

REGISTERED NUMBER: 05873287 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 December 2018
for
Allmakes 4 X 4 Limited



Allmakes 4 X 4 Limited (Registered number: 05873287)

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for the Year Ended 31 December 2018**

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Allmakes 4 X 4 Limited

Company Information **for the Year Ended 31 December 2018**

DIRECTORS:

Mr J D Chowns
Mr R S Howe

SECRETARY:

Mr J D Chowns

REGISTERED OFFICE:

18c Croft Drive, Milton Park
Milton
Abingdon
Oxfordshire
OX14 4RP

REGISTERED NUMBER:

05873287 (England and Wales)

AUDITORS:

WP Audit Limited
Statutory Auditors
5a Frascati Way
Maidenhead
Berkshire
SL6 4UY

Allmakes 4 X 4 Limited (Registered number: 05873287)

Group Strategic Report **for the Year Ended 31 December 2018**

The directors present their strategic report of the company and the group for the year ended 31 December 2018.

REVIEW OF BUSINESS

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

PRINCIPAL RISKS AND UNCERTAINTIES

Throughout the year, the directors continued the focus to maximise processing efficiency and productivity across all functions in what remains a highly competitive market place. We are satisfied that all the ongoing hard work continues to maintain the company in a profitable position and generated a positive increase in our cash flow.

The entire market in the UK and Export areas remains highly competitive and margins continue to be under pressure which is more challenging to manage in an environment where exchange rate risk has increased as a result of political uncertainty. We are of course also subject to consumer spending patterns and consumers' overall level of disposable income within the economy.

The directors fully acknowledge their appreciation of the continuing support from customers, suppliers, employees and funding partners, who together contribute to this result.

DEVELOPMENT AND PERFORMANCE

The board of directors is responsible for assessing and monitoring any major risks that the business faces. Normal trading and operational risks are mitigated by the implementation of appropriate systems and controls.

During the year the group arranged for a number of preference shareholders to realise an exit on terms which resulted in a gain compared with the carrying value of the preference shares in the balance sheet of the group. The resulting gain of £26,100 is reported as an exceptional item in the income statement for the year.

KEY PERFORMANCE INDICATORS

The directors and senior management closely monitor the group's activities with the assistance of monthly management accounts, supporting reports plus a comprehensive schedule of directors and senior management meetings.

The key performance indicators measured by the directors are turnover, gross profit, profit before tax and cash. These are all set out in the profit and loss and balance sheet within these financial statements. Given the nature of the business, the directors are of the opinion that further analysis using additional key performance indicators is not necessary for an understanding of the development, performance or position of the group.

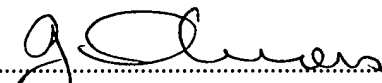
Allmakes 4 X 4 Limited (Registered number: 05873287)

Group Strategic Report
for the Year Ended 31 December 2018

GOING CONCERN

The directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

ON BEHALF OF THE BOARD:


.....
Mr J D Chowns - Director

Date: 28th June 2019.....

Allmakes 4 X 4 Limited (Registered number: 05873287)

Report of the Directors **for the Year Ended 31 December 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of motor components for 4x4 vehicles, primarily to overseas customers. The company has also invested in outlets through which sales of the components are made.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2018.

No dividends were paid on Ordinary shares and the directors do not recommend payment of a final dividend.

The company has reported a charge of £11,565 (2017: £16,366) in respect of dividends payable to preference shareholders.

DIRECTORS

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

Mr J D Chowns

Mr R S Howe

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). 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.

Allmakes 4 X 4 Limited (Registered number: 05873287)

Report of the Directors
for the Year Ended 31 December 2018

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.

ON BEHALF OF THE BOARD:


.....
Mr J D Chowns - Director

Date: 28th June 2019.....

Report of the Independent Auditors to the Members of
Allmakes 4 X 4 Limited

Opinion

We have audited the financial statements of Allmakes 4 X 4 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 31 December 2018 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.

**Report of the Independent Auditors to the Members of
Allmakes 4 X 4 Limited**

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.

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.

Report of the Independent Auditors to the Members of
Allmakes 4 X 4 Limited

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.



