

REGISTERED NUMBER: 03823504 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2016

for

Close Motor Company Limited

ASE Audit LLP  
Chartered Accountants  
Rowan Court  
Concord Business Park  
Manchester  
Greater Manchester  
M22 0RR

SATURDAY



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23/09/2017  
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**Close Motor Company Limited**

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**for the Year Ended 31 December 2016**

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**Close Motor Company Limited**  
**Company Information**  
**for the Year Ended 31 December 2016**

**DIRECTORS:**

S Close  
R M Close  
Mrs J Close  
C A Close

**SECRETARY:**

Mrs J Close

**REGISTERED OFFICE:**

7/11 High Street  
Corby  
Northamptonshire  
NN17 1UX

**REGISTERED NUMBER:**

03823504 (England and Wales)

**ACCOUNTANTS:**

ASE Audit LLP  
Chartered Accountants  
Rowan Court  
Concord Business Park  
Manchester  
Greater Manchester  
M22 0RR

**Chartered Accountants' Report to the Board of Directors**  
**on the Unaudited Financial Statements of**  
**Close Motor Company Limited**

The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Close Motor Company Limited for the year ended 31 December 2016 which comprise the Income Statement, Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Close Motor Company Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Close Motor Company Limited and state those matters that we have agreed to state to the Board of Directors of Close Motor Company Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Close Motor Company Limited Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Close Motor Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Close Motor Company Limited. You consider that Close Motor Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Close Motor Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*ASE Audit LLP*

ASE Audit LLP  
Chartered Accountants  
Rowan Court  
Concord Business Park  
Manchester  
Greater Manchester  
M22 0RR

Date: *13/12/17*

**Close Motor Company Limited (Registered number: 03823504)**

**Statement of Financial Position**  
**31 December 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Intangible assets	4	-	-
Tangible assets	5	148,301	105,895
Investment property	6	303,589	303,589
		<u>451,890</u>	<u>409,484</u>
<b>CURRENT ASSETS</b>			
Stocks	7	1,570,917	942,469
Debtors	8	379,113	474,044
Cash at bank and in hand		8,882	650
		<u>1,958,912</u>	<u>1,417,163</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(1,705,452)	(1,260,658)
<b>NET CURRENT ASSETS</b>		<u>253,460</u>	<u>156,505</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>705,350</b>	<b>565,989</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	(512,650)	(537,192)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(21,494)</u>	<u>-</u>
<b>NET ASSETS</b>		<u><u>171,206</u></u>	<u><u>28,797</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	105,264	105,264
Share premium	14	94,736	94,736
Revaluation reserve	14	162,279	162,279
Retained earnings	14	(191,073)	(333,482)
<b>SHAREHOLDERS' FUNDS</b>		<u><u>171,206</u></u>	<u><u>28,797</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

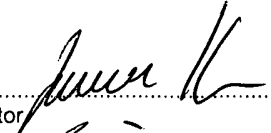
Close Motor Company Limited (Registered number: 03823504)


Statement of Financial Position - continued  
31 December 2016

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 12/9/2017 and were signed on its behalf by:

  
.....  
S Close - Director

  
.....  
C A Close - Director

The notes form part of these financial statements

**Close Motor Company Limited**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2016**

**1. STATUTORY INFORMATION**

Close Motor Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company has no single place of business.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

**Turnover**

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

Sales of motor vehicles, parts and accessories are recognised on the earlier of full payment by, or delivery date to, the customer together with the associated manufacturer vehicle bonus income. Any other manufacturer income in relation to achieving targets is recognised on an accruals basis. Servicing revenue is recognised on the completion of the agreed work.

**Goodwill**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Income Statement over its estimated economic life.

Goodwill has been fully written off.

**Tangible fixed assets**

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

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the period of the lease
Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Income Statement.

**Close Motor Company Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2016**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**Consignment stocks**

Consigned vehicles, which due to the significant risks and responsibilities of ownership passing to the company are regarded effectively as being under the control of the company, are included within stocks on the Statement of Financial Position although legal title has not passed to the company. The corresponding liability is included within trade creditors and is secured directly on these vehicles.

**Debtors**

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.

**Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Creditors**

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

**Taxation**

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

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.

Current or deferred taxation assets and liabilities are not discounted.

**Pension costs and other post-retirement benefits**

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

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 26 (2015 - 17).



**Close Motor Company Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2016**

**4. INTANGIBLE FIXED ASSETS**

	<b>Goodwill £</b>
<b>COST</b>	
At 1 January 2016	
and 31 December 2016	<u>30,000</u>
<b>AMORTISATION</b>	
At 1 January 2016	
and 31 December 2016	<u>30,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>-</u>
At 31 December 2015	<u>-</u>

**5. TANGIBLE FIXED ASSETS**

	<b>Land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 January 2016	295,100	172,249	467,349
Additions	<u>6,155</u>	<u>59,451</u>	<u>65,606</u>
At 31 December 2016	<u>301,255</u>	<u>231,700</u>	<u>532,955</u>
<b>DEPRECIATION</b>			
At 1 January 2016	225,071	136,383	361,454
Charge for year	<u>8,540</u>	<u>14,660</u>	<u>23,200</u>
At 31 December 2016	<u>233,611</u>	<u>151,043</u>	<u>384,654</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>67,644</u>	<u>80,657</u>	<u>148,301</u>
At 31 December 2015	<u>70,029</u>	<u>35,866</u>	<u>105,895</u>

**6. INVESTMENT PROPERTY**

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1 January 2016	
and 31 December 2016	<u>303,589</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>303,589</u>
At 31 December 2015	<u>303,589</u>

The 2016 valuations were made by the directors, on an open market value for existing use basis.

**7. STOCKS**

	<b>2016 £</b>	<b>2015 £</b>
Vehicle stocks	1,477,775	844,216
Parts stock	<u>93,142</u>	<u>98,253</u>
	<u>1,570,917</u>	<u>942,469</u>

**Close Motor Company Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2016**

<b>8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Trade debtors		<b>222,747</b>	432,626
Other debtors		<b>156,366</b>	25,468
Deferred tax asset		-	15,950
		<b>379,113</b>	<b>474,044</b>
<b>9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Bank loans and overdrafts		<b>53,791</b>	102,359
Trade creditors		<b>1,525,895</b>	1,044,670
Taxation and social security		<b>20,250</b>	26,012
Other creditors		<b>105,516</b>	87,617
		<b>1,705,452</b>	<b>1,260,658</b>
<b>10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Bank loans		<b>162,650</b>	187,192
Other creditors		<b>350,000</b>	350,000
		<b>512,650</b>	<b>537,192</b>
Amounts falling due in more than five years:			
Repayable otherwise than by instalments			
Preference shares		<b>250,000</b>	<b>250,000</b>
Repayable by instalments			
Bank loans more 5 yr by instal		<b>63,746</b>	<b>93,098</b>
<b>11. LEASING AGREEMENTS</b>			
Minimum lease payments under non-cancellable operating leases fall due as follows:		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Within one year		<b>18,000</b>	18,000
Between one and five years		<b>31,500</b>	36,000
		<b>49,500</b>	<b>54,000</b>
<b>12. SECURED DEBTS</b>			
The following secured debts are included within creditors:		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Bank loans		<b>187,589</b>	<b>213,062</b>

R M Close and J Close have provided a personal guarantee, which is limited to £425,000, for the company's bank loan.

The bank loan is also secured by a debenture and a legal charge over the company's leasehold property.

**Close Motor Company Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2016**

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
105,264	Ordinary	1	<u>105,264</u>	<u>105,264</u>

**14. RESERVES**

**Share premium**

This reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

**Revaluation reserve**

This reserve records all current and prior period revaluations on investment property.

**Retained earnings**

This reserve includes all current and prior period retained profits and losses.

**15. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme, these amounted to £5,073 (2015: £9,834)

**16. RELATED PARTY DISCLOSURES**

As at the balance sheet date amounts owed to R M Close and Mrs J E Close amounted to £81,045 (2015: £80,469), no interest was charged in relation to the loan.

During the financial period the company paid rent amounting to £18,000 (2015: £18,000) to R M Close and Mrs J E Close.