

REGISTERED NUMBER: 01522845 (England and Wales)

**Financial Statements for the Year Ended 31 December 2018**

**for**

**Longley Park Motors Limited**



ASE Audit LLP  
Statutory Auditors & Chartered Accountants  
Rowan Court  
Concord Business Park  
Manchester  
Greater Manchester  
M22 0RR

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**for the Year Ended 31 December 2018**

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**Longley Park Motors Limited**  
**Company Information**  
**for the Year Ended 31 December 2018**

**DIRECTOR:** J S Waite

**REGISTERED OFFICE:** The Triangle  
Paddock  
Huddersfield  
West Yorkshire  
HD1 4RU

**REGISTERED NUMBER:** 01522845 (England and Wales)

**AUDITORS:** ASE Audit LLP  
Statutory Auditors & Chartered Accountants  
Rowan Court  
Concord Business Park  
Manchester  
Greater Manchester  
M22 0RR

**BANKERS:** The Royal Bank of Scotland  
Huddersfield Branch  
27 Market Place  
Huddersfield  
West Yorkshire  
HD1 2AD

**Longley Park Motors Limited (Registered number: 01522845)**

**Statement of Financial Position**  
**31 December 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	4	768,068	800,160
Investments	5	-	-
		<u>768,068</u>	<u>800,160</u>
<b>CURRENT ASSETS</b>			
Stocks	6	1,654,136	1,368,472
Debtors	7	142,259	194,386
Cash at bank and in hand		789,570	571,458
		<u>2,585,965</u>	<u>2,134,316</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(1,811,632)	(1,413,029)
<b>NET CURRENT ASSETS</b>		<u>774,333</u>	<u>721,287</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,542,401</u>	<u>1,521,447</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	-	(168,000)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(48,032)</u>	<u>(49,139)</u>
<b>NET ASSETS</b>		<u>1,494,369</u>	<u>1,304,308</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	413	4,500	4,500
Revaluation reserve	414	196,450	196,450
Capital redemption reserve		500	500
Retained earnings		1,292,919	1,102,858
<b>SHAREHOLDERS' FUNDS</b>		<u>1,494,369</u>	<u>1,304,308</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 30/8/19 and were signed by:

  
J S Waite - Director

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2018**

**1. STATUTORY INFORMATION**

Longley Park Motors Limited is a private company, limited by shares, registered in England & Wales. The company's registered office address and principal place of business is The Triangle, Paddock, Huddersfield, West Yorkshire, HD1 4RU

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

The principal activity of company is that of a motor dealership.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, including the disclosure requirements of Section 1A, and the Companies Act 2006.

**Significant judgements and estimates**

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

The following judgements have been made by the directors in applying the company's accounting policies:

**Stock valuation**

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

**Property, plant and equipment**

At each reporting date the valuation of investment property is reviewed by the director and any change in value recognised in the Income Statement.

**Brand incentives**

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

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

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

**Turnover**

Turnover from the sale of goods is recognised in the Income Statement, net of discounts and value added tax, when the significant risks and rewards of ownership have been transferred to the buyer. In general this occurs when vehicles or parts have been supplied or when a service has been completed.

Incentives received from manufacturers in respect of target achievements are accounted for as a deduction from the cost of the vehicles or parts to which they relate.

Commission income is accounted for on a receivable basis.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Freehold property	-	Freehold land nil, freehold buildings 2%
Short-term leasehold property	-	15% on reducing balance
Plant and machinery	-	15% on reducing balance
Motor vehicles	-	25% on reducing balance
Computer equipment	-	15% on reducing balance

**Stocks**

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

**Consignment Stock**

Consignment vehicles which due to the significant risks and responsibilities of ownership passing to the company are regarded effectively as being under the control of the Company and, in accordance with FRS 102, are included within stocks on the Statement of Financial Position, although legal title has not passed to the company. The corresponding liability is included as new vehicle funding within trade creditors and is secured directly on these vehicles.

Vehicles held on a Sale or Return basis are not recognised in stock/creditors as the significant risks and rewards of ownership lie with the manufacturer.

**Taxation**

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

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date.

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

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

**Pension costs and other post-retirement benefits**

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the Income Statement in the period to which they relate.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Operating leases**

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

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**Investments**

Investments are stated at cost less amounts written off.

**Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

**Borrowing costs**

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

**Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably required a settlement by a transfer of economic benefit, and reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**Financial instruments**

The company only has basic financial instruments, which are recognised at amortised cost.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 20 (2017 - 19).

