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## HANGREEN LIMITED

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### Directors' Report and Financial Statements

For the Period Ended 3 December 2015

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## HANGREEN LIMITED

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### Company Information

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<b>DIRECTORS</b>	P D Holmes K P Godfrey
<b>COMPANY SECRETARY</b>	G S Forbes
<b>REGISTERED NUMBER</b>	03079788
<b>REGISTERED OFFICE</b>	Faringdon Road Cumnor Oxford Oxfordshire OX2 9RE
<b>INDEPENDENT AUDITORS</b>	BDO LLP Kings Wharf 20 - 30 Kings Road Reading Berkshire RG1 3EX

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## HANGREEN LIMITED

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### Contents

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	Page
<b>Strategic Report</b>	1 - 3
<b>Directors' Report</b>	4 - 5
<b>Independent Auditor's Report</b>	6 - 7
<b>Profit and Loss Account</b>	8
<b>Note of Historical Cost Profits and Losses</b>	9
<b>Balance Sheet</b>	10
<b>Notes to the Financial Statements</b>	11 - 20

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## HANGREEN LIMITED

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### Strategic Report For the Period Ended 3 December 2015

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#### INTRODUCTION

The directors present their strategic report for the 12 month and 3 day period ended 3 December 2015.

#### BUSINESS REVIEW

The company's principal activity during the period was vehicle distribution, sales, service and associated activities. On 4 December the company hived across its trade and assets to Hartwell Automotive Group Limited and the company ceased to trade.

The directors consider the results for the period to be satisfactory, and do not recommend the payment of a dividend (2014 - £NIL).

During the period, the company has suffered both a top line decline and a decrease in operating profit margin.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors set out below the principal operational and financial risks facing the business and the mitigating measures in use:

##### OPERATIONAL RISKS

###### Manufacturer supply of new and improved product

The company was reliant on new vehicle products from Ford Motor Company. This exposed the company to risks in a number of areas as the company was dependent on its manufacturer/supplier in respect of:

- availability of new vehicle product;
- quality of new vehicle product; and
- pricing of new vehicle product.

##### FINANCIAL RISKS

The company used various financial instruments which included cash, consignment stock, trade debtors and trade creditors that arose directly from its operations. The main purpose of these financial instruments was to raise finance for the company's operations. Their existence exposed the company to a number of financial risks.

The main risks arising from the financial instruments were interest rate risk, credit risk, liquidity risk and cash flow risk. The directors reviewed and agreed policies for managing each of these risks which are summarised below. These policies remained unchanged from previous years.

###### Interest rate risk

The company financed its operations through a mixture of bank and other external borrowings. The company's exposure to interest rate fluctuations on its borrowings was managed by the use of fixed and floating facilities. The balance sheet included trade debtors and creditors which did not attract interest and were therefore subject to fair value interest rate risk.

The company's policy throughout the period has been to achieve its objective of managing interest rate risk through the day to day involvement of management in business decisions rather than through setting maximum or minimum levels for the level of fixed rate borrowings.

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## HANGREEN LIMITED

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### Strategic Report (continued) For the Period Ended 3 December 2015

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#### FINANCIAL RISKS (continued)

##### Credit risk

The company's principal financial assets were cash and trade debtors. The credit risk associated with cash was limited as the counterparties had high credit ratings assigned by international credit rating agencies. The principal credit risk therefore arose from trade debtors.

In order to manage credit risk the directors set credit limits for customers based on a combination of payment history and third party credit references. Credit limits were reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

##### Liquidity risk

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

The company's policy throughout the period has been to achieve this objective through the day to day involvement of management in business decisions rather than through setting maximum or minimum liquidity ratios.

##### Cash flow risk

The company's activities primarily exposed it to financial risk of changes in its working capital, brought about by the seasonality of the industry and stock holding requirements.

The board of directors monitored the working capital requirement and were able to assess the commercial rationale against the cost of raising capital through the company's bankers and primary funders.

The security offered by fixed rate/term deposits were assessed against their potential rewards.

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## HANGREEN LIMITED

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### Strategic Report (continued) For the Period Ended 3 December 2015

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#### FINANCIAL KEY PERFORMANCE INDICATORS

The directors considered the following to be the financial key performance indicators for the company:

Gross profit to turnover: 11.3% (*year ended 30 November 2014 - 10.5%*)  
Administration costs to turnover: 9.2% (*year ended 30 November 2014 - 8.3%*)  
Profit before taxation to turnover: 1.9% (*year ended 30 November 2014 - 2.2%*)  
Return on funds employed\*: 24.7% (*year ended 30 November 2014 - 27.9%*)  
Debtor days: 3.6 (*year ended 30 November 2014 - 7.1*)  
Stock turn: 35.2 (*year ended 30 November 2014 - 28.2*)

\* Return on funds employed being Profit after taxation to Net assets excluding Intercompany positions.

