

**Jack Barclay Limited**  
**Annual report and financial statements**  
**for the year ended 30 April 2018**

**Registered Number 0719989**



# Jack Barclay Limited

## Annual report for the year ended 30 April 2018

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# **Jack Barclay Limited**

## **Directors and advisors for the year ended 30 April 2018**

### **Directors**

M Dalman  
M Patel  
V K Choo

### **Company secretary and registered office**

D. Grimston  
Melton Court  
Old Brompton Road  
London  
SW7 3TD

### **Bankers**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

### **Solicitors**

Ellisons LLP  
Headgate Court  
Head Street  
Colchester  
Essex  
C01 1NP

### **Independent auditors**

BDO LLP  
Arcadia House  
Maritime Walk  
Southampton  
SO14 3TL

# Jack Barclay Limited

## The Strategic report for the year ended 30 April 2018

### Business review, principal activities and future outlook

The principal activity of the Company during the year was as an operator of Bentley and Lamborghini motor dealerships and it is also involved in the sale of Bugatti cars.

The profit for the period after taxation amounted to £2,365,000 (2017: £2,448,000), resulting from turnover of £91,282,000 (2017: £85,632,000). The Company had net assets at 30 April 2018 of £20,338,000 (2017: £17,973,000).

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to relationships with manufacturers, the success of the Bentley and Lamborghini brands, the impact of future legislative changes, competitiveness within the motor retail sector, economic and market cycles, and advances in technology. Further discussion of these risks and uncertainties, in the context of the H.R. Owen Plc Group ('the Group') as a whole, is provided in the Business Review of the Group's annual report which does not form part of this report.

### Key Performance Indicators

The directors of Jack Barclay Limited manage the Company's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Jack Barclay Limited. The development, performance and position of H.R. Owen Plc, which includes the Company, is discussed in the Business Review of the Group's annual report which does not form part of this report.

### Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company H.R. Owen Plc. The directors have received confirmation that H.R. Owen Plc intends to support the company for at least one year after these financial statements are signed.

By order of the board



D Grimston  
Secretary

Date 23 | 01 | 2019

# Jack Barclay Limited

## Directors' report for the year ended 30 April 2018

The directors present their annual report and the audited financial statements of the Company for the year ended 30 April 2018.

### Results and dividends

The results for the year ended 30 April 2018 are set out in the Statement of Comprehensive Income on page 9.

The directors are not recommending the payment of a dividend for the current accounting period.

### Directors

The directors of the Company who were in office during the year and up to the date of the signing of the financial statements are listed below:

M Dalman  
M Patel  
V K Choo

### Charitable donations

During the period, the Company made charitable donations of £Nil (2017: £Nil). No political donations were made.

### Risks associated with financial instruments

The Company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk.

#### *Credit risk*

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables. The Company keeps all deposits with high street banks.

The Company has implemented policies that require appropriate credit checks on potential customers before sales over certain credit limits are made.

#### *Liquidity risk and interest rate risk*

The Company finances its operations through a mixture of retained reserves and borrowings. These borrowings comprise overdrafts, manufacturer and other vehicle stocking loans. Liquidity risk is managed by borrowing with a spread of maturity years. The Company has significant fluctuations in short-term borrowings due to industry specific factors. The Company mitigates any potential liquidity risk through maintaining substantial unutilised banking and used vehicle stocking loan facilities.

The Company is subject to interest rate risk on the borrowings. All borrowings are at floating rates. Any surplus cash balances are placed on overnight or short-term deposit on UK money markets.

The liquidity and interest rate risk is managed on behalf of the Company by its parent company.

# Jack Barclay Limited

## Directors' report for the year ended 30 April 2018 (continued)

### Payment to suppliers

The Company agrees payment terms with its suppliers when it enters into binding purchase contracts. The Company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The Company does not have a standard or code which deals specifically with the payment of suppliers.

The Company's average creditor payment period at 30 April 2018 was 25 days (2017: 38 days).

### Post balance sheet events

There have been no post-balance sheet events since 30 April 2018.

### Likely future developments in the business of the company

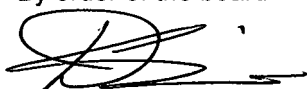
Information on likely future developments in the business of the company has been included in the Strategic Report on page 2.

### Statement of disclosure of information to auditors

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. So far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board



D Grimston  
**Secretary**

Date 23/01/2019

# Jack Barclay Limited

## Statement of directors' responsibilities

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 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;
- 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.