**4. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Short leasehold £</b>	<b>Plant and machinery £</b>
<b>COST OR VALUATION</b>			
At 1 January 2018	<b>806,003</b>	<b>29,315</b>	<b>212,282</b>
Additions	-	-	620
At 31 December 2018	<b>806,003</b>	<b>29,315</b>	<b>212,902</b>
<b>DEPRECIATION</b>			
At 1 January 2018	<b>103,449</b>	<b>23,225</b>	<b>144,908</b>
Charge for year	<b>17,020</b>	<b>913</b>	<b>10,412</b>
At 31 December 2018	<b>120,469</b>	<b>24,138</b>	<b>155,320</b>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<b>685,534</b>	<b>5,177</b>	<b>57,582</b>
At 31 December 2017	<b>702,554</b>	<b>6,090</b>	<b>67,374</b>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018**

**4. TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2018	13,354	63,815	1,124,769
Additions	-	-	620
At 31 December 2018	13,354	63,815	1,125,389
<b>DEPRECIATION</b>			
At 1 January 2018	5,897	47,130	324,609
Charge for year	1,864	2,503	32,712
At 31 December 2018	7,761	49,633	357,321
<b>NET BOOK VALUE</b>			
At 31 December 2018	5,593	14,182	768,068
At 31 December 2017	7,457	16,685	800,160

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Cost	292,957	292,957
Aggregate depreciation	(175,894)	(170,035)
Net book value	117,063	122,922

The freehold property was valued on an open market basis on 27 July 2010 by Bramleys Independent Estate Agents who are a member of the RICS.

In the opinion of the director there has been no material change in value since this previous valuation.

**5. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 January 2018 and 31 December 2018	28,900
<b>PROVISIONS</b>	
At 1 January 2018 and 31 December 2018	28,900
<b>NET BOOK VALUE</b>	
At 31 December 2018	-
At 31 December 2017	-

In 2013 the company invested £28,900 in Integrated Planning Opportunities No. 15 LLP. The principal activity of the LLP is the provision of construction, planning and design services for UK land opportunities. Given the uncertainty over the extent of any future returns, full provision has been made against the carrying value of this investment.



**Longley Park Motors Limited (Registered number: 01522845)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2018**

**6. STOCKS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Vehicle stocks	<b>1,608,926</b>	<b>1,314,078</b>
Parts and accessories	<b>45,210</b>	<b>54,394</b>
	<hr/> <b>1,654,136</b> <hr/>	<hr/> <b>1,368,472</b> <hr/>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>93,917</b>	<b>135,121</b>
Other debtors	<b>33,237</b>	<b>59,265</b>
Directors' loan accounts	<b>11,400</b>	<b>-</b>
Tax	<b>3,705</b>	<b>-</b>
	<hr/> <b>142,259</b> <hr/>	<hr/> <b>194,386</b> <hr/>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loan (see note 10)	<b>168,000</b>	<b>28,000</b>
Trade creditors	<b>1,313,305</b>	<b>1,103,887</b>
Taxation	<b>133,583</b>	<b>71,991</b>
Proposed dividends	<b>40,000</b>	<b>25,000</b>
Other creditors	<b>156,744</b>	<b>184,151</b>
	<hr/> <b>1,811,632</b> <hr/>	<hr/> <b>1,413,029</b> <hr/>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loan (see note 10)	<b>-</b>	<b>168,000</b>
	<hr/> <b>-</b> <hr/>	<hr/> <b>168,000</b> <hr/>

**10. LOANS**

An analysis of the maturity of loans is given below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank loan	<hr/> <b>168,000</b> <hr/>	<hr/> <b>28,000</b> <hr/>
Amounts falling due between one and two years:		
Bank loan - 1-2 years	<hr/> <b>-</b> <hr/>	<hr/> <b>28,000</b> <hr/>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	<hr/> <b>-</b> <hr/>	<hr/> <b>140,000</b> <hr/>

**11. LEASING AGREEMENTS**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Within one year	<hr/> <b>39,250</b> <hr/>	<hr/> <b>17,280</b> <hr/>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2018**

**12. SECURED DEBTS**

The following secured debts are included within creditors:

	2018 £	2017 £
Bank loan	168,000	196,000
Vehicle funding	1,237,698	1,012,446
	<u>1,405,698</u>	<u>1,208,446</u>

Bank loans are secured on all the assets of the company.

Vehicle funding is secured on the vehicles so financed.

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
5,000	Ordinary	£1	<u>4,500</u>	<u>4,500</u>

**14. RESERVES**

**Revaluation reserve**

The reserve is used to record changes in the fair value of land and buildings.

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the company.

**Profit and loss account**

This reserve includes all the current and prior period retained profits and losses less dividends paid.

**15. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Paul Allan Byrne BA (Double Hons) FCA (Senior Statutory Auditor)  
for and on behalf of ASE Audit LLP

**16. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2018 and 31 December 2017:

	2018 £	2017 £
<b>J S Waite</b>		
Balance outstanding at start of year	-	-
Amounts advanced	11,400	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>11,400</u>	<u>-</u>

The loan is interest free and repayable on demand.

**17. RELATED PARTY DISCLOSURES**

During the year, total dividends of £40,000 (2017 - £25,000) were paid to the director.