

COMPANY REGISTRATION NUMBER: 01410324

Companies House

PARTIC MOTOR SPARES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2016

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PARTIC MOTOR SPARES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2016

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PARTIC MOTOR SPARES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	I R Beard J Beard
Registered office	Brunel Drive Newark Nottingham Nottinghamshire NG24 2EG
Auditor	Streets Audit LLP Chartered Accountant & Statutory Auditor Windsor House A1 Business Park at Long Bennington Notts NG23 5JR
Bankers	Lloyds Bank plc Old Market Square Nottingham NG1 6FD

PARTIC MOTOR SPARES LIMITED

STRATEGIC REPORT

YEAR ENDED 30 APRIL 2016

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

BUSINESS REVIEW

The principal activity of the company continues to be that of the supply and repair of spares and equipment.

The directors believe the company has had another solid 12 months trading, and has once again increased turnover from £7.58m to £8.28m. The company's gross profit percentage has decreased from 35.7% to 34.9% in part due to some competitive trading. Overall the directors are satisfied with the level of profitability achieved in an ever increasingly competitive marketplace.

Cash levels have reduced by 36% on the previous year, as cash reserves have been utilised to purchase new branches at Coalville and Lincoln. At the balance sheet date, the company increased shareholders funds from £4.2m to £4.3m.

RISK ASSESSMENT

Credit risk

The company seeks to manage its credit risk by dealing with established customers or otherwise checking the credit-worthiness of new customers, establishing clear contractual relationships with those customers and by identifying and addressing any credit issues arising in a timely manner.

Liquidity risk

The company seeks to manage risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Compliance risk

The financial statements have been prepared under the requirements of FRS 102 for the first time this year. The base date for transition to this standard was 1 May 2014 and so the Directors sought appropriate advice to make sure they were fully aware of any possible material impact on the reported profits for both the current and comparative years. As a result of this review no transitional adjustments were identified and so there was no impact on the entity's financial position and financial performance.

We are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control. However, in terms of what we can foresee at present, we remain very confident in the prospects of the business.

On the basis of these results the directors consider the affairs of the company to be more than satisfactory.

PARTIC MOTOR SPARES LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 30 APRIL 2016

This report was approved by the board of directors on20.1.17..... and signed on behalf of the board by:



I R Beard
Director

Registered office:
Brunel Drive
Newark
Nottingham
Nottinghamshire
NG24 2EG

PARTIC MOTOR SPARES LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2016

The directors present their report and the financial statements of the company for the year ended 30 April 2016.

Directors

The directors who served the company during the year were as follows:

I R Beard	
J Beard	(Appointed 28 April 2016)
O B Beard	(Retired 28 April 2016)

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Disclosure of information in the strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Directors' responsibilities statement

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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

PARTIC MOTOR SPARES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 APRIL 2016

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 20.1.17 and signed on behalf of the board by:



I R Beard
Director

Registered office:
Brunel Drive
Newark
Nottingham
Nottinghamshire
NG24 2EG

PARTIC MOTOR SPARES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PARTIC MOTOR SPARES LIMITED

YEAR ENDED 30 APRIL 2016

We have audited the financial statements of Partic Motor Spares Limited for the year ended 30 April 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PARTIC MOTOR SPARES LIMITED

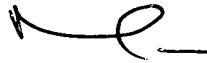
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PARTIC MOTOR SPARES LIMITED *(continued)*

YEAR ENDED 30 APRIL 2016

Matters on which we are required to report by exception

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.



