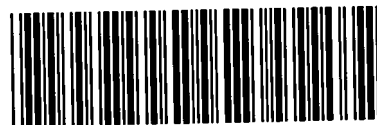


Registration number: 02237482

FORD FUELS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

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FORD FUELS LIMITED

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FORD FUELS LIMITED

COMPANY INFORMATION

Directors
J D Ford
A J Ford
M Ford
R N Ford

Company secretary J D Ford

Registered office
Farrington Fields Trading Estate
Farrington Gurney
Bristol
BS39 6UU

Auditors
Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Company

Registered

Company

Auditors

Company

Registered

Company

Auditors

Company

Registered

Auditors

STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

The directors present their strategic report for the year ended 31 October 2017.

Principal activity

The principal activity of the company is that of the sale and distribution of petroleum products.

Fair review of the business

The results for the year, which are set out in the profit and loss account, show turnover for the year of £115,022,319 (2016 - £97,459,234) and a pre-tax profit of £2,140,992 (2016 - £1,228,451). Dividends were paid during the year of £956,315 (2016 - £1,711,550). The directors recommend a final dividend of £nil (2016 - £nil) be paid in respect of the year ended 31 October 2017.

The company has tangible fixed assets comprising of freehold property, plant and machinery and fixtures and fittings valued in the financial statements at £4,330,159 (2016 - £4,092,457), stocks of £2,425,540 (2016 - £2,087,423) and trade debtors of £11,094,222 (2016 - £11,324,230). The company has net funds (cash at bank and in hand net of preference shares and other loans) of £363,604 (2016 - £2,251,941) and trade creditors of £12,979,008 (2016 - £12,417,363).

The directors are pleased with the results for the year and consider that the financial position of the company at the year end is satisfactory.

Future developments

The external commercial environment is expected to remain competitive in 2018. The directors are committed to maintaining their current level of performance.

Key performance indicators

Given the nature of the business, the company's directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve the development, performance and position of the business. Indicators are reviewed and altered to meet changes in the internal and external environments.

The main key performance indicator is the gross profit margin which was 5.4% (2016 - 5.7%).

Principal risks and uncertainties

The management of the business and the execution of the company's strategy is subject to normal commercial risks. These include competition from national and local distributors of petroleum products and the market price movement in fuel.

Financial instruments

The company does not use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments mean that they are subject to price risk to the extent that interest charges track the Bank of England base rate. They are not subject to liquidity risk.

FORD FUELS LIMITED

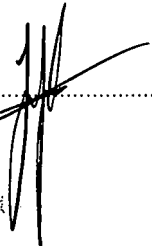
STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

Going concern and liquidity risk

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for the Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company has sufficient financial resources available and continues to trade profitably generating cash. The directors expect that these trends will continue. The directors therefore have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 24/5/18 and signed on its behalf by:


.....
J.D. Ford
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J.D. Ford
Director
Director
regarding

A.J.Ford
M Ford
R N Ford
FORD FUELS LIMITED
J.D. Ford

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

The directors present their report and the financial statements for the year ended 31 October 2017.

These are

Directors of the company

The directors who held office during the year were as follows:

J D Ford

A.J.Ford

M Ford

R N Ford

J.D. Ford (resigned 31 October 2017)

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 24/5/18 and signed on its behalf by:

J D Ford
Director

FORD FUELS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

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FORD FUELS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORD FUELS LIMITED

Opinion

We have audited the financial statements of Ford Fuels Limited (the 'company') for the year ended 31 October 2017, which comprise the Profit and Loss Account, Balance Sheet, 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

FORD FUELS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORD FUELS LIMITED

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Ryan Hancock (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 25/5/18

Interest payable

Administrative expenses

Operating profit

The company

FORD FUELS LIMITED

Interest payable

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2017

	Note	2017 £	2016 £
Turnover	3	115,022,319	97,459,234
Cost of sales		(108,759,747)	(91,907,564)
Gross profit		6,262,572	5,551,670
Administrative expenses		(3,969,582)	(3,880,687)
Operating profit	4	2,292,990	1,670,983
Other interest receivable and similar income		9,271	23,954
Interest payable and similar charges	5	(161,269)	(466,486)
		(151,998)	(442,532)
Profit before tax		2,140,992	1,228,451
Taxation	9	(413,515)	(272,136)
Profit for the financial year		1,727,477	956,315
Statement of comprehensive income for the year		1,727,477	956,315

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 11 to 23 form an integral part of these financial statements.