In addition to the companies financial KPIs the Board valued feedback on customer satisfaction. Customer satisfaction was regularly monitored by manufacturer and company generated feedback and the Board was satisfied by its manufacturer's rankings whilst always seeking further improvements.

This report was approved by the board on 1/9/2016 and signed on its behalf.

  
P D Holmes  
Director

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## HANGREEN LIMITED

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### Directors' Report For the Period Ended 3 December 2015

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The directors present their report and the financial statements for the period ended 3 December 2015.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 judgments and 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. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

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.

#### INFORMATION IN STRATEGIC REPORT

In accordance with the Companies Act 2006, s414C(11), information in respect of business activities and risk are shown in the strategic report on pages 1 to 3.

#### RESULTS

The profit for the period, after taxation, amounted to £619,794 (*year ended 30 November 2014 - £786,746*).

#### DIRECTORS

The directors who served during the period were:

P D Holmes  
K P Godfrey

#### FUTURE DEVELOPMENTS

On 4 December 2015 the trade and assets of Hangreen Limited were hived across into Hartwell Automotive Group Limited, a fellow subsidiary of Hartwell Plc. Hangreen Limited then ceased to trade.

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**HANGREEN LIMITED**

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**Directors' Report  
For the Period Ended 3 December 2015**

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**DISCLOSURE OF INFORMATION TO AUDITORS**


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11/9/2016 and signed on its behalf.

  
**P D Holmes**  
Director

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## HANGREEN LIMITED

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### Independent Auditor's Report to the Members of Hangreen Limited

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We have audited the financial statements of Hangreen Limited for the period ended 3 December 2015, which comprise the profit and loss account, the note of historical cost profits and losses, the balance sheet, 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). As described in note 1, the financial statements have not been prepared on a going concern basis.

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.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### 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 3 December 2015 and of its profit for the period 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.

#### EMPHASIS OF MATTER - BASIS OF PREPARATION

We draw attention to note 1 to the financial statements which explains that, as a consequence of the hive across of the trade and assets of the company the directors have taken the decision to cease trading and therefore the financial statements have been prepared on a basis other than that of a going concern. Our audit opinion is not modified in this respect.

#### 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 period for which the financial statements are prepared is consistent with the financial statements.

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HANGREEN LIMITED

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Independent Auditor's Report to the Members of Hangreen Limited

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**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.



Simon Brooker (Senior Statutory Auditor)

for and on behalf of **BDO LLP**

Statutory auditor

Reading

Date: 2 September 2016.

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

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**HANGREEN LIMITED**

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**Profit and Loss Account**  
**For the Period Ended 3 December 2015**

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	Note	Period ended 3 December 2015 £	Year ended 30 November 2014 £
<b>TURNOVER</b>	1,2	<b>37,820,099</b>	<b>40,702,971</b>
Cost of sales		<u>(33,550,476)</u>	<u>(36,408,909)</u>
<b>GROSS PROFIT</b>		<b>4,269,623</b>	<b>4,294,062</b>
Administrative expenses		<u>(3,469,304)</u>	<u>(3,378,401)</u>
<b>OPERATING PROFIT</b>	3	<b>800,319</b>	<b>915,661</b>
Interest receivable and similar income		-	3,308
Interest payable and similar charges	6	<u>(63,054)</u>	<u>(30,167)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>737,265</b>	<b>888,802</b>
Tax on profit on ordinary activities	7	<u>(117,471)</u>	<u>(102,056)</u>
<b>PROFIT FOR THE FINANCIAL PERIOD/YEAR</b>	14	<u><b>619,794</b></u>	<u><b>786,746</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the period ended 3 December 2015 or the year ended 30 November 2014 other than those included in the profit and loss account.

The notes on pages 11 to 20 form part of these financial statements.

