

XLCR Vehicle Management Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2017

Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

XLCR Vehicle Management Limited

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XLCR Vehicle Management Limited

Company Information

Directors	Mr L Duerden Mr S A O'Neill
Registered office	XLCR House, 35-43 Albert Road, Colne, Lancashire. BB8 0BU
Accountants	Hargreaves Brown & Benson Chartered Accountants 1 Bond Street Colne Lancashire BB8 9DG

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
XLCR Vehicle Management Limited
for the Year Ended 31 May 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of XLCR Vehicle Management Limited for the year ended 31 May 2017 as set out on pages 3 to 12 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 at <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

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

It is your duty to ensure that XLCR Vehicle Management Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of XLCR Vehicle Management Limited. You consider that XLCR Vehicle Management 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 accounts of XLCR Vehicle Management 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 accounts.

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Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

26 February 2018

XLCR Vehicle Management Limited

(Registration number: 03923327)

Balance Sheet as at 31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	<u>3</u>	60,630	36,378
Tangible assets	<u>4</u>	1,566,887	1,486,353
Investments	<u>5</u>	52	2
		<u>1,627,569</u>	<u>1,522,733</u>
Current assets			
Stocks	<u>6</u>	111,701	73,962
Debtors	<u>7</u>	3,330,393	3,380,006
Cash at bank and in hand		384,426	355,666
		3,826,520	3,809,634
Creditors: Amounts falling due within one year	<u>8</u>	(1,466,281)	(1,433,369)
Net current assets		<u>2,360,239</u>	<u>2,376,265</u>
Total assets less current liabilities		3,987,808	3,898,998
Creditors: Amounts falling due after more than one year	<u>8</u>	(141,105)	(150,913)
Provisions for liabilities		<u>(81,786)</u>	<u>(91,322)</u>
Net assets		<u>3,764,917</u>	<u>3,656,763</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>3,764,817</u>	<u>3,656,663</u>
Total equity		<u>3,764,917</u>	<u>3,656,763</u>

For the financial year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 5 to 12 form an integral part of these financial statements.

XLCR Vehicle Management Limited

(Registration number: 03923327)

Balance Sheet as at 31 May 2017

Approved and authorised by the Board on 26 February 2018 and signed on its behalf by:

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Mr L Duerden

Director

The notes on pages 5 to 12 form an integral part of these financial statements.
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XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% Reducing balance
Fixtures and fittings	10% Reducing balance
Motor vehicles	25% Reducing balance
Equipment	15% Reducing balance
Leasehold improvements	5% on cost

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stock is stated as the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 28 (2016 - 33).

3 Intangible assets

	Development costs £	Total £
Cost or valuation		
At 1 June 2016	48,504	48,504
Additions internally developed	48,504	48,504
At 31 May 2017	97,008	97,008
Amortisation		
At 1 June 2016	12,126	12,126
Amortisation charge	24,252	24,252
At 31 May 2017	36,378	36,378
Carrying amount		
At 31 May 2017	60,630	60,630
At 31 May 2016	36,378	36,378

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

4 Tangible assets

	Leasehold improvements £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 June 2016	337,560	1,270,381	910,414	2,518,355
Additions	-	124,912	253,345	378,257
Disposals	-	-	(44,748)	(44,748)
At 31 May 2017	337,560	1,395,293	1,119,011	2,851,864
Depreciation				
At 1 June 2016	32,661	474,915	524,426	1,032,002
Charge for the year	16,878	108,281	155,593	280,752
Eliminated on disposal	-	-	(27,777)	(27,777)
At 31 May 2017	49,539	583,196	652,242	1,284,977
Carrying amount				
At 31 May 2017	288,021	812,097	466,769	1,566,887
At 31 May 2016	304,899	795,466	385,988	1,486,353

Included within the net book value of land and buildings above is £288,021 (2016 - £304,899) in respect of freehold land and buildings.

5 Investments

	2017 £	2016 £
Investments in subsidiaries	52	2

Subsidiaries

Cost or valuation

At 1 June 2016	2
Additions	50
At 31 May 2017	52

Provision

Carrying amount

At 31 May 2017	<u><u>52</u></u>
At 31 May 2016	<u><u>2</u></u>

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Xfleet Vehicle Retail Ltd	England and Wales	Ordinary	100%	100%
Fresh Motor Care Ltd		Ordinary	50%	50%
	England and Wales			

6 Stocks

	2017	2016
	£	£
Other inventories	111,701	73,962

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

7 Debtors

	Note	2017 £	2016 £
Trade debtors		1,289,329	1,087,976
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>10</u>	233,956	518,380
Other debtors		<u>1,807,108</u>	<u>1,773,650</u>
Total current trade and other debtors		<u><u>3,330,393</u></u>	<u><u>3,380,006</u></u>

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>9</u>	181,942	170,153
Trade creditors		1,105,346	1,016,486
Taxation and social security		105,436	120,372
Other creditors		<u>73,557</u>	<u>126,358</u>
		<u><u>1,466,281</u></u>	<u><u>1,433,369</u></u>
Due after one year			
Loans and borrowings	<u>9</u>	<u><u>141,105</u></u>	<u><u>150,913</u></u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	<u><u>141,105</u></u>	<u><u>150,913</u></u>

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	<u><u>181,942</u></u>	<u><u>170,153</u></u>

Net obligations under finance leases are secured by fixed charges on the assets concerned.

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

10 Related party transactions

Transactions with directors

	At 1 June 2016 £	Advances to directors £	Repayments by director £	At 31 May 2017 £
2017				
Mr L Duerden	537,445	498,368	(648,555)	387,258
Mr S A O'Neill	379,521	964,589	(647,480)	696,630

	At 1 June 2015 £	Advances to directors £	Repayments by director £	At 31 May 2016 £
2016				
Mr L Duerden	324,721	212,724	-	537,445
Mr S A O'Neill	257,248	122,273	-	379,521

Interest was charged on the overdrawn balances at a rate of 3%.

Summary of transactions with subsidiaries

Xfleet Vehicle Retail Ltd

The company advanced loan facilities of £233,955 (2016 - £517,208) to Xfleet Vehicle Retail Ltd.

There are no fixed terms for repayment.

XLCR Vehicle Management Limited has provided a cross company guarantee to Xfleet Vehicle Retail Ltd for its Stock Finance liability of £104,998 (2016 - £215,925) up to a maximum of £500,000.

At the balance sheet date the amount due from Xfleet Vehicle Retail Ltd was £228,665 (2016 - £391,625).

Summary of transactions with other related parties

Duerden and O'Neill Estates

During the year the company paid £112,500 rent to the property rental business (2016 - £112,500).

There is a charge over XLCR Vehicle Management Limited to secure borrowings made by the partners of Duerden & O'Neill Estates.

At the balance sheet date the amount due to Duerden & O'Neill Estates was £nil (2016 - £nil).

XLCR Vehicle Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Road Engineering Ltd

(A company of which Mr L Duerden is the majority shareholder)

(The company changed its name from the The Alma Inn Laneshawbridge Limited on 8 August 2016)

The company advanced loan facilities to Road Engineering Ltd during the year. The amount due at the balance sheet date from Road Engineering Ltd was £224,996 (2016 - £384,933).

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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.