Philippa Duckworth BSc FCCA (Senior Statutory Auditor)
for and on behalf of WP Audit Limited
Statutory Auditors
5a Frascati Way
Maidenhead
Berkshire
SL6 4UY

Date: 28th June 2019.....

Allmakes 4 X 4 Limited (Registered number: 05873287)**Consolidated Income Statement**
for the Year Ended 31 December 2018

	Notes	31.12.18 £	31.12.17 £
TURNOVER	3	33,865,719	34,399,866
Cost of sales		(27,903,707)	(28,526,928)
GROSS PROFIT		5,962,012	5,872,938
Administrative expenses		(5,412,718)	(5,405,137)
		549,294	467,801
Other operating income		16,332	103,743
OPERATING PROFIT	5	565,626	571,544
Interest receivable and similar income		9,625	4,590
		575,251	576,134
Interest payable and similar expenses	7	(154,339)	398,981
PROFIT BEFORE TAXATION		420,912	975,115
Tax on profit	8	(93,876)	(75,502)
PROFIT FOR THE FINANCIAL YEAR		327,036	899,613
Profit attributable to: Owners of the parent		327,036	899,613

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)

Consolidated Other Comprehensive Income
for the Year Ended 31 December 2018

	Notes	31.12.18 £	31.12.17 £
PROFIT FOR THE YEAR		327,036	899,613
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>327,036</u>	<u>899,613</u>
Total comprehensive income attributable to: Owners of the parent		<u>327,036</u>	<u>899,613</u>

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)**Consolidated Balance Sheet**
31 December 2018

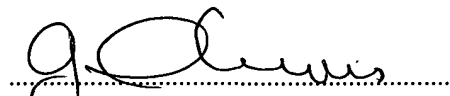
	Notes	31.12.18 £	31.12.17 £
FIXED ASSETS			
Intangible assets	10	283,293	314,477
Tangible assets	11	356,689	138,773
Investments	12	-	-
		<hr/>	<hr/>
		639,982	453,250
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	13	5,998,590	6,291,714
Debtors	14	4,604,594	5,561,251
Cash at bank and in hand		176,634	528,712
		<hr/>	<hr/>
		10,779,818	12,381,677
CREDITORS			
Amounts falling due within one year	15	(7,756,243)	(9,421,906)
		<hr/>	<hr/>
NET CURRENT ASSETS		3,023,575	2,959,771
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,663,557	3,413,021
CREDITORS			
Amounts falling due after more than one year	16	(619,041)	(695,541)
		<hr/>	<hr/>
NET ASSETS		3,044,516	2,717,480
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	22	100	100
Capital redemption reserve	23	738,358	693,358
Retained earnings	23	2,306,058	2,024,022
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		3,044,516	2,717,480
		<hr/>	<hr/>

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)

Consolidated Balance Sheet - continued
31 December 2018

The financial statements were approved by the Board of Directors on 28th June 2019 and were signed on its behalf by:


.....
Mr J D Chowns - Director

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)**Company Balance Sheet**
31 December 2018

	Notes	31.12.18 £	31.12.17 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	-	-
Investments	12	4,250,000	4,250,000
		<u>4,250,000</u>	<u>4,250,000</u>
CREDITORS			
Amounts falling due within one year	15	(2,323,900)	(2,326,935)
NET CURRENT LIABILITIES		<u>(2,323,900)</u>	<u>(2,326,935)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,926,100	1,923,065
CREDITORS			
Amounts falling due after more than one year	16	(619,041)	(695,541)
NET ASSETS		<u>1,307,059</u>	<u>1,227,524</u>
CAPITAL AND RESERVES			
Called up share capital	22	100	100
Capital redemption reserve	23	738,358	693,358
Retained earnings	23	568,601	534,066
SHAREHOLDERS' FUNDS		<u>1,307,059</u>	<u>1,227,524</u>
Company's profit for the financial year		<u>79,535</u>	<u>1,227,424</u>

The financial statements were approved by the Board of Directors on 28th June 2019 and were signed on its behalf by:



 Mr J D Chowns - Director

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)**Consolidated Statement of Changes in Equity**
for the Year Ended 31 December 2018

	Called up share capital £	Retained earnings £	Capital redemption reserve £
Balance at 1 January 2017	100	1,817,767	-
Changes in equity			
Total comprehensive income	-	206,255	693,358
Balance at 31 December 2017	100	2,024,022	693,358
Changes in equity			
Total comprehensive income	-	282,036	45,000
Balance at 31 December 2018	100	2,306,058	738,358
	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2017	1,817,867	-	1,817,867
Changes in equity			
Total comprehensive income	899,613	-	899,613
Balance at 31 December 2017	2,717,480	-	2,717,480
Changes in equity			
Total comprehensive income	327,036	-	327,036
Balance at 31 December 2018	3,044,516	-	3,044,516

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)

Company Statement of Changes in Equity
for the Year Ended 31 December 2018

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2017	100	-	-	100
Changes in equity				
Total comprehensive income	-	534,066	693,358	1,227,424
Balance at 31 December 2017	100	534,066	693,358	1,227,524
Changes in equity				
Total comprehensive income	-	34,535	45,000	79,535
Balance at 31 December 2018	100	568,601	738,358	1,307,059

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)**Consolidated Cash Flow Statement**
for the Year Ended 31 December 2018

	Notes	31.12.18 £	31.12.17 £
Cash flows from operating activities			
Cash generated from operations	1	1,318,931	192,047
Interest paid		(168,874)	(178,443)
Finance costs paid		(11,565)	-
Tax paid		(116,207)	(47,615)
Net cash from operating activities		<u>1,022,285</u>	<u>(34,011)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(50,846)	(25,947)
Purchase of tangible fixed assets		(294,063)	(99,102)
Sale of tangible fixed assets		3,172	-
Interest received		9,625	4,590
Net cash from investing activities		<u>(332,112)</u>	<u>(120,459)</u>
Cash flows from financing activities			
New loans in year		-	500,000
Loan repayments in year		(333,333)	(166,667)
Change in invoice finance facility		(659,672)	159,563
Amount introduced by directors		1,154	6,331
Amount withdrawn by directors		-	(6,688)
Share buyback		(50,400)	(624,022)
Net cash from financing activities		<u>(1,042,251)</u>	<u>(131,483)</u>
Decrease in cash and cash equivalents		<u>(352,078)</u>	<u>(285,953)</u>
Cash and cash equivalents at beginning of year	2	528,712	814,665
Cash and cash equivalents at end of year	2	<u><u>176,634</u></u>	<u><u>528,712</u></u>

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2018

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

	31.12.18	31.12.17
	£	£
Profit before taxation	420,912	975,115
Depreciation charges	155,665	245,135
(Profit)/loss on disposal of fixed assets	(660)	5,426
Finance costs	154,339	(398,981)
Finance income	(9,625)	(4,590)
	<hr/>	<hr/>
	720,631	822,105
Decrease/(increase) in stocks	293,124	(982,014)
Decrease in trade and other debtors	922,551	90,328
(Decrease)/increase in trade and other creditors	(617,375)	261,628
	<hr/>	<hr/>
Cash generated from operations	1,318,931	192,047

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	176,634	528,712

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	528,712	814,665

The notes form part of these financial statements

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Financial Statements **for the Year Ended 31 December 2018**

1. STATUTORY INFORMATION

Allmakes 4 X 4 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 General Information page.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably.

Goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of 3 years.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Short leasehold	- Over the lease term
Plant and machinery	- 20% on cost
Fixtures and fittings	- 33% on cost, 20% on cost and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Stocks are stated at the lower of weighted average cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. 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 Group after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the company balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(iii) Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Research and development

Development expenditure incurred on clearly defined projects whose outcome can be assessed with reasonable certainty is capitalised as an intangible asset.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset. The useful life of these assets is deemed to be 3 years.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Invoice discounting

Amounts due in respect of invoice discounting are separately disclosed as current liabilities. The company can use these facilities to draw down a percentage of the value of certain sales invoices. The management and collection of trade debtors remains with the company.