MARK BRADSHAW (Senior Statutory Auditor)

For and on behalf of
Streets Audit LLP
Chartered accountant & statutory auditor

Windsor House
A1 Business Park at
Long Bennington
Notts
NG23 5JR

27/01/2017

PARTIC MOTOR SPARES LIMITED

STATEMENT OF FINANCIAL POSITION

30 APRIL 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	11	1,796,998	1,314,664
Current assets			
Stocks	12	1,437,638	1,252,651
Debtors	13	1,752,268	1,936,291
Cash at bank and in hand		773,648	1,213,000
		<u>3,963,554</u>	<u>4,401,942</u>
Creditors: amounts falling due within one year	14	<u>1,360,477</u>	<u>1,340,516</u>
Net current assets		<u>2,603,077</u>	<u>3,061,426</u>
Total assets less current liabilities		<u>4,400,075</u>	<u>4,376,090</u>
Provisions			
Taxation including deferred tax	16	58,736	66,617
Other provisions	16	—	150,753
		<u>58,736</u>	<u>217,370</u>
Net assets		<u><u>4,341,339</u></u>	<u><u>4,158,720</u></u>
Capital and reserves			
Called up share capital	19	76	66
Capital redemption reserve	20	34	34
Profit and loss account	20	<u>4,341,229</u>	<u>4,158,620</u>
Shareholders funds		<u><u>4,341,339</u></u>	<u><u>4,158,720</u></u>

These financial statements were approved by the board of directors and authorised for issue on 20.1.17, and are signed on behalf of the board by:



I R Beard
Director

Company registration number: 01410324

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

PARTIC MOTOR SPARES LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 APRIL 2016

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 May 2014		66	34	3,772,152	3,772,252
Profit for the year		—	—	586,468	586,468
Total comprehensive income for the year		—	—	586,468	586,468
Dividends paid and payable	10	—	—	(200,000)	(200,000)
Total investments by and distributions to owners		—	—	(200,000)	(200,000)
At 30 April 2015		66	34	4,158,620	4,158,720
Profit for the year		—	—	662,609	662,609
Total comprehensive income for the year		—	—	662,609	662,609
Issue of shares		10	—	—	10
Dividends paid and payable	10	—	—	(480,000)	(480,000)
Total investments by and distributions to owners		10	—	(480,000)	(479,990)
At 30 April 2016		76	34	4,341,229	4,341,339

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

PARTIC MOTOR SPARES LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 30 APRIL 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	662,609	586,468
<i>Adjustments for:</i>		
Depreciation of tangible assets	169,792	175,053
Other interest receivable and similar income	(2,544)	(2,763)
Gains on disposal of tangible assets	(31,749)	(22,109)
Tax on profit on ordinary activities	172,342	197,114
Accrued (income)/expenses	(41,739)	61,748
<i>Changes in:</i>		
Stocks	(184,987)	(266,575)
Trade and other debtors	189,938	(185,348)
Trade and other creditors	48,007	169,944
Provisions and employee benefits	(150,753)	—
Cash generated from operations	830,916	713,532
Interest received	2,544	2,763
Tax paid	(172,435)	(188,801)
Net cash from operating activities	<u>661,025</u>	<u>527,494</u>
Cash flows from investing activities		
Purchase of tangible assets	(678,277)	(221,242)
Proceeds from sale of tangible assets	57,900	31,738
Net cash used in investing activities	<u>(620,377)</u>	<u>(189,504)</u>
Cash flows from financing activities		
Dividends paid	(480,000)	(200,000)
Net cash used in financing activities	<u>(480,000)</u>	<u>(200,000)</u>
Net (decrease)/increase in cash and cash equivalents	(439,352)	137,990
Cash and cash equivalents at beginning of year	1,213,000	1,075,010
Cash and cash equivalents at end of year	<u>773,648</u>	<u>1,213,000</u>

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

PARTIC MOTOR SPARES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. General information

Partic Motor Spares Limited is a Limited company incorporated in England and Wales. The address of its registered office is Brunel Drive, Newark, Nottingham, Nottinghamshire, NG24 2EG.

The principal activity of the company during the year was that of the supply and repair of spares and equipment for commercial vehicle operators.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 May 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

- **Significant judgements**

There have been no judgements that management has made in the process of applying the entity's accounting policies that have made a significant effect on the amounts recognised in the financial statements.

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

- Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(i) Depreciation charges

The annual charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are reviewed periodically by the directors to ensure that they reflect both external and internal factors. See note 11 for the carrying value of property plant and equipment, and the depreciation accounting policy for the useful economic lives for each class of asset.

(ii) Stock provisions

The company sells spare parts and equipment for commercial vehicle operators and its materials can become subject to obsolescence due to manufacturing specifications and other factors. As a result it is necessary to consider the recoverability of the cost of certain stock items and the associate provisioning required. When making these assessments management considers the nature and condition of the stocks as well as considering the possible future applications. The value of obsolete stock provided for within the financial statements is £367,081 (2015 - £397,566).

Revenue recognition

Turnover represents income from customers in respect of the sale of goods, net of value added tax. Income is recognised upon despatch of goods.

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of all material timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	- 2% straight line
Fixtures and fittings	- 10% reducing balance
Motor vehicles	- 25% straight line
Office equipment	- 25% reducing balance

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

3. Accounting policies *(continued)*

Depreciation *(continued)*

Freehold land is not depreciated.

The cost of tangible fixed assets is the purchase price together with any incidental costs of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are valued on a first-in-first-out basis at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based on purchase price.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

3. Accounting policies *(continued)*

Financial instruments

The company has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

- **Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances, loans to fellow group companies and investments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost, using the effective interest method.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

- **Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

Trade payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	<u>8,277,489</u>	<u>7,578,849</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	169,792	175,053
Gains on disposal of tangible assets	(31,749)	(22,109)
Defined contribution plans expense	5,456	–
Rent	<u>98,110</u>	<u>85,096</u>

6. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>10,500</u>	<u>10,500</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Production staff	39	40
Distribution staff	20	13
Administrative staff	4	4
Management staff	2	2
	<u>65</u>	<u>59</u>

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

7. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	1,248,945	1,123,556
Social security costs	101,688	106,470
Other pension costs	5,456	—
	<u>1,356,089</u>	<u>1,230,026</u>

8. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	<u>66,453</u>	<u>63,565</u>

9. Tax on profit on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	179,286	182,748
Adjustments in respect of prior periods	937	—
Total current tax	<u>180,223</u>	<u>182,748</u>
Deferred tax:		
Origination and reversal of timing differences	(7,881)	14,366
Tax on profit on ordinary activities	<u>172,342</u>	<u>197,114</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.92%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	<u>834,951</u>	<u>783,582</u>
Profit on ordinary activities by rate of tax	166,990	163,925
Adjustment to tax charge in respect of prior periods	937	30,368
Effect of expenses not deductible for tax purposes	3,035	690
Effect of capital allowances and depreciation	1,380	3,882
Marginal relief	—	(1,751)
Tax on profit on ordinary activities	<u>172,342</u>	<u>197,114</u>

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Equity dividends on ordinary shares	<u>480,000</u>	<u>200,000</u>

11. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 May 2015	1,061,893	228,087	547,277	177,621	2,014,878
Additions	539,766	4,585	132,635	1,291	678,277
Disposals	—	—	(129,361)	—	(129,361)
At 30 Apr 2016	<u>1,601,659</u>	<u>232,672</u>	<u>550,551</u>	<u>178,912</u>	<u>2,563,794</u>
Depreciation					
At 1 May 2015	123,863	102,999	311,843	161,509	700,214
Charge for the year	21,462	12,970	130,997	4,363	169,792
Disposals	—	—	(103,210)	—	(103,210)
At 30 Apr 2016	<u>145,325</u>	<u>115,969</u>	<u>339,630</u>	<u>165,872</u>	<u>766,796</u>
Carrying amount					
At 30 Apr 2016	<u>1,456,334</u>	<u>116,703</u>	<u>210,921</u>	<u>13,040</u>	<u>1,796,998</u>
At 30 Apr 2015	<u>938,030</u>	<u>125,088</u>	<u>235,434</u>	<u>16,112</u>	<u>1,314,664</u>

Included in freehold property is land not subject to depreciation amounting to £528,500 (2015 - £334,500).

12. Stocks

	2016 £	2015 £
Goods for resale	<u>1,437,638</u>	<u>1,252,651</u>

13. Debtors

	2016 £	2015 £
Trade debtors	1,560,493	1,774,215
Prepayments and accrued income	135,525	162,076
Directors loan account	45,000	—
Other debtors	11,250	—
	<u>1,752,268</u>	<u>1,936,291</u>

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

14. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	981,277	922,004
Accruals and deferred income	39,933	81,672
Corporation tax	190,536	182,748
Social security and other taxes	140,741	152,007
Directors loan account	7,990	2,085
	<u>1,360,477</u>	<u>1,340,516</u>

15. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 16)	<u>58,736</u>	<u>66,617</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	<u>58,736</u>	<u>66,617</u>

16. Provisions

	Deferred tax (note 15) £
At 1 May 2015	66,617
Charge against provision	<u>(7,881)</u>
At 30 April 2016	<u>58,736</u>

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £5,456 (2015: £Nil).

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016	2015
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,560,493</u>	<u>1,274,215</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>981,277</u>	<u>922,004</u>

19. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary A shares of £1 each	51	51	66	66
Ordinary B shares of £1 each	15	15	–	–
Ordinary C shares of £1 each	10	10	–	–
	<u>76</u>	<u>76</u>	<u>66</u>	<u>66</u>

Share movements

	No.	£
Ordinary A		
At 1 May 2015	66	66
Shares redeemed	(15)	(15)
At 30 April 2016	<u>51</u>	<u>51</u>
Ordinary B		
At 1 May 2015	–	–
Issue of shares	15	15
At 30 April 2016	<u>15</u>	<u>15</u>
Ordinary C		
At 1 May 2015	–	–
Issue of shares	10	10
At 30 April 2016	<u>10</u>	<u>10</u>

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

19. Called up share capital *(continued)*

The three classes of ordinary shares carry different voting rights, rights to the distribution of dividends and the repayment of capital. The rights are as follows:-

- The Class A and B shares carry the rights to participation in the profits of the company, a right to receive notice of and to attend and vote at any general meeting of the company, and a right to the return of capital paid up or credited as being paid up on the shares on a winding up or sale of the company.
- The Class C shares entitle the holder to a right of participation in the profits of the company, but no right to receive notice of, attend or vote at any general meeting of the company, and no right to the return of capital paid up or credited as being paid up on the shares on a winding up or sale of the company.

20. Reserves

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

Profit and loss account - This reserve records retained earnings and accumulated losses.

21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	46,604	46,604
Later than 1 year and not later than 5 years	167,478	186,416
Later than 5 years	276,660	304,326
	<u>490,742</u>	<u>537,346</u>

22. Directors' advances, credits and guarantees

During the year I R Beard operated a director's loan account with the company. The director withdrew funds amounting to £500,518 and had credits amounting to £506,423. At the year end the balance was in credit by £7,990 (2015 - £2,085).

During the year J Beard also operated a director's loan account with the company. The director withdrew funds amounting to £115,000 and had credits amounting to £70,000. At the year end the balance was overdrawn by £45,000. The maximum balance outstanding during the year was £115,000. There is no set repayment date for this loan and no interest is charged.

PARTIC MOTOR SPARES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 APRIL 2016

23. Related party transactions

The company is under the control of I R Beard. I R Beard is the managing director and majority shareholder.

During the year the company occupied premises owned by Partic Motor Spares Pension Scheme in which the directors I R Beard and Mrs O B Beard are trustees. Rent charged during the year totalled £55,164 (2015 - £45,164). No amounts were due to or from the pension scheme at the year end (2015 - £nil) in relation to these transactions.

Dividends were paid to the directors as follows:

	2016	2015
	£	£
I R Beard	410,000	200,000
O Beard	nil	nil
J Beard	70,000	nil

Key management personnel remuneration totalled £65,000 (2015 - £63,667).

24. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 May 2014.

No transitional adjustments were required in equity or profit or loss for the year.