FORD FUELS LIMITED

(REGISTRATION NUMBER: 02237482)
BALANCE SHEET AS AT 31 OCTOBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	10	145,230	290,460
Tangible assets	11	<u>4,330,159</u>	<u>4,092,457</u>
		<u>4,475,389</u>	<u>4,382,917</u>
Current assets			
Stocks	12	2,425,540	2,087,423
Debtors	13	13,524,024	12,280,463
Cash at bank and in hand		<u>3,072,016</u>	<u>4,918,878</u>
		19,021,580	19,286,764
Creditors: Amounts falling due within one year	14	<u>(14,372,958)</u>	<u>(15,341,901)</u>
Net current assets		<u>4,648,622</u>	<u>3,944,863</u>
Total assets less current liabilities		9,124,011	8,327,780
Creditors: Amounts falling due after more than one year	14	<u>(1,853,057)</u>	<u>(1,826,861)</u>
Provisions for liabilities	16	<u>(234,164)</u>	<u>(235,291)</u>
Net assets		<u>7,036,790</u>	<u>6,265,628</u>
Capital and reserves			
Called up share capital	18	4,896	4,896
Profit and loss account		<u>7,031,894</u>	<u>6,260,732</u>
Total equity		<u>7,036,790</u>	<u>6,265,628</u>

Creditors: - (15,341,901)
Net assets and authorised by the Board on 24/5/18 and signed on its behalf by:

Total 7,780
Intangible
Credit
Tangible
Prov
M Ford

Director

24/5/18

Total 6,265,628

Creditors: - (15,341,901)

Net current assets 3,944,863

Total 7,780

Creditors: - (1,826,861)

Provisions for liabilities (235,291)

Net assets 6,265,628

Total equity 6,265,628

Creditors: - (15,341,901)

The notes on pages 11 to 23 form an integral part of these financial statements.

FORD FUELS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2017

	Share capital £	Profit and loss account £	Total £
At 1 November 2015	4,896	7,015,967	7,020,863
Profit for the year	-	956,315	956,315
Dividends	-	(1,711,550)	(1,711,550)
At 31 October 2016	<u>4,896</u>	<u>6,260,732</u>	<u>6,265,628</u>

	Share capital £	Profit and loss account £	Total £
At 1 November 2016	4,896	6,260,732	6,265,628
Profit for the year	-	1,727,477	1,727,477
Dividends	-	(956,315)	(956,315)
At 31 October 2017	<u>4,896</u>	<u>7,031,894</u>	<u>7,036,790</u>

The notes on pages 11 to 23 form an integral part of these financial statements.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Farrington Fields Trading Estate
Farrington Gurney
Bristol
BS39 6UU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The applicable

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Summary of disclosure exemptions

Ford Fuels meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a statement of cash flows, key management personnel compensation and related party disclosures relating to group balances.

1 Statement

Name of parent of group

These financial statements are consolidated in the financial statements of Ford Fuels (Holdings) Limited.

The financial statements of Ford Fuels (Holdings) Limited may be obtained from Farrington Fields Trading Estate, Farrington Gurney, Bristol, BS39 6UU.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Summary

Ford Fuels meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a statement of cash flows, key management personnel compensation and related party disclosures relating to group balances.

Statement

Name

Parent

These

financial

statements

are

consolidated

in the

financial

statements

of

Ford Fuels

(Holdings)

Limited.

The

financial

statements

of

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Critical accounting judgements and key source of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been identified by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits can be reliably measured, and it is probable that future economic benefits will flow to the entity. The company considers that the risks and rewards of ownership pass when products are delivered to customers and it is at this point revenue is recognised.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Purchased goodwill is amortised over five years on a straight line basis. This period is considered by the directors to be the useful economic life of the amounts included in goodwill.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Nil
Freehold buildings	2% of cost
Leasehold buildings	4% of cost
Plant and equipment	15% of written down value
Fixtures and fittings	15% of written down value
Computer equipment	25% of cost
Cars and vans	25% of written down value
Tankers	Straight line over 7 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stock is valued at the lower of cost and net realisable value.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Hire purchase and leasing

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

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Redeemable preference shares are classified as a liability and recognised as per the borrowings accounting policy above.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Pensions

The pension costs charged in the financial statements represent the contributions payable by the company to the personal pension schemes during the period. The company contributes to personal pensions on behalf of the employees.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Operating	45,230
Profit on disposal	197,476
	(5,430)

3 Revenue

The total turnover of the company for the current year and prior year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating profit

Arrived at after charging:

	2017	2016
	£	£
Depreciation expense	687,720	638,547
Amortisation expense	145,230	145,230
Operating lease expense - property	218,230	197,476
Profit on disposal of property, plant and equipment	(8,500)	(5,430)

5 Interest payable and similar expenses

	2017	2016
	£	£
Interest on preference shares	18,213	18,213
Interest on obligations under hire purchase contracts	364	848
Interest expense on other borrowings	142,692	161,915
Other interest payable	-	285,510
	161,269	466,486

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017	2016
	£	£
Wages and salaries	3,294,878	3,163,370
Social security costs	344,189	474,736
Pension costs	242,481	228,396
	3,881,548	3,866,502

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017	2016
	No.	No.
Administration and support	33	28
Sales, marketing and distribution	96	94
	129	122

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration (including benefits in kind)	72,667	96,007
Contributions paid to money purchase schemes	12,500	12,500
	<u>85,167</u>	<u>108,507</u>

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During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

8 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>16,480</u>	<u>16,000</u>

Other fees to auditors

Auditor's remuneration - Audit of the parent company's financial statements

	5,150	5,000
Auditor's remuneration - Tax services	11,406	12,000
Auditor's remuneration - Other services	<u>10,955</u>	<u>4,895</u>
	<u>27,511</u>	<u>21,895</u>

NOTES

Accruing

9 Taxation

Tax charged/(credited) in the profit and loss account

	2017 £	2016 £
Current taxation		
UK Corporation tax	414,642	318,069
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(1,127)</u>	<u>(45,933)</u>
Tax expense in the income statement	<u>413,515</u>	<u>272,136</u>

8 Auditors' remuneration

	5,150	5,000
Auditor's remuneration - Tax services	11,406	12,000
Auditor's remuneration - Other services	<u>10,955</u>	<u>4,895</u>
	<u>27,511</u>	<u>21,895</u>

Current

UK Corporation tax	414,642	318,069
Auditor's remuneration - Tax services	11,406	12,000
Auditor's remuneration - Other services	<u>10,955</u>	<u>4,895</u>
Arising from origination and reversal of timing differences	<u>(1,127)</u>	<u>(45,933)</u>
Tax expense in the income statement	<u>413,515</u>	<u>272,136</u>

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

Non-UK

UK deferred

9 Taxation (continued)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.42% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	2,140,992	1,228,451
Corporation tax at standard rate	415,781	245,690
Non deductible expenses	(7,407)	(70,778)
UK deferred tax credit relating to changes in tax rates or laws	-	(44,332)
Effect of ineligible depreciation	5,141	580,920
Difference		41
Total tax charge	413,515	272,136

Deferred tax

Deferred tax assets and liabilities

2017

Difference between accumulated depreciation and amortisation and capital allowances

At 1 November 2016

At 31 October 2017

Amortisation

2016

At 31 October 2016

Difference between accumulated depreciation and amortisation and capital allowances

10 Intangible assets

Cost

At 1 November 2016 and 31 October 2017

Amortisation

At 1 November 2016

Amortisation charge

At 31 October 2017

Carrying amount

At 31 October 2017

At 31 October 2016

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

11 Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles and tankers £	Total £
Cost					
At 1 November 2016	1,677,090	1,394,930	417,787	5,167,334	8,657,141
Additions	-	62,679	102,241	770,148	935,068
Disposals	-	-	-	(85,474)	(85,474)
At 31 October 2017	1,677,090	1,457,609	520,028	5,852,008	9,506,735
Depreciation					
At 1 November 2016	339,821	802,322	362,196	3,060,345	4,564,684
Charge for the year	30,373	94,549	26,940	535,858	687,720
Eliminated on disposal	-	-	-	(75,828)	(75,828)
At 31 October 2017	370,194	896,871	389,136	3,520,375	5,176,576
Carrying amount					
At 31 October 2017	1,306,896	560,738	130,892	2,331,633	4,330,159
At 31 October 2016	1,337,269	592,608	55,591	2,106,989	4,092,457

Included within the net book value of land and buildings above is £1,298,144 (2016 - £1,326,913) in respect of freehold land and buildings and short leasehold of £8,752 (2016 - £10,356).

Fixed assets include £195,000 (2016 - £195,000) in respect of land which is not subject to depreciation.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2017 £	2016 £
Motor vehicles	27,051	36,068

12 Stocks

	2017 £	2016 £
Goods for resale	2,425,540	2,087,423

13 Debtors

	2017 £	2016 £
Trade debtors	11,094,222	11,324,230
Other debtors	659,430	648,109
Prepayments and accrued income	252,052	308,124
Amounts owed by group undertakings	1,518,320	-
	13,524,024	12,280,463

12 Stocks

	2017 £	2016 £
Goods for resale	2,425,540	2,087,423

13 Debtors

	2017 £	2016 £
Trade debtors	11,094,222	11,324,230
Other debtors	659,430	648,109
Prepayments and accrued income	252,052	308,124
Amounts owed by group undertakings	1,518,320	-
	13,524,024	12,280,463

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

14 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	15	855,355	840,076
Trade creditors		12,979,008	12,417,363
Amounts due to group companies	21	-	1,357,438
Social security and other taxes		98,797	80,354
Other creditors		-	286,680
Accrued expenses		203,242	221,311
Corporation tax liability		236,556	138,679
		<u>14,372,958</u>	<u>15,341,901</u>
Due after one year			
Loans and borrowings	15	<u>1,853,057</u>	<u>1,826,861</u>

Trade creditors

Trade creditors include £4,266,702 (2016 - £6,697,066) in respect of monies due to a supplier of petroleum products. This balance is secured by a floating charge over all the company's debtors.

