

Company Registration No. 02016098 (England and Wales)

NATIONWIDE MOTOR CONTRACTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018



NATIONWIDE MOTOR CONTRACTS LIMITED

COMPANY INFORMATION

Directors

Mr G S Williams
Mr J S Williams Snr

Secretary

Mr J S Williams Jnr

Company number

02016098

Registered office

Hatfields
Calder Island Way
Denby Dale Road
Wakefield

Independent Auditor

Barlow Andrews LLP
Carlyle House
78 Chorley New Road
Bolton

Bankers

Lloyds Bank Plc
2nd Floor
Lisbon House
116 Wellington Street
Leeds

NATIONWIDE MOTOR CONTRACTS LIMITED

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NATIONWIDE MOTOR CONTRACTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2018

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

Principal activities

The principal activity of the company is that of the administration of the Employee Car Ownership Scheme.

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Mr G S Williams
Mr J S Williams Snr

Auditor

In accordance with the company's articles, a resolution proposing that Barlow Andrews LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

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

On behalf of the board



Mr G S Williams
Director
25 May 2018

NATIONWIDE MOTOR CONTRACTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2018

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

NATIONWIDE MOTOR CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONWIDE MOTOR CONTRACTS LIMITED

Opinion

We have audited the financial statements of Nationwide Motor Contracts Limited (the 'company') for the year ended 31 January 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 January 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

NATIONWIDE MOTOR CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NATIONWIDE MOTOR CONTRACTS 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 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.



James Barden (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP

25 May 2018

Chartered Accountants
Statutory Auditor

Carlyle House
78 Chorley New Road
Bolton

NATIONWIDE MOTOR CONTRACTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 £
Revenue	3	18,834,042	678,999
Cost of sales		(18,804,682)	(678,950)
Gross profit		29,360	49
Administrative expenses		(50,068)	-
Operating (loss)/profit	4	(20,708)	49
Investment income	6	77,785	-
Profit before taxation		57,077	49
Tax on profit		-	-
Profit and total comprehensive income for the financial year	13	57,077	49

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

NATIONWIDE MOTOR CONTRACTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2018

	Notes	2018 £	2017 £
Current assets			
Inventories	7	-	80,669
Trade and other receivables	8	4,709,212	16,822
Cash and cash equivalents		-	150,613
		<u>4,709,212</u>	<u>248,104</u>
Current liabilities			
Borrowings	9	4,412,626	-
Trade and other payables	11	146,909	158,437
Taxation and social security		2,933	-
		<u>4,562,468</u>	<u>158,437</u>
Net current assets		<u>146,744</u>	<u>89,667</u>
Total assets less current liabilities		<u>146,744</u>	<u>89,667</u>
Net assets		<u><u>146,744</u></u>	<u><u>89,667</u></u>
Equity			
Called up share capital	12	100	100
Retained earnings	13	146,644	89,567
Total equity		<u><u>146,744</u></u>	<u><u>89,667</u></u>

These financial statements have been prepared 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 25 May 2018 and are signed on its behalf by:



Mr G S Williams
Director

Company Registration No. 02016098

NATIONWIDE MOTOR CONTRACTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2018

	Share capital £	Retained earnings £	Total £
Balance at 1 February 2016	100	89,518	89,618
	<hr/>	<hr/>	<hr/>
Year ended 31 January 2017:			
Profit and total comprehensive income for the year	-	49	49
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2017	100	89,567	89,667
	<hr/>	<hr/>	<hr/>
Year ended 31 January 2018:			
Profit and total comprehensive income for the year	-	57,077	57,077
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2018	100	146,644	146,744
	<hr/>	<hr/>	<hr/>

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

1 Accounting policies

Company information

Nationwide Motor Contracts Limited is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Hatfields, Calder Island Way, Denby Dale Road, Wakefield.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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

The company meets the definition of a qualifying entity under FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland. These financial statements for the year ended 31 January 2018 are the first financial statements of Nationwide Motor Contracts Limited prepared in accordance with FRS 101. The company transitioned from FRS 102 to FRS 101 for all periods presented and the date of transition to FRS 101 was 1 February 2016.

The transition to FRS 101 has not resulted in any transitional adjustments, therefore the reported financial position and performance for the previous period are not affected.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of McLean and Appleton (Holdings) Limited. The group accounts of McLean and Appleton (Holdings) Limited are available to the public and can be obtained from its registered office, Hatfields, Calder Island Way, Denby Dale Road, Wakefield.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

McLean & Appleton Limited is a wholly owned subsidiary of McLean and Appleton (Holdings) Limited and the results of McLean & Appleton Limited are included in the consolidated financial statements of McLean and Appleton (Holdings) Limited which are available from their registered office, Hatfields, Calder Island Way, Denby Dale Road, Wakefield..

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company 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 financial statements.

1.3 Revenue

Revenue 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.

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (when the vehicle has been supplied to the customer), 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 Inventories

Inventories 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 inventories to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Provision is made where necessary for obsolete, slow moving and defective inventory.

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2018

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.8 Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

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.

2 Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 Revenue

	2018 £	2017 £
Revenue analysed by class of business		
Vehicle sales	18,834,042	678,999
	<u> </u>	<u> </u>
	2018 £	2017 £
Other significant revenue		
Interest income	77,785	-
	<u> </u>	<u> </u>

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

4 Operating (loss)/profit

	2018 £	2017 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Cost of inventories recognised as an expense	18,804,682	678,950

5 Employees

There were no employees during the year apart from the directors.

6 Investment income

	2018 £	2017 £
Interest income		
Other interest income	77,785	-

7 Inventories

	2018 £	2017 £
Finished goods	-	80,669

8 Trade and other receivables

	2018 £	2017 £
Trade receivables	4,353,957	-
VAT recoverable	-	4,416
Amounts due from fellow group undertakings	355,255	12,406
	4,709,212	16,822

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

9 Borrowings

	2018 £	2017 £
Secured borrowings at amortised cost		
Bank overdrafts	4,412,626	-

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

9 Borrowings

(Continued)

Analysis of borrowings

Borrowings reflect the company's bank overdraft which is repayable on demand.

	2018 £	2017 £
Current liabilities	4,412,626	-

10 Fair value of financial liabilities

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

11 Trade and other payables

	Current 2018 £	2017 £
Amount due to parent undertaking	115,880	158,437
Accruals	31,029	-
	146,909	158,437

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

12 Share capital

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

The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

NATIONWIDE MOTOR CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2018

13 Retained earnings

	2018 £	2017 £
At 1 February 2017	89,567	89,518
Profit for the year	57,077	49
At 31 January 2018	<u>146,644</u>	<u>89,567</u>

14 Contingent liabilities

The company is party to composite guarantees given to its bankers in respect of overdrafts and loans granted to its parent company and fellow subsidiaries. The maximum involved under these guarantees at 31 January 2018 was £11.8m (2017: £7.3m).

The company is also party to composite guarantees in respect of the directors' and other loan accounts included within McLean & Appleton Limited. The maximum involved under these guarantees at 31 January 2018 was £1.3m (2017: £4.9m)

15 Controlling party

The company's immediate parent is McLean and Appleton Limited.

Its ultimate parent undertaking is McLean and Appleton (Holdings) Limited and it is under the ultimate control of Mr G S Williams.

The company is included in the consolidated accounts of McLean and Appleton (Holdings) Limited which are available from its registered office, Hatfields, Calder Island way, Denby Dale Road, Wakefield.