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. TURNOVER

In the opinion of the directors the disclosure of the analysis of turnover by geographical market would be seriously prejudicial to the interests of the company. This disclosure has therefore not been included in the financial statements.

4. EMPLOYEES AND DIRECTORS

	31.12.18	31.12.17
	£	£
Wages and salaries	2,764,507	2,532,870
Social security costs	262,174	236,701
Other pension costs	120,666	190,480
	<u>3,147,347</u>	<u>2,960,051</u>

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

	31.12.18	31.12.17
Employees & Directors	<u>101</u>	<u>95</u>

	31.12.18	31.12.17
	£	£
Directors' remuneration	235,145	255,802
Directors' pension contributions to money purchase schemes	<u>69,933</u>	<u>46,764</u>

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

	2	2
Money purchase schemes	<u>2</u>	<u>2</u>

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018****4. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	31.12.18	31.12.17
	£	£
Emoluments etc	212,815	185,422
Pension contributions to money purchase schemes	27,190	21,856
	<u>240,005</u>	<u>207,278</u>

The information provided for the directors represents all key management of the group.

5. OPERATING PROFIT

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

	31.12.18	31.12.17
	£	£
Hire of plant and machinery	26,521	5,861
Other operating leases	492,103	412,747
Depreciation - owned assets	73,635	167,824
(Profit)/loss on disposal of fixed assets	(660)	5,426
Goodwill amortisation	30,279	30,279
Computer software amortisation	51,751	48,398
Audit fees	16,800	16,500
Foreign exchange differences	27,208	486
Pension contributions to defined contribution schemes	120,666	190,480
	<u>837,213</u>	<u>867,591</u>

The comparative results for 2017 include a bad debt expense of £321,278. The charge is significant to the results of the group and have arisen from a bad debt charge of £256,235 relating to amounts due from a German distributor. This expense is considered one-off in nature.

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end £34,881 (2017: £16,872) was outstanding in respect of pension contributions.

6. EXCEPTIONAL ITEMS

	31.12.18	31.12.17
	£	£
Gain on redemption of preference shares	26,100	593,790
	<u>26,100</u>	<u>593,790</u>

During the year the group entered into an arrangement to purchase a proportion of its redeemable preference shares. The preference shares were redeemed at an amount below the carrying value in the balance sheet resulting in an exceptional gain of £26,100 (2017: £593,790).

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018****7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.18	31.12.17
	£	£
Bank loan interest	168,874	178,443
Preference share dividend	11,565	16,366
Gain on redemption of preference shares	(26,100)	(593,790)
	<u>154,339</u>	<u>(398,981)</u>

8. TAXATION**Analysis of the tax charge**

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

	31.12.18	31.12.17
	£	£
Current tax:		
UK corporation tax	60,923	117,368
Deferred tax	32,953	(41,866)
Tax on profit	<u>93,876</u>	<u>75,502</u>

UK corporation tax has been charged at 19%.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.18	31.12.17
	£	£
Profit before tax	<u>420,912</u>	<u>975,115</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	79,973	187,710
Effects of:		
Expenses not deductible for tax purposes	13,903	22,727
Income not taxable for tax purposes	-	(114,305)
consolidation		
Deferred tax adjustments in respect of prior years	-	(20,630)
Total tax charge	<u>93,876</u>	<u>75,502</u>

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

9. INDIVIDUAL INCOME STATEMENT

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

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Computer software £	Totals £
COST			
At 1 January 2018	455,682	410,665	866,347
Additions	-	50,846	50,846
	<hr/>	<hr/>	<hr/>
At 31 December 2018	455,682	461,511	917,193
	<hr/>	<hr/>	<hr/>
AMORTISATION			
At 1 January 2018	243,743	308,127	551,870
Amortisation for year	30,279	51,751	82,030
	<hr/>	<hr/>	<hr/>
At 31 December 2018	274,022	359,878	633,900
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2018	181,660	101,633	283,293
	<hr/>	<hr/>	<hr/>
At 31 December 2017	211,939	102,538	314,477
	<hr/>	<hr/>	<hr/>