By order of the board



D Grimston  
**Secretary**

Date 23/01/2019

# Jack Barclay Limited

## Independent auditors' report to member of Jack Barclay Limited

### Opinion

We have audited the financial statements of Jack Barclay Limited ("the Company") for the year ended 30 April 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, 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 30 April 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.

# Jack Barclay Limited

## Independent auditors' report to member of Jack Barclay Limited (continued)

### 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.

### Opinions on other matters 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 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 Strategic report and Director's report.

We have nothing to report in respect of the following matters in relation to which 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.

# Jack Barclay Limited

## Independent auditors' report to member of Jack Barclay Limited (continued)

### 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 determines 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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our 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.



Malcolm Thixton (Senior Statutory Auditor)  
**For and on behalf of BDO LLP, Statutory Auditors**  
Southampton  
United Kingdom

Date 31/1/19

BDO LLP is a limited liability partnership registered in England and Wales (with registration number OC305127).

# Jack Barclay Limited

## Statement of comprehensive income for the year ended 30 April 2018

	Note	2018 £'000	2017 £'000
Turnover	3	91,282	85,632
Cost of sales		(76,157)	(71,364)
Gross profit		15,125	14,268
Net operating expenses	4	(11,839)	(11,396)
<b>Profit on ordinary activities before interest and taxation</b>		<b>3,286</b>	<b>2,871</b>
Interest receivable and similar income	7	-	-
Interest payable and similar charges	8	(416)	(376)
<b>Profit on ordinary activities before taxation</b>	9	<b>2,870</b>	<b>2,495</b>
Tax charge on profit on ordinary activities	10	(505)	(47)
<b>Profit on ordinary activities after taxation</b>		<b>2,365</b>	<b>2,448</b>

The Company's results shown above all derive from continuing operations.

The Company has no other recognised gains and losses other than those included in the results above.

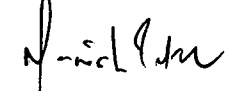
The notes on pages 12 to 23 form part of these financial statements.

# Jack Barclay Limited

## Balance sheet as at 30 April 2018

	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Tangible assets	12	4,536	3,135
		<b>4,536</b>	<b>3,135</b>
<b>Current assets</b>			
Stock	13	12,898	12,834
Debtors	14	20,098	28,030
Cash at bank and in hand		9,673	2,179
		<b>42,669</b>	<b>43,043</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(26,317)</b>	<b>(27,674)</b>
<b>Net current assets</b>		<b>16,352</b>	<b>15,369</b>
<b>Total assets less current liabilities</b>		<b>20,888</b>	<b>18,504</b>
<b>Provision for liabilities and charges</b>	16	<b>(550)</b>	<b>(531)</b>
<b>Net assets</b>		<b>20,338</b>	<b>17,973</b>
<b>Capital and reserves</b>			
Called up share capital	17	100	100
Retained earnings		20,238	17,873
<b>Total shareholders' funds</b>		<b>20,338</b>	<b>17,973</b>

The financial statements were approved by the board of directors and authorised for issue on 23.01.2019.



M Patel  
Director

Jack Barclay Limited

Registered Number 0719989

The notes on pages 12 to 23 form part of these financial statements.

# Jack Barclay Limited

## Statement of changes in equity for the year ended 30 April 2018

	Share capital £'000	Retained earnings £'000	Total £'000
<b>At 1 May 2016</b>	100	15,425	15,525
Profit for the year	-	2,448	2,448
<b>At 30 April 2017</b>	<b>100</b>	<b>17,873</b>	<b>17,973</b>
Profit for the year	-	2,365	2,365
<b>At 30 April 2018</b>	<b>100</b>	<b>20,238</b>	<b>20,338</b>

The notes on pages 12 to 23 form part of these financial statements.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018

### 1 Principal accounting policies

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a historical cost basis. The presentation currency used is sterling and amounts have been presented in round thousands ("£000s").

#### Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by H.R. Owen Plc.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of H.R. Owen Plc. These financial statements do not include certain disclosures in respect of:

- Financial Instruments; and
- Impairment of assets.

#### Judgements and key areas of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires the company's directors to exercise judgment in applying the company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

#### Going Concern

The financial statements have been prepared on a going concern basis. The Company's ultimate parent, H.R. Owen Plc has indicated its continuing commitment and support for the further development of the business. Adequate bank facilities remain in place and H.R. Owen Plc intends to make sufficient amounts available to the Company to enable it to meet its liabilities as they fall due and to continue as a going concern.

#### Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated on a straight line basis so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. Estimated economic lives are reviewed yearly and adjusted as appropriate.

Fixtures, plant and equipment, which includes fixtures and fittings as well as office and computer equipment, is depreciated over an economic life of between three and ten years. Leasehold improvements are depreciated over the shorter of the remaining life of the relevant lease, and the estimated useful economic life of the improvements.

#### Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost of vehicles and parts stocks represents the purchase price plus any additional costs incurred. Parts stock is accounted for on a first-in, first-out basis. Where necessary, provision is made for obsolete, slow moving and defective stock. Cars used for demonstration purposes are valued at cost less an appropriate charge for use.

Vehicles on consignment are included in stock when substantially all of the principal benefits and inherent risks rest with the Company. The corresponding liability, after deducting any deposits, is included under creditors, as manufacturers' vehicle stocking loans.

### Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax. Sales of motor vehicles are recognised once the vehicle has been registered and delivered to the customer. Sales of parts and accessories are recognised on delivery to the customer. Servicing and bodyshop sales are recognised on completion of the agreed work. Sales which are partially completed as at year-end (as not having met certain recognition criteria) are held in deferred income net of value added tax.

### Commissions

Revenue in relation to commissions on vehicle sales as an agent and insurance sales as a broker are recognised when the commission are receivable and non-refundable, typically on the completion of the related transaction.

### Taxation

The taxation charge for the period comprises both current and deferred tax. Taxation is recognised in the Income Statement or in other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable for the period along with adjustments for tax payable in respect of previous periods.

Deferred tax is provided for all deferred tax assets and liabilities using full provision accounting, when an event has taken place by the balance sheet date which gives rise to an increased or reduced tax liability in the future. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised to the extent that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relates to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### Pension scheme arrangements

The Company operates a number of defined contribution pension schemes. The pension cost charge represents contributions payable to the funds in respect of the period. The Company contributes towards the H.R. Owen London Defined Benefit Pension Scheme, a defined benefit pension scheme operated by H.R. Owen Dealerships Limited, a fellow subsidiary of H.R. Owen Plc.

The net deficit of the defined benefit pension scheme is calculated as the difference between the fair value of plan assets at the reporting date compared to the plan liabilities using the projected unit method discounted to its present value using prudent and appropriate discount factors. Any deficit recorded by the Scheme is included in the balance sheet of H.R. Owen Dealerships Limited. The pension cost contributions by the entity charged against income consists of the current service cost, finance costs, expected return on plan assets and past service cost. Any curtailment gains arising are credited to the Income Statement.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 2 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Inventory valuations – the company holds significant inventories of used cars. Trade guides and other publications are used to assist in the assessment of the carrying values of these cars at the balance sheet date and provisions taken as necessary (see note 13).

### 3 Turnover

Turnover consists of the sales of motor vehicles, servicing and bodyshop work and parts and accessories, excluding value added tax. Turnover consists entirely of sales made in the United Kingdom and arises from the Company's sole principal activity.

An analysis of turnover by class of business is as follows:

	2018 £'000	2017 £'000
Vehicles	73,200	66,033
Aftersales	18,082	19,599
	<b>91,282</b>	<b>85,632</b>

### 4 Net operating expenses

	2018 £'000	2017 £'000
Selling and distribution costs	5,762	5,990
Administration expenses	6,077	5,406
<b>Net operating expenses</b>	<b>11,839</b>	<b>11,396</b>

### 5 Directors' emoluments

No director received any fees or other emoluments for their services from the Company during the year ended 30 April 2018 (2017: £Nil).

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 6 Employee information

The average monthly number of persons (including executive directors) employed by the Company during the year was:

	2018 Number	2017 Number
<b>By Activity</b>		
Selling and distribution	96	106
Administration	16	13
	<b>112</b>	<b>119</b>
	<b>2018 £'000</b>	<b>2017 £'000</b>
<b>Staff costs (for the above persons)</b>		
Wages and salaries	4,541	4,217
Social security costs	528	617
Other pension costs (see note 20)	82	69
	<b>5,151</b>	<b>4,903</b>

### 7 Interest receivable and similar income

	2018 £'000	2017 £'000
On bank deposits	-	-

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 8 Interest payable and similar charges

	2018 £'000	2017 £'000
On manufacturers' vehicle stocking loans	416	376

### 9 Profit on ordinary activities before taxation

	Note	2018 £'000	2017 £'000
Profit on ordinary activities before taxation is stated after charging:			
Depreciation charge for the year:			
- Owned tangible fixed assets	12.	703	681
Loss on disposal of fixed assets		5	-
Remuneration receivable by the Company's auditors for the auditing of the Company's financial statements		19	18
Operating lease charges:			
- Plant and machinery		-	-
- Other		1,351	1,541