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**HANGREEN LIMITED**

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**Note of Historical Cost Profits and Losses  
For the Period Ended 3 December 2015**

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	<b>Period ended 3 December 2015</b>	<i>Year ended 30 November 2014</i>
	<b>£</b>	<b>£</b>
<b>REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>737,265</b>	<b>888,802</b>
Realisation of valuation gains of previous periods	-	961,667
<b>HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>737,265</b>	<b>1,850,469</b>
<b>HISTORICAL PROFIT FOR THE PERIOD/YEAR AFTER TAXATION</b>	<b>619,794</b>	<b>1,748,413</b>

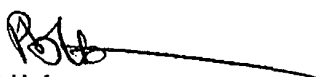
The notes on pages 11 to 20 form part of these financial statements.

**HANGREEN LIMITED**  
Registered number: 03079788

**Balance Sheet**  
**As at 3 December 2015**

	Note	£	3 December 2015 £	30 November 2014 £
<b>FIXED ASSETS</b>				
Tangible assets	8		135,564	140,814
<b>CURRENT ASSETS</b>				
Stocks	9	7,172,502		5,214,002
Debtors	10	4,240,374		3,323,358
Cash at bank		817,219		1,480,647
		<u>12,230,095</u>		<u>10,018,007</u>
<b>CREDITORS: amounts falling due within one year</b>	11	(6,698,025)		(5,088,775)
<b>NET CURRENT ASSETS</b>			<u>5,532,070</u>	<u>4,929,232</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,667,634</u>	<u>5,070,046</u>
<b>PROVISIONS FOR LIABILITIES</b>				
Deferred tax	12		(6,290)	(28,496)
<b>NET ASSETS</b>			<u><u>5,661,344</u></u>	<u><u>5,041,550</u></u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	13		85,714	85,714
Share premium account	14		70,457	70,457
Capital redemption reserve	14		579,429	579,429
Profit and loss account	14		4,925,744	4,305,950
<b>SHAREHOLDERS' FUNDS</b>	15		<u><u>5,661,344</u></u>	<u><u>5,041,550</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11/9/2016

  
P D Holmes  
Director

The notes on pages 11 to 20 form part of these financial statements.

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## HANGREEN LIMITED

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### Notes to the Financial Statements For the Period Ended 3 December 2015

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### **Period of account**

On 27 November 2015 the company changed its accounting reference date from 30 November to 3 December. Accordingly these financial statements cover the period from 1 December 2014 to 3 December 2015.

##### **Going concern**

On 4 December 2015 the trade and assets of Hangreen Limited were hived across into Hartwell Automotive Group Limited, a fellow subsidiary of Hartwell Plc. Hangreen Limited ceased to trade at this time. As a result, the directors have concluded that it is not appropriate to adopt a going concern basis of preparation in these financial statements. No adjustments have been made in preparing these accounts on a basis other than going concern.

##### **Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and there is no continuing management involvement with the goods.

##### **Tangible fixed assets and depreciation**

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

Plant and machinery	- 10% to 50% straight-line
Fixtures and fittings	- 20% to 33% straight-line

##### **Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

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## HANGREEN LIMITED

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### Notes to the Financial Statements For the Period Ended 3 December 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### **Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Consignment vehicles are regarded as being under the control of the company when significant risks and responsibilities of ownership are deemed to have passed to the company in accordance with FRS5. These values are included within stocks on the balance sheet, although legal title has not passed to the company. The corresponding liability is included as new vehicle funding and is secured directly on these vehicles.

##### **Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

##### **Financial Instruments**

Financial instruments and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# HANGREEN LIMITED

## Notes to the Financial Statements For the Period Ended 3 December 2015

### 2. TURNOVER

The whole of the turnover is attributable to the principal activities of the company.

All turnover arose within the United Kingdom in the current period and prior year.

### 3. OPERATING PROFIT

The operating profit for the period (2014 - year) is stated after charging:

	Period ended 3 December 2015 £	Year ended 30 November 2014 £
Depreciation of tangible fixed assets:		
- owned by the company	53,087	87,800
Loss on disposal of tangible fixed assets	201	-
Operating lease rentals:		
- other operating leases	271,809	52,509
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's accounts	16,500	15,000
Auditors' remuneration - taxation compliance services	3,750	-
Auditors' remuneration - other non-audit services	1,990	1,600
	<u>2,446,052</u>	<u>2,603,090</u>

### 4. STAFF COSTS

Staff costs were as follows:

	Period ended 3 December 2015 £	Year ended 30 November 2014 £
Wages and salaries	2,225,142	2,358,407
Social security costs	205,478	229,830
Other pension costs	15,432	14,853
	<u>2,446,052</u>	<u>2,603,090</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 3 December 2015 No.	Year ended 30 November 2014 No.
Office and general management	15	6
Sales and operational staff	65	85
	<u>80</u>	<u>91</u>

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## HANGREEN LIMITED

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### Notes to the Financial Statements For the Period Ended 3 December 2015

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#### 5. DIRECTORS' REMUNERATION

Although the service contracts, and hence the employment costs, of the current directors are held by other group companies, the directors estimate that the aggregate value of emoluments relating to their service as directors of the company during the period amounted to £5,000 (*year ended 30 November 2014 - £5,000*).