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018****11. TANGIBLE FIXED ASSETS****Group**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2018	-	51,469	779,939
Additions	83,588	3,218	149,801
Disposals	-	-	(3,173)
At 31 December 2018	83,588	54,687	926,567
DEPRECIATION			
At 1 January 2018	-	43,069	739,565
Charge for year	1,741	4,178	23,523
Eliminated on disposal	-	-	(661)
At 31 December 2018	1,741	47,247	762,427
NET BOOK VALUE			
At 31 December 2018	81,847	7,440	164,140
At 31 December 2017	-	8,400	40,374
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2018	89,472	128,443	1,049,323
Additions	10,000	47,456	294,063
Disposals	-	-	(3,173)
At 31 December 2018	99,472	175,899	1,340,213
DEPRECIATION			
At 1 January 2018	18,613	109,303	910,550
Charge for year	30,796	13,397	73,635
Eliminated on disposal	-	-	(661)
At 31 December 2018	49,409	122,700	983,524
NET BOOK VALUE			
At 31 December 2018	50,063	53,199	356,689
At 31 December 2017	70,859	19,140	138,773

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2018 and 31 December 2018	4,250,000
NET BOOK VALUE	
At 31 December 2018	4,250,000
At 31 December 2017	4,250,000

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Allmakes Limited

Registered office: England & Wales

Nature of business: Wholesale of motor parts

	% holding	31.12.18 £	31.12.17 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		5,805,897	5,528,117
Profit for the year		342,780	351,305

13. STOCKS

	Group	
	31.12.18 £	31.12.17 £
Stocks	5,998,590	6,291,714

Allmakes 4 X 4 Limited

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31 December 2018**

14. DEBTORS

	Group	
	31.12.18	31.12.17
	£	£
Amounts falling due within one year:		
Trade debtors	3,966,129	5,058,217
Other debtors	370,436	-
Directors' current accounts	-	1,153
VAT	97,128	181,754
Deferred tax asset	8,174	41,127
Prepayments and accrued income	162,727	129,000
	<u>4,604,594</u>	<u>5,411,251</u>
Amounts falling due after more than one year:		
Other debtors	-	150,000
	<u>-</u>	<u>150,000</u>
Aggregate amounts	<u>4,604,594</u>	<u>5,561,251</u>

Deferred tax asset

	Group	
	31.12.18	31.12.17
	£	£
Deferred tax	<u>8,174</u>	<u>41,127</u>

Other debtors includes £150,000 relating to a debenture held against LPI in Belgium which was settled in full in March 2019.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Bank loans and overdrafts (see note 17)	4,460,545	5,453,549	-	-
Trade creditors	2,711,365	3,519,021	-	-
Amounts owed to group undertakings	-	-	2,243,872	2,261,472
Tax	60,923	116,207	-	-
Social security and other taxes	74,025	64,738	-	-
Other creditors	255,035	106,791	80,028	65,463
Accruals and deferred income	194,350	161,600	-	-
	<u>7,756,243</u>	<u>9,421,906</u>	<u>2,323,900</u>	<u>2,326,935</u>

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018****16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Preference shares (see note 17)	<u>619,041</u>	<u>695,541</u>	<u>619,041</u>	<u>695,541</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	-	333,333	-	-
Invoice financing facility	2,210,545	2,870,216	-	-
Inventory financing facility	2,250,000	2,250,000	-	-
	<u>4,460,545</u>	<u>5,453,549</u>	<u>-</u>	<u>-</u>
Amounts falling due between one and two years:				
Preference shares	<u>-</u>	<u>695,541</u>	<u>-</u>	<u>695,541</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Preference shares	<u>619,041</u>	<u>-</u>	<u>619,041</u>	<u>-</u>

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:		Nominal value:	31.12.18	31.12.17
Number:	Class:			
			£	£
409,142	Preference	£1	<u>619,041</u>	<u>695,541</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued**
for the Year Ended 31 December 2018**Group**

	Non-cancellable operating leases	
	31.12.18	31.12.17
	£	£
Within one year	442,355	793,189
Between one and five years	2,486,208	851,032
In more than five years	4,474,609	-
	<u>7,403,172</u>	<u>1,644,221</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	31.12.18	31.12.17
	£	£
Bank loans	<u>4,460,545</u>	<u>5,453,549</u>

The group has an invoice and inventory financing facility with Centric Commercial Finance Limited, a subsidiary of Shawbrook Bank Limited, entered into in July 2014 for a minimum period of 36 months. Centric Commercial Finance Limited, through its subsidiary Centric SPV1 Limited, has a fixed and floating charge over the assets of Allmakes Limited created on 8 August 2014. The facility was subject to a deed of variation entered into in December 2016 which extended the overall facility limit and provided for a further 36 month minimum period.

The group has an indemnity line of £220,000 to cover bonds, indemnities and guarantees together with a card facility of £50,000 and a payment facility of £1,000,000 provided by Lloyds Bank plc and secured by a fixed and floating charge over the assets of Allmakes 4 X 4 Limited together with Allmakes Limited created on 7 August 2014.

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018****20. FINANCIAL INSTRUMENTS**

	Group	
	31.12.18	31.12.17
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through profit and loss	184,683	528,712
Equity instruments measured at cost less impairment	-	-
Financial assets that are debt instruments measured at amortised cost	4,023,897	5,209,371
	<u>4,280,580</u>	<u>5,738,083</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>7,955,321</u>	<u>9,936,501</u>

	Company	
	31.12.18	31.12.17
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through profit and loss	-	-
Equity instruments measured at cost less impairment	4,250,000	4,250,000
Financial assets that are debt instruments measured at amortised cost	-	-
	<u>4,250,000</u>	<u>4,250,000</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>2,942,941</u>	<u>3,022,476</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank and other loans (including finance leases and preference shares treated as liabilities), overdrafts, trade creditors, other creditors and accruals.

21. DEFERRED TAX

Group	£
Balance at 1 January 2018	(41,127)
Utilised during year	<u>32,953</u>
Balance at 31 December 2018	<u>(8,174)</u>

Allmakes 4 X 4 Limited (Registered number: 05873287)**Notes to the Consolidated Financial Statements - continued**
for the Year Ended 31 December 2018**22. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.18	31.12.17
		£	£	£
100	Ordinary	£1	100	100

The Ordinary shares constitute a single class of share and all shares are entitled to a vote, a dividend and a capital distribution in the event of a winding up or return of capital.

In addition to the Ordinary shares, the group and company has 364,142 (2017: 409,142) issued preference shares of £1.70 each with a carrying value of £619,041 (2017: £695,541). The preference shares are presented within liabilities and are redeemable at the latest by 17 October 2024. The preference shares carry a fixed 4% dividend coupon and have preferential rights to capital in the event of a sale or return of capital to shareholders. The preference shares carry no voting rights except in certain circumstances set out in the Articles of Association.

During the year the group and company purchased 45,000 of the 409,142 outstanding preference shares at a price of £1.12 per share. The transaction resulted in a profit on redemption of £26,100 compared with the carrying value of the liability. This has been reported as an exceptional item in the year ended 31 December 2018.

23. RESERVES**Group**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2018	2,024,022	693,358	2,717,380
Profit for the year	327,036		327,036
Purchase of own shares	(45,000)	45,000	-
At 31 December 2018	2,306,058	738,358	3,044,416

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2018	534,066	693,358	1,227,424
Profit for the year	79,535		79,535
Purchase of own shares	(45,000)	45,000	-
At 31 December 2018	568,601	738,358	1,306,959

Allmakes 4 X 4 Limited (Registered number: 05873287)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018

23. RESERVES - continued

24. CAPITAL COMMITMENTS

	31.12.18	31.12.17
	£	£
Contracted but not provided for in the financial statements	62,490	-

25. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2018 and 31 December 2017:

	31.12.18	31.12.17
	£	£
Mr R S Howe		
Balance outstanding at start of year	1,153	796
Amounts advanced	-	6,688
Amounts repaid	(1,153)	(6,331)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	-	1,153

26. RELATED PARTY DISCLOSURES

R S Howe has provided a personal guarantee in the amount of £150,000 as additional security for bank borrowings.

27. