

REGISTERED NUMBER: 03198592 (England and Wales)

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED**

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED**

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH APRIL 2019

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2019**

	Page
Company Information	1
Group Strategic Report	2 to 3
Report of the Directors	4
Report of the Independent Auditors	5 to 6
Consolidated Statement of Comprehensive Income	7
Consolidated Statement of Financial Position	8
Company Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Company Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Consolidated Statement of Cash Flows	13
Notes to the Consolidated Financial Statements	14 to 25

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30TH APRIL 2019**

DIRECTORS:

Mr T Murray
Mr F Murray
Mr E S D Murray

SECRETARY:

Mr T Murray

REGISTERED OFFICE:

69-71 Lower Bristol Road
BATH
Avon
BA2 3BE

REGISTERED NUMBER:

03198592 (England and Wales)

AUDITORS:

Morris Owen
Statutory Auditors
43-45 Devizes Road
SWINDON
Wiltshire
SN1 4BG

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30TH APRIL 2019**

The directors present their strategic report of the company and the group for the year ended 30th April 2019.

The principal activity of the group continues to be the supply of automotive parts to the motor industry.

The group's activities are organised into 2 categories, as follows:

- Sales of vehicle spares to the automotive repair trade and its customers
- Sales of vehicle spares to other automotive spares distributors

REVIEW OF BUSINESS

Automotive Parts Distribution is a family run business that distributes automotive components to the independent aftermarket from its branches mainly in the South West of England. The company also trades with the general public through its company owned websites and the various marketplaces available to traders online. The third revenue stream is the wholesale and specialist distribution of parts to businesses overseas, predominately in Europe.

The Directors are pleased to see that despite continued difficult trading conditions the trading company has increased its revenue 11% from £13.8 million to £15.4million. The Directors are very pleased with this performance and attribute this to the hard work and professional attitude of their staff and the implementation of the strategic plan that the Directors have been working on. During the Year the company opened a second branch in Swindon which is also being used as central hub.

PRINCIPAL RISKS AND UNCERTAINTIES

One of the main risks the independent aftermarket faces continues to be from the car manufacturers designing cars that have the ability to communicate directly with the main dealer. This could have the impact of restricting the perceived choice of the consumer as the main dealer could have a competitive advantage of knowing about a vehicle fault at the same time or before the consumer. This could be marketed in a way that encourages consumers to change their repairer from a qualified independent garage to the main dealer through the perception that they are the only choice or through the convenience that this proactive approach gives. The independent aftermarket is lobbying at National and European level to open up access to this data to ensure that there is a level playing field for repairers to offer their services to consumers.

Another risk to the business is the uncertainty posed by Brexit. This is both a risk to the company through it's exporting activities and domestically. Possible risks include tariffs, restriction of supply and reduced UK growth in the lead up to and after the negotiations because of the uncertainty of how a deal, if any, is struck. The company though mindful of this risk and continues to review government websites, attends relevant seminars and has applied for EORI numbers and other such documentation to mitigate distribution risk where possible.

Finally, the company deals in more than one currency so there is always exchange rate risk to manage. The Directors have trading accounts with more than one broker and manage the risk through a mixture of forward contracts and spot transaction in order to smooth out any variances with the exchange rates.

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30TH APRIL 2019**

KEY PERFORMANCE INDICATORS

The company analyse their performance through a number of indicators. Below is a commentary on some of these

Sales growth was £1.6Mn and Gross Profit was up £251K. Gross Margin was down 0.8% which is a reflection of the sales mix and the difficult trading conditions within the UK market. The company has been working hard post Year end to review margins on all product sold with the aim of stabilising margin in future Years.

Administration expenses are up 4% or £118K which is mainly in salaries as the company recruited staff to help it continue to grow and passed on the Government led national minimum wage increases. The only other notable increase was in IT costs as the company continues to invest in new technology and faster communications.. Other costs were broadly in line with last Year.

ON BEHALF OF THE BOARD:

Mr E S D Murray - Director

18th December 2019

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH APRIL 2019**

The directors present their report with the financial statements of the company and the group for the year ended 30th April 2019.

DIVIDENDS

The total distribution of dividends for the year ended 30th April 2019 will be £ 152,342 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1st May 2018 to the date of this report.

Mr T Murray
Mr F Murray
Mr E S D Murray

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and 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 group's auditors are aware of that information.

AUDITORS

The auditors, Morris Owen, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr E S D Murray - Director

18th December 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED**

Opinion

We have audited the financial statements of Automotive Parts Distribution Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30th April 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30th April 2019 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED**

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Robert Andrew Beale (Senior Statutory Auditor)
for and on behalf of Morris Owen
Statutory Auditors
43-45 Devizes Road
SWINDON
Wiltshire
SN1 4BG

19th December 2019

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH APRIL 2019**

	Notes	2019 £	2018 £
REVENUE	3	15,489,537	13,865,182
Cost of sales		12,014,367	10,641,395
GROSS PROFIT		3,475,170	3,223,787
Administrative expenses		3,203,992	3,086,336
		271,178	137,451
Other operating income		91,773	87,647
OPERATING PROFIT	5	362,951	225,098
Interest receivable and similar income		16	7
		362,967	225,105
Interest payable and similar expenses	6	67,116	46,778
PROFIT BEFORE TAXATION		295,851	178,327
Tax on profit	7	56,635	40,881
PROFIT FOR THE FINANCIAL YEAR		239,216	137,446
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		239,216	137,446
Profit attributable to: Owners of the parent		239,216	137,446
Total comprehensive income attributable to: Owners of the parent		239,216	137,446

The notes form part of these financial statements

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30TH APRIL 2019**

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Property, plant and equipment	10		2,424,939		1,517,084
Investments	11				
Interest in associate			25		-
Other investments			1		1
			2,424,965		1,517,085
CURRENT ASSETS					
Inventories	12	2,515,789		2,329,292	
Debtors	13	1,681,080		1,944,281	
Cash at bank and in hand		36,777		86,523	
		4,233,646		4,360,096	
CREDITORS					
Amounts falling due within one year	14	4,010,842		3,818,992	
NET CURRENT ASSETS			222,804		541,104
TOTAL ASSETS LESS CURRENT LIABILITIES			2,647,769		2,058,189
CREDITORS					
Amounts falling due after more than one year	15		(1,414,245)		(922,903)
PROVISIONS FOR LIABILITIES	20		(118,680)		(107,316)
NET ASSETS			1,114,844		1,027,970
CAPITAL AND RESERVES					
Called up share capital	21		507,806		507,806
Share premium	22		50,000		50,000
Capital redemption reserve	22		55,536		55,536
Non distributable retained earnings	22		2,336		2,336
Retained earnings	22		499,166		412,292
SHAREHOLDERS' FUNDS			1,114,844		1,027,970

The financial statements were approved by the Board of Directors on 18th December 2019 and were signed on its behalf by:

Mr E S D Murray - Director

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**COMPANY STATEMENT OF FINANCIAL POSITION
30TH APRIL 2019**

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Property, plant and equipment	10		-		-
Investments	11		<u>596,910</u>		<u>596,910</u>
			596,910		596,910
CURRENT ASSETS					
Debtors	13	<u>96</u>		<u>96</u>	
NET CURRENT ASSETS			<u>96</u>		<u>96</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			597,006		597,006
CREDITORS					
Amounts falling due after more than one year	15		<u>89,200</u>		<u>89,200</u>
NET ASSETS			<u>507,806</u>		<u>507,806</u>
CAPITAL AND RESERVES					
Called up share capital	21		<u>507,806</u>		<u>507,806</u>
SHAREHOLDERS' FUNDS			<u>507,806</u>		<u>507,806</u>
Company's profit for the financial year			<u>152,342</u>		<u>152,342</u>

The financial statements were approved by the Board of Directors on 18th December 2019 and were signed on its behalf by:

Mr E S D Murray - Director

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH APRIL 2019**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1st May 2017	1	373,683	50,000
Changes in equity			
Issue of share capital	507,805	-	-
Dividends	-	(152,342)	-
Total comprehensive income	-	190,951	-
Balance at 30th April 2018	<u>507,806</u>	<u>412,292</u>	<u>50,000</u>
Changes in equity			
Dividends	-	(152,342)	-
Total comprehensive income	-	239,216	-
Balance at 30th April 2019	<u>507,806</u>	<u>499,166</u>	<u>50,000</u>
	Capital redemption reserve £	Non distributable retained earnings £	Total equity £
Balance at 1st May 2017	55,536	55,841	535,061
Changes in equity			
Issue of share capital	-	-	507,805
Dividends	-	-	(152,342)
Total comprehensive income	-	(53,505)	137,446
Balance at 30th April 2018	<u>55,536</u>	<u>2,336</u>	<u>1,027,970</u>
Changes in equity			
Dividends	-	-	(152,342)
Total comprehensive income	-	-	239,216
Balance at 30th April 2019	<u>55,536</u>	<u>2,336</u>	<u>1,114,844</u>

The notes form part of these financial statements

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH APRIL 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st May 2017	1	-	1
Changes in equity			
Issue of share capital	507,805	-	507,805
Dividends	-	(152,342)	(152,342)
Total comprehensive income	-	152,342	152,342
Balance at 30th April 2018	<u>507,806</u>	<u>-</u>	<u>507,806</u>
Changes in equity			
Dividends	-	(152,342)	(152,342)
Total comprehensive income	-	152,342	152,342
Balance at 30th April 2019	<u>507,806</u>	<u>-</u>	<u>507,806</u>

The notes form part of these financial statements

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH APRIL 2019**

		2019	2018
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	713,084	708,569
Interest paid		(52,328)	(33,841)
Interest element of hire purchase payments paid		(8,767)	(6,916)
Finance costs paid		(6,021)	(6,021)
Tax paid		(28,007)	(42,758)
Net cash from operating activities		<u>617,961</u>	<u>619,033</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,016,834)	(970,542)
Purchase of fixed asset investments		(25)	-
Sale of tangible fixed assets		17,958	253,962
Sale of fixed asset investments		-	30,000
Acquisition of subsidiary		-	20,957
Interest received		16	7
Net cash from investing activities		<u>(998,885)</u>	<u>(665,616)</u>
Cash flows from financing activities			
New loans in year		625,000	790,000
Loan repayments in year		(70,443)	(448,983)
Capital repayments in year		(64,662)	(76,188)
Amount introduced by directors		-	91,425
Amount withdrawn by directors		(6,375)	(70,807)
Share issue		-	1
Equity dividends paid		(152,342)	(152,342)
Net cash from financing activities		<u>331,178</u>	<u>133,106</u>
(Decrease)/increase in cash and cash equivalents		<u>(49,746)</u>	<u>86,523</u>
Cash and cash equivalents at beginning of year	2	<u>86,523</u>	-
Cash and cash equivalents at end of year	2	<u><u>36,777</u></u>	<u><u>86,523</u></u>

The notes form part of these financial statements

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH APRIL 2019**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019	2018
	£	£
Profit before taxation	295,851	178,327
Depreciation charges	143,979	121,032
Profit on disposal of fixed assets	(2,391)	(11,021)
Increase in provisions	7,000	-
Finance costs	67,116	46,778
Finance income	(16)	(7)
	511,539	335,109
Increase in inventories	(186,497)	(149,336)
Decrease/(increase) in trade and other debtors	12,077	(494,660)
Increase in trade and other creditors	375,965	1,017,456
Cash generated from operations	<u>713,084</u>	<u>708,569</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30th April 2019

	30.4.19	1.5.18
	£	£
Cash and cash equivalents	<u>36,777</u>	<u>86,523</u>

Year ended 30th April 2018

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	<u>86,523</u>	<u>-</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2019**

1. STATUTORY INFORMATION

Automotive Parts Distribution Group Limited is a private company, limited by shares, and incorporated in England and Wales.

The registered office address is 69-71 Lower Bristol Road, Bath, Avon, BA2 3BE. The principal place of business is Unit 6 Oaktree Business Park, Swindon, Wiltshire, SN3 4TX.

These financial statements are presented in Pound Sterling (£) which is the company's functional and presentational currency.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In preparing these financial statements the directors have considered a stock provision for slow and obsolete stock. Slow and obsolete stock is provided for through a provision of 5% of all stock which has not plus a monthly review of stock items identifying any that need to be written down and adjusted accordingly on a line by line basis.

The directors have also considered the valuation of the foreign currency options in place as at the yearend. These options have been valued in accordance with the accounting policy for foreign currencies and options as noted.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost and depreciated to residual value
Fixtures and fittings	- 20% on cost and 15% on cost
Motor vehicles	- 25% on cost

Freehold and leasehold property are not depreciated as the directors believe that the residual value of the properties is higher than the carrying value.

Investments in unquoted equity instruments are measured at cost less impairment.

Investments in associates

Investments in associate undertakings are recognised at cost.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

2. ACCOUNTING POLICIES - continued

Financial instruments

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements 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 classed as financial liabilities, and 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 the 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange according to our customer price list at the date of purchase. Any variance between this rate and the exchange rate used when the cash received is included as foreign exchange variances in the profit and loss account. For vat reporting purposes transactions in foreign currencies are translated into sterling at the rate of exchange published according to HMRC. Exchange differences are taken into account in arriving at the operating result.

Under FRS 102 the company needs to put a valuation on any outstanding currency option as at the balance sheet date. The trading company who the Company have taken these options out with were unable to provide such a valuation so the company have based a valuation on the mean exchange rate expectations of the Reuters poll of financial intuitions. From these numbers the company extrapolated a sensible market valuation of the instruments outstanding and calculated the potential loss / gain arising.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. REVENUE

The revenue and profit before taxation are attributable to the one principal activity of the group.

An analysis of revenue by class of business is given below:

	2019 £	2018 £
Sale of Goods	<u>15,489,537</u>	<u>13,865,182</u>
	<u>15,489,537</u>	<u>13,865,182</u>

4. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	1,903,653	1,792,660
Social security costs	160,674	136,598
Other pension costs	45,055	36,963
	<u>2,109,382</u>	<u>1,966,221</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

4. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

2019	2018
<u>106</u>	<u>95</u>

	2019	2018
	£	£
Directors' remuneration	<u>245,481</u>	<u>153,080</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director for the year ended 30th April 2019 is as follows:

	2019
	£
Emoluments etc	<u>105,639</u>

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Hire of plant and machinery	521	-
Depreciation - owned assets	87,846	58,707
Depreciation - assets on hire purchase contracts	56,133	62,325
Profit on disposal of fixed assets	(2,391)	(11,021)
Auditors' remuneration	14,350	9,200
Taxation compliance services	3,500	1,795
Other non- audit services	<u>-</u>	<u>3,030</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank interest	46,328	27,841
Bank loan interest	6,000	6,000
Hire purchase	8,767	6,916
Preference dividend	<u>6,021</u>	<u>6,021</u>
	<u>67,116</u>	<u>46,778</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	52,287	19,748
Under/over provision	(16)	709
Total current tax	52,271	20,457
Deferred tax	4,364	20,424
Tax on profit	<u>56,635</u>	<u>40,881</u>

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	2019	2018
	£	£
Ordinary shares of £1 each		
Interim	<u>152,342</u>	<u>152,342</u>

10. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st May 2018	1,198,687	145,947	293,482	1,638,116
Additions	893,335	123,500	50,566	1,067,401
Disposals	-	-	(42,936)	(42,936)
Transfer to ownership	-	-	28,779	28,779
At 30th April 2019	<u>2,092,022</u>	<u>269,447</u>	<u>329,891</u>	<u>2,691,360</u>
DEPRECIATION				
At 1st May 2018	5,985	40,146	74,901	121,032
Charge for year	19,564	44,454	79,961	143,979
Eliminated on disposal	-	-	(27,369)	(27,369)
Transfer to ownership	-	-	28,779	28,779
At 30th April 2019	<u>25,549</u>	<u>84,600</u>	<u>156,272</u>	<u>266,421</u>
NET BOOK VALUE				
At 30th April 2019	<u>2,066,473</u>	<u>184,847</u>	<u>173,619</u>	<u>2,424,939</u>
At 30th April 2018	<u>1,192,702</u>	<u>105,801</u>	<u>218,581</u>	<u>1,517,084</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

10. PROPERTY, PLANT AND EQUIPMENT - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st May 2018	-	270,804	270,804
Additions	<u>45,368</u>	<u>50,566</u>	<u>95,934</u>
At 30th April 2019	<u>45,368</u>	<u>321,370</u>	<u>366,738</u>
DEPRECIATION			
At 1st May 2018	-	62,325	62,325
Charge for year	3,403	52,730	56,133
Eliminated on disposal	-	7,988	7,988
Transfer to ownership	-	28,779	28,779
At 30th April 2019	<u>3,403</u>	<u>151,822</u>	<u>155,225</u>
NET BOOK VALUE			
At 30th April 2019	<u>41,965</u>	<u>169,548</u>	<u>211,513</u>
At 30th April 2018	<u>-</u>	<u>208,479</u>	<u>208,479</u>

11. FIXED ASSET INVESTMENTS

Group

	Interest in associate £	Unlisted investments £	Totals £
COST			
At 1st May 2018	-	1	1
Additions	<u>25</u>	<u>-</u>	<u>25</u>
At 30th April 2019	<u>25</u>	<u>1</u>	<u>26</u>
NET BOOK VALUE			
At 30th April 2019	<u>25</u>	<u>1</u>	<u>26</u>
At 30th April 2018	<u>-</u>	<u>1</u>	<u>1</u>
Company			
			Shares in group undertakings £
COST			
At 1st May 2018 and 30th April 2019			<u>596,910</u>
NET BOOK VALUE			
At 30th April 2019			<u>596,910</u>
At 30th April 2018			<u>596,910</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

11. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Automotive Parts Distribution Ltd

Registered office: 69-71 Lower Bristol Road, Bath, Avon, BA2 3BE

Nature of business: Wholesale of motor vehicle parts

	%	2019	2018
Class of shares:	holding	£	£
Ordinary	100.00	1,133,358	1,096,369
Preference	100.00	189,331	205,945
Aggregate capital and reserves			
Profit for the year			

APD Properties Limited

Registered office: 69-71 Lower Bristol Road, Bath, Avon, BA2 3BE

Nature of business: Property rental

	%	2019	2018
Class of shares:	holding	£	£
Ordinary	100.00	63,726	13,841
Aggregate capital and reserves		49,885	13,837
Profit for the year			

12. STOCKS

	Group	2018
	2019	£
Inventories	2,515,789	2,329,292

All stock relates to finished goods.

Stock recognised in cost of sales during the year as an expense was £13,285,775.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company
	2019	2018
	£	£
Trade debtors	1,438,438	1,617,018
Other debtors	4,000	9,581
Financial Instruments at fair value	21,047	10,565
Directors' current accounts	-	-
VAT	49,136	150,623
Prepayments and accrued income	168,459	156,494
	1,681,080	1,944,281

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2019	2018
	£	£
Bank loans and overdrafts (see note 16)	79,441	43,853
Hire purchase contracts (see note 17)	99,405	85,874
Trade creditors	2,228,518	2,119,312
Amounts owed to group undertakings	1	-
Corporation tax	44,012	19,748
Social security and other taxes	36,271	34,235
Other creditors	1,326,554	1,329,780
Directors' current accounts	84,947	91,322
Accruals and deferred income	111,693	94,868
	<u>4,010,842</u>	<u>3,818,992</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans (see note 16)	1,251,874	732,905	-	-
Preference shares (see note 16)	89,200	89,200	89,200	89,200
Hire purchase contracts (see note 17)	73,171	100,798	-	-
	<u>1,414,245</u>	<u>922,903</u>	<u>89,200</u>	<u>89,200</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>79,441</u>	<u>43,853</u>	<u>-</u>	<u>-</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>82,095</u>	<u>44,959</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>1,169,779</u>	<u>687,946</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Preference shares	<u>89,200</u>	<u>89,200</u>	<u>89,200</u>	<u>89,200</u>

Details of shares shown as liabilities are as follows:

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

16. LOANS - continued

Allotted, issued and fully paid:		Nominal value: £1	2019	2018
Number:	Class:		£	£
89,200	Preference		<u>89,200</u>	<u>89,200</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

		Hire purchase contracts	
		2019	2018
		£	£
Net obligations repayable:			
Within one year		99,405	85,874
Between one and five years		<u>73,171</u>	<u>100,798</u>
		<u>172,576</u>	<u>186,672</u>

Group

		Non-cancellable operating leases	
		2019	2018
		£	£
Within one year		100,735	114,070
Between one and five years		285,700	340,018
In more than five years		<u>23,750</u>	<u>70,167</u>
		<u>410,185</u>	<u>524,255</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

18. SECURED DEBTS

The following secured debts are included within creditors:

	2019	Group	2018
	£		£
Bank loans	1,331,315		776,758
Hire purchase contracts	172,576		186,672
	<u>1,503,891</u>		<u>963,430</u>

A debenture is held over the assets of the company by National Westminster Bank PLC as well as first legal charges over the following properties and associated assets:

- Unit 6, Oaktree Business Park, Swindon, Wiltshire
- 6 Bardel Court, Houndstone Business Park, Yeovil, Somerset
- Units 2 & 3 Aurillac Business Park, Retford, Nottinghamshire
- Butt Close, Glastonbury, Somerset
- Unit B1, Glenmore Business Park, Swindon, Wiltshire

The directors have also provided personal guarantees to National Westminster Bank PLC to the value of £100,000.

All hire purchase liabilities are secured upon the asset in which the hire purchase agreement is for.

19. FINANCIAL INSTRUMENTS

The Group's financial instruments may be analysed as follows:

	2019	2018
£		
Financial assets		
Financial liabilities measured at amortised cost	1,442,438	1,626,599
Financial liabilities measured at fair value through profit and loss	<u>21,047</u>	<u>10,565</u>
	<u>1,463,485</u>	<u>1,637,164</u>
	2019	2018
£		
Financial liabilities		
Financial liabilities measured at amortised cost	5,233,110	4,593,044
Financial liabilities measured at fair value through profit and loss	<u>-</u>	<u>-</u>
	<u>5,233,110</u>	<u>4,593,044</u>

Financial assets measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, hire purchase, preference shares, directors current accounts, bank loans and overdrafts.

Financial assets measured at fair value through profit and loss comprise of currency options

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

20. PROVISIONS FOR LIABILITIES

	Group	
	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	<u>54,680</u>	<u>50,316</u>
Other provisions	<u>64,000</u>	<u>57,000</u>
Aggregate amounts	<u>118,680</u>	<u>107,316</u>
Group		
	Deferred tax	Other provisions
	£	£
Balance at 1st May 2018	<u>50,316</u>	<u>57,000</u>
Charge to Statement of Comprehensive Income during year	<u>4,364</u>	<u>7,000</u>
Balance at 30th April 2019	<u>54,680</u>	<u>64,000</u>

The other provision relates to dilapidations.

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
507,806	Ordinary	£1	<u>507,806</u>	<u>507,806</u>

Each Ordinary share carries one voting right, an entitlement to receive a dividend, and a return of capital on winding up.

22. RESERVES

	Retained earnings	Share premium	Capital redemption reserve	Non distributable retained earnings	Totals
	£	£	£	£	£
At 1st May 2018	<u>412,292</u>	<u>50,000</u>	<u>55,536</u>	<u>2,336</u>	<u>520,164</u>
Profit for the year	<u>239,216</u>				<u>239,216</u>
Dividends	<u>(152,342)</u>				<u>(152,342)</u>
At 30th April 2019	<u>499,166</u>	<u>50,000</u>	<u>55,536</u>	<u>2,336</u>	<u>607,038</u>

**AUTOMOTIVE PARTS DISTRIBUTION GROUP
LIMITED (REGISTERED NUMBER: 03198592)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH APRIL 2019**

22. RESERVES - continued

Company

	Retained earnings £
Profit for the year	152,342
Dividends	(152,342)
At 30th April 2019	<u>-</u>

The non-distributable retained earnings reserve relates to the uplift on both the freehold and leasehold property at transition since the directors have chosen to adopt the exemption permitted by FRS 102 to use a previous GAAP valuation as deemed cost.

23. ULTIMATE CONTROLLING PARTY

The controlling party is Mr T Murray.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.