During the period retirement benefits were accruing to no directors (*year ended 30 November 2014 - none*) in respect of defined contribution pension schemes.

During the period retirement benefits were accruing to 2 directors (*year ended 30 November 2014 - 2*) in respect of defined benefit pension schemes.

#### 6. INTEREST PAYABLE

	Period ended 3 December 2015	Year ended 30 November 2014
	£	£
Stock finance charges	58,281	26,859
Group interest	4,773	3,308
	<u>63,054</u>	<u>30,167</u>

#### 7. TAXATION

	Period ended 3 December 2015	Year ended 30 November 2014
	£	£
<b>Analysis of tax charge in the period/year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the period/year	150,098	101,177
Adjustments in respect of prior periods	(10,421)	4,183
<b>Total current tax</b>	<u>139,677</u>	<u>105,360</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(23,835)	(3,304)
Effect of increased tax rate on opening liability	(3,347)	-
Adjustments in respect of prior periods	4,976	-
<b>Total deferred tax</b> (see note 12)	<u>(22,206)</u>	<u>(3,304)</u>
<b>Tax on profit on ordinary activities</b>	<u>117,471</u>	<u>102,056</u>

# HANGREEN LIMITED

## Notes to the Financial Statements For the Period Ended 3 December 2015

### 7. TAXATION (continued)

#### Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.33% (2014 - 21.66%). The differences are explained below:

	Period ended 3 December 2015 £	Year ended 30 November 2014 £
Profit on ordinary activities before tax	737,265	888,802
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.33% (2014 - 21.66%)	149,886	192,515
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,913	2,671
Capital allowances for period/year in excess of depreciation	23,237	2,528
Adjustments to tax charge in respect of prior periods	(10,421)	4,183
Short term timing difference leading to an increase/(decrease) in taxation	(461)	(4,411)
Group relief	-	(193,303)
Payment for group relief	-	101,177
Fixed asset differences	(24,477)	-
<b>Current tax charge for the period/year (see note above)</b>	<b>139,677</b>	<b>105,360</b>

#### Factors that may affect future tax charges

At the year end the company had an unprovided deferred tax asset of £4,899 (2014 - £NIL) arising from fixed asset timing differences of £4,285 (2014 - £NIL) and short term timing differences of £614 (2014 - £NIL). The company also had an unprovided deferred tax liability of £8,570 (2014 - £NIL) in respect of fixed asset timing differences.

The tax rate for the current year is lower than the prior year due to changes in the UK corporation tax rate which decreased from 21% to 20% from 1 April 2015.

Changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These included reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes have not yet been substantively

There were no other factors that may affect future tax charges.

# HANGREEN LIMITED

## Notes to the Financial Statements For the Period Ended 3 December 2015

### 8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 December 2014	1,369,521	5,523	1,375,044
Additions	48,038	-	48,038
Disposals	(1,100)	-	(1,100)
At 3 December 2015	1,416,459	5,523	1,421,982
<b>Depreciation</b>			
At 1 December 2014	1,228,707	5,523	1,234,230
Charge for the period	53,087	-	53,087
On disposals	(899)	-	(899)
At 3 December 2015	1,280,895	5,523	1,286,418
<b>Net book value</b>			
At 3 December 2015	135,564	-	135,564
At 30 November 2014	140,814	-	140,814

### 9. STOCKS

	3 December 2015 £	30 November 2014 £
Consignment stock	3,940,704	2,398,832
Finished goods and goods for resale	3,231,798	2,815,170
	7,172,502	5,214,002

There is no material difference between replacement cost of stock and the amount stated above.

*Consignment stock*

The interest free period range is from 45 to 360 days.