Fees paid to the Company's auditor, BDO LLP, for services other than the statutory audit of the Company are not disclosed in Jack Barclay Limited's accounts since the consolidated accounts of H.R. Owen Plc are required to disclose non-audit fees on a consolidated basis.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 10 Tax on profit on ordinary activities

#### a) Analysis of charges for the year

	2018 £'000	2017 £'000
Current tax:		
UK corporation tax on profit for the year	427	96
Adjustment in respect of prior periods	59	-
Total current tax credit (see note 10b)	486	96
Deferred tax (note 16)		
Origination and reversal of timing differences	31	6
Adjustments in respect of previous periods	(12)	(23)
Impact of change in tax rate on opening balance	-	(32)
<b>Total deferred tax</b>	<b>19</b>	<b>(49)</b>
<b>Tax credit on profit on ordinary activities</b>	<b>505</b>	<b>47</b>

#### b) Factors affecting the current tax charge for the year

The current charge for the accounting year is less (2017: less) than the standard rate of corporation tax in the UK of 19.00% (2017: 19.92%). The difference is explained below:

	2018 £'000	2017 £'000
<b>Profit on ordinary activities before taxation:</b>	<b>2,870</b>	<b>2,495</b>
Profit on ordinary activities multiplied by the standard rate of UK corporation tax of 19.00% (2017: 19.92%)	545	497
Effect of:		
Fixed asset differences	45	54
* Expenses not deductible for tax purposes	11	38
Utilisation of Group losses	(139)	(487)
Adjustment in respect of prior periods	59	-
Adjustment in respect of prior periods – deferred tax	(12)	(23)
Impact of change in tax rate	(4)	(32)
<b>Current tax charge for the year (see note 10a)</b>	<b>505</b>	<b>47</b>

The standard rate of Corporation Tax in the UK changed from 20.00% to 19.00% with effect from 1 April 2017. Accordingly, the profits of companies in the Group for this accounting year are taxed at an effective rate of 19.00%.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 11 Dividends

	2018 £'000	2017 £'000
Interim dividend paid of £ per ordinary share (2017: £Nil per ordinary share)	-	-

### 12 Tangible assets

	Leasehold improvement £'000	Fixtures, plant and equipment £'000	Total £'000
<b>Cost</b>			
At 1 May 2017	5,552	2,625	8,177
Additions	1,483	627	2,110
Group transfers	-	(1)	(1)
Disposals	(1,785)	(428)	(2,213)
<b>At 30 April 2018</b>	<b>5,250</b>	<b>2,823</b>	<b>8,073</b>
<b>Accumulated depreciation</b>			
At 1 May 2017	3,193	1,849	5,042
Charge for the year	473	230	703
Disposals	(1,785)	(423)	(2,208)
<b>At 30 April 2018</b>	<b>1,881</b>	<b>1,656</b>	<b>3,537</b>
<b>Net book value</b>	<b>3,369</b>	<b>1,167</b>	<b>4,536</b>
<b>At 30 April 2018</b>			
Net book value			
At 30 April 2017	2,359	776	3,135

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 13 Stock

	2018 £'000	2017 £'000
Vehicles and parts	7,019	6,521
Interest bearing consignment stock	5,765	6,154
Work in progress	114	159
	<b>12,898</b>	<b>12,834</b>

As at 30 April 2018, all vehicles on consignment were held on the balance sheet (2017: all).

There is no material difference between the replacement cost of stocks and the amounts stated above.

Inventories charged as an expense in the year total £83,029,000 (2017: £73,194,000).

### 14 Debtors

	2018 £'000	2017 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	1,754	2,222
Amounts owed by Group undertakings	15,937	23,243
Other debtors	618	997
Prepayments and accrued income	1,789	1,568
	<b>20,098</b>	<b>28,030</b>

Amounts owed by Group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 15 Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Trade creditors	5,389	7,487
Vehicle stocking loans	9,790	8,987
Amounts owed to Group undertakings	553	5,208
Other creditors	4,906	2,906
Other taxes and social security	4,300	2,347
Corporation tax	732	112
Accruals and deferred income	647	627
	<b>26,317</b>	<b>27,674</b>

Bank overdrafts are secured by fixed and floating charges over the assets of the Company.

Vehicle stocking loans are secured by fixed and floating charges over the stocks of new consignment, used and demonstrator vehicles held. Vehicle stocking loans are at floating rates with interest rates incurred based on a margin over Finance House Base Rate of between ½% and 2%.

Amounts due to Group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 16 Deferred tax

Deferred tax is calculated in full on timing differences under the liability method using a tax rate of 17% (2017: 17%).

	2018 £'000	2017 £'000
<b>Deferred tax liability</b>		
Deferred tax comprises:		
Excess of capital allowances over depreciation	(18)	(37)
Other short term timing differences	-	-
Capital gains held over	568	568
	<b>550</b>	<b>531</b>
 Movement during the year:		<b>2018 £'000</b>
1 May 2017		531
Amount credited to statement of comprehensive income		19
<b>30 April 2018</b>		<b>550</b>

### 17 Called up share capital

	2018 £'000	2017 £'000
<b>Allotted, called up and fully paid</b>		
100,000 ordinary shares of £1 each	<b>100</b>	<b>100</b>

### 18 Commitments under operating leases

The total future value of minimum lease payments is due as follows:

	2018 £'000	2017 £'000
Within one year	597	1,041
Between two and five years	2,353	2,352
After five years	2,239	2,827
	<b>5,189</b>	<b>6,220</b>

# Jack Barclay Limited

## Notes to the financial statements for the year ended 30 April 2018 (continued)

### 19 Contingent liabilities

Barclays Bank Plc holds unlimited guarantees by the Company in respect of amounts owing by H.R. Owen Plc, the holding company, and its subsidiaries. At 30 April 2018 the total amount outstanding to Barclays Bank Plc by H.R. Owen Plc and its subsidiaries in respect of bank term loans, mortgages and overdrafts was £2,145,000 (2017: £4,000,000).

### 20 Pension obligations

#### Defined contribution schemes

Pension costs for the defined contribution schemes for the year ended 30 April 2018 totalled £82,137 (2017: £69,348). Contributions, both employer and employee, amounting to £Nil were outstanding at 30 April 2018 (2017: £9,200).

#### Defined benefit scheme

The H.R. Owen London Defined Benefit Pension Scheme is a defined benefit pension scheme operated by H.R. Owen Dealerships Limited, a fellow subsidiary of H.R. Owen Plc, on a pre-funded basis. The funding policy is to contribute such variable amounts as, on the advice of the Scheme's actuary, will achieve a 100% funding level on a projected salary basis. Actuarial assessments covering expense and contributions are carried out triennially by independent qualified actuaries, with the last such review being carried out as at 5 April 2010. The Scheme was closed to future accrual during 2013.

Further details of the Group defined benefit scheme are disclosed in note 24 of the Group consolidated financial statements, which are available as disclosed in note 22 below.

At 30 April 2018 the scheme had a pension surplus of £646,000 (2017: deficit of £19,000).

The total pension expense for the Company for the year ended 30 April 2018 was £Nil (2017: £Nil). A balance sheet accrual for contributions of £Nil exists at the year-end (2017: £Nil).

### 21 Related party transactions

Bentley Motors Limited had an interest of 26.3% in the issued share capital of H.R. Owen Plc during the prior year, the Company's ultimate parent company. Accordingly, Bentley Motors Limited was deemed a related party of Jack Barclay Limited.

During the year ended 30 April 2017, the Company purchased vehicles and parts on an arm's length basis from Bentley Motors Limited totalling £31,361,167, with an amount of £9,266,697 was owed by Jack Barclay Limited to Bentley Motors Limited.

There are no such related party transactions for 2018 since the shares were disposed during the 2017 financial year.

# **Jack Barclay Limited**

## **Notes to the financial statements for the year ended 30 April 2018 (continued)**

### **22 Ultimate parent company and controlling party**

The immediate parent undertaking is H.R. Owen Plc, a company incorporated in England and Wales. The ultimate parent undertaking is Berjaya Corporation Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, Malaysia.

The largest group in which the results of the company are consolidated is that headed by Berjaya Corporation Berhad, incorporated in Malaysia. The consolidated accounts are available to the public and may be obtained from The Company Secretary, Berjaya Corporation Berhad, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur, Malaysia.

The smallest group in which they are consolidated is that headed by H.R. Owen Plc, incorporated in England and Wales. The consolidated accounts are available to the public and may be obtained from The Company Secretary, H.R. Owen Plc, Melton Court, Old Brompton Road, London SW7 3TD.