the rights and privileges attached to the shares.

15 Contingent liabilities

At 31 December 2017, the Company had given an unlimited guarantee in respect of the bank loan and overdraft of WH Bowker Limited, Bowker Preston Limited, WH Bowker International Limited, Bowker Motorcycles Limited, Bowker Ribble Valley Limited, Southport Motorcycle Centre Limited and Intelligensia LLP, a limited liability partnership in which the group holds an interest. At 31 December 2017, the potential liability under the guarantee amounted to £13,425,797 *(2016: £11,769,538)*. The guarantee was supported by an unlimited debenture over the Company's assets.

As a result of the opportunities for continued expansion presented to the Group, in September 2018 the bank borrowings of the WH Bowker Limited Group were repaid and replaced with structured term-loans provided by BMW Financial Services Limited and working capital facilities provided by HSBC Bank plc. The term loans provided by BMW Financial Services Limited are to be repaid over 20 years and are secured over the Group's assets and by a cross guarantee provided by Bowker Preston Limited, WH Bowker Limited, WH Bowker International Limited, Bowker Motorcycles Limited, Bowker Ribble Valley Limited and Intelligensia LLP, a limited liability partnership in which the group holds an interest. The working capital facilities provided by HSBC Bank plc are secured over the group's assets and are to be reviewed annually.

16 Pension commitments

During the year, the Company made contributions of £43,000 to a defined contribution scheme pension and to a group personal pension arrangement *(2016: £45,000)*. No amounts were outstanding at year end *(2016:* £nil).

The assets of the pension schemes are held separately from those of the Company in independently administered funds.

Notes *(continued)*

17 Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	Land and buildings	
	2017	2016
	£000	£000
Less than one year	**94**	94
Between one and five years	-	-
More than five years	-	-

	Other	
	2017	2016
	£000	£000
Less than one year	**1**	18
Between one and five years	-	1
More than five years	-	-

18 Related party transactions

As trustees of the Willeth Pension fund, Mr WH Bowker, Mr KN Bowker, Mr WH Bowker Jnr, Mr AP Bowker and Mr KN Bowker Jnr are interested in rent paid to the Willeth Pension Fund of £94,000 *(2016: £94,000).* There were no amounts outstanding at the year end in respect of this rent.

During the year, the Company sold cars to, and purchased cars from certain Directors, in accordance with the terms of the Car Purchase Loan Scheme, as detailed below:

Value of cars sold in the year to:

WH Bowker Snr £31,647 *(2016: £61,667)*
KN Bowker Jnr £182,136 *(2016: £58,181)*
AP Bowker £293,595 *(2016: £198,266)*
D Thomason £77,670 *(2016: £75,622)*
C Eccles £266,357 *(2016: £278,191)*

Value of cars purchased in the year from:

WH Bowker Snr £62,373 *(2016: £63,297)*
KN Bowker Jnr £185,463 *(2016: £55,616)*
AP Bowker £283,642 *(2016: £218,019)*
D Thomason £75,162 *(2016: £75,985)*
C Eccles £276,761 *(2016: £263,098)*

19 Ultimate parent undertaking

The immediate and ultimate parent Company is WH Bowker Limited, a Company registered in England and Wales. WH Bowker Limited prepares group financial statements that are publicly available and which include the results of Bowker Blackburn Limited. WH Bowker Limited is controlled by its Directors who include some of the Directors of Bowker Blackburn Limited.