# HANGREEN LIMITED

## Notes to the Financial Statements For the Period Ended 3 December 2015

### 10. DEBTORS

	3 December 2015 £	30 November 2014 £
Trade debtors	373,654	786,858
Amounts owed by group undertakings	3,703,442	2,324,325
Other debtors	100,360	79,765
Prepayments and accrued income	62,918	132,410
	<u>4,240,374</u>	<u>3,323,358</u>

### 11. CREDITORS: Amounts falling due within one year

	3 December 2015 £	30 November 2014 £
Payments received on account	47,898	30,229
Trade creditors	966,528	1,644,867
Amounts owed to group undertakings	549,420	101,177
Corporation tax	139,677	4,183
Other taxation and social security	12,872	12,872
Consignment stock liabilities	3,940,704	2,398,832
Other creditors	807,482	483,236
Accruals and deferred income	233,444	413,379
	<u>6,698,025</u>	<u>5,088,775</u>

Consignment stock liabilities are secured against the vehicles to which they relate.

### 12. DEFERRED TAXATION

	3 December 2015 £	30 November 2014 £
At beginning of period/year	28,496	31,800
Released during period/year (P&L)	(22,206)	(3,304)
	<u>6,290</u>	<u>28,496</u>

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## HANGREEN LIMITED

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### Notes to the Financial Statements For the Period Ended 3 December 2015

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#### 12. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows:

	3 December 2015 £	30 November 2014 £
Accelerated capital allowances	6,291	29,099
Short term timing differences	(1)	(603)
	<u>6,290</u>	<u>28,496</u>

#### 13. SHARE CAPITAL

	3 December 2015 £	30 November 2014 £
<b>Allotted, called up and fully paid</b>		
60,000 Ordinary shares of £1 each	60,000	60,000
25,714 'A' Ordinary shares of £1 each	25,714	25,714
	<u>85,714</u>	<u>85,714</u>

##### Ordinary shares

The ordinary shares are equity shares which carry an entitlement to a dividend only after all other dividends have been paid, provided that the aggregate amount of ordinary dividend does not exceed that of the 'A' ordinary shareholders participating dividend. Holders of the ordinary shares have one vote for every £1 in nominal amount of shares held, and rank behind the 'A' ordinary shares on a winding up.

##### 'A' Ordinary shares

The 'A' ordinary shares are cumulative convertible participating preferred ordinary shares which carry an entitlement to a dividend (net) of a sum equal to 7% per share per annum, plus additional dividends linked to pre-tax profit of the relevant financial year.

In accordance with the Company's Articles, the 'A' ordinary shares automatically converted into ordinary shares on acquisition of the Company by its parent undertaking (see note 19). At the date of approval of these accounts the documentation to confirm conversion is in progress.

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**HANGREEN LIMITED**

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**Notes to the Financial Statements  
For the Period Ended 3 December 2015**

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**14. RESERVES**

	Share premium account £	Capital redempt'n reserve £	Profit and loss account £
At 1 December 2014	70,457	579,429	4,305,950
Profit for the financial period	-	-	619,794
At 3 December 2015	<u>70,457</u>	<u>579,429</u>	<u>4,925,744</u>

**15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	3 December 2015 £	30 November 2014 £
Opening shareholders' funds	5,041,550	4,254,804
Profit for the financial period/year	619,794	786,746
Closing shareholders' funds	<u>5,661,344</u>	<u>5,041,550</u>

**16. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company as an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

**17. OPERATING LEASE COMMITMENTS**

At 3 December 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 3 December 2015 £	30 November 2014 £
Expiry date:		
Within 1 year	<u>259,500</u>	<u>52,509</u>

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## HANGREEN LIMITED

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### Notes to the Financial Statements For the Period Ended 3 December 2015

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#### **18. RELATED PARTY TRANSACTIONS**

As permitted by FRS8 "Related Party Disclosures", the financial statements do not disclose transactions with the parent company and fellow subsidiaries where all the voting rights are contained within the group.

#### **19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company is Hartwell plc which is registered in England and Wales.

The smallest group of undertakings for whom consolidated financial statements are drawn up is Hartwell plc which is registered in England and Wales. These financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The largest group of undertakings for whom group accounts are drawn up is Bishopsgate Investments Limited, a company incorporated in Bermuda. These accounts are not publicly available.

The directors consider the ultimate controlling party to be Fairview Anstalt, an anstalt incorporated in Liechtenstein.

#### **20. POST BALANCE SHEET EVENT**

On 4 December 2015 the trade and assets of Hangreen Limited were hived across into Hartwell Automotive Group Limited, a fellow subsidiary of Hartwell Plc. Hangreen Limited then ceased to trade.