15 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	4,714	24,891
Other borrowings	850,641	835,185
	<u>855,355</u>	<u>840,076</u>

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	-	4,714
Preference shares	151,776	151,776
Other borrowings	<u>1,701,281</u>	<u>1,670,371</u>
	<u>1,853,057</u>	<u>1,826,861</u>

Finance lease liabilities

Obligations under finance lease and hire purchase contracts are secured over the related assets.

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

15 Loans and borrowings (continued)

Preference shares

The rights attached to the preference shares are as follows:

Dividend

The shares carry the right to a dividend of 12% of the nominal value of the shares which is cumulative should the company be unable to make a distribution for any financial year.

On winding up

On winding up the shareholders are entitled to have the paid up element of each share, together with any arrears in dividend paid in priority to the ordinary shareholders.

Voting rights

The shares carry no votes.

Other borrowings

Other borrowings includes loans due to the directors and other members of their families, which incur interest at 5% plus the current base rate. The amounts due to the directors are £1,145,525 (2016 - £1,185,422) and to other family members £1,406,397 (2016 - £1,598,615).

The shares should be paid in priority to the ordinary shareholders.

16 Deferred tax and other provisions

	Deferred tax £	Dilapidation provision £	Total £
At 1 November 2016	179,141	56,150	235,291
Decrease in existing provisions	(1,127)	-	(1,127)
At 31 October 2017	178,014	56,150	234,164

17 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £242,481 (2016 - £228,396).

18 Deferred tax

The company has deferred tax provisions in respect of the following:

19 Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £242,481 (2016 - £228,396).

20 Deferred tax

The company has deferred tax provisions in respect of the following:

£197,476

Obligations

£

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

18 Share capital

£218,230
Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A of £1 each	1,360	1,360	1,360	1,360
Ordinary B of £1 each	1,237	1,237	1,237	1,237
Ordinary C of £1 each	1,360	1,360	1,360	1,360
Ordinary E of £1 each	816	816	816	816
Ordinary F of £1 each	123	123	123	123
	<u>4,896</u>	<u>4,896</u>	<u>4,896</u>	<u>4,896</u>

All ordinary shares in issue rank pari-passu in all respect, other than dividend rights and repayment of capital on winding up when the shares rank alphabetically in order of priority with the A shares ranking highest and the E shares lowest in terms of order of repayment.
£218,230

19 Obligations under leases

Operating leases

The total of future minimum lease payments is as follows:

	2017	2016
	£	£
Not later than one year	84,880	82,880
Later than one year and not later than five years	259,445	282,370
Later than five years	<u>34,455</u>	<u>73,910</u>
	<u>378,780</u>	<u>439,160</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £218,230 (2016 - £197,476).

20 Commitments

Capital commitments

At the year end of the prior year, the company had committed to the acquisition of a new vehicle. The total amount contracted for but not provided in the financial statements was £Nil (2016 - £133,500).

FORD FUELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

21 Related party transactions

The directors of Ford Fuels Limited are the key management. Key management remuneration is detailed in note 7.

The company has an agreement with the directors and their families, whereby it pays interest on the loans advanced to the company at a rate of 5% above the bank base rate. The total interest accrued in the year amounted to £142,692 (2016 - £161,915). The balance at the beginning of end of the period is shown in the creditors due within one year and creditors due more than one year (note 15).

The amounts owed to each director at each period end were as follows:

	2017 £	2016 £
J D Ford	512,556	377,525
A J Ford	118,242	140,634
R N Ford	195,069	215,252
M Ford	268,910	335,609
J D Ford	<u>50,748</u>	<u>116,402</u>

The following amounts of interest were paid in the period:

	2017 £	2016 £
J D Ford	23,816	21,776
A J Ford	5,415	6,900
R N Ford	14,256	24,900
M Ford	18,730	27,879
J D Ford	<u>3,982</u>	<u>4,110</u>

22 Control

The immediate and ultimate parent company is Ford Fuels (Holdings) Limited, a company that prepares consolidated financial statements which are available from Farrington Fields Trading Estate, Farrington Gurney, Bristol BS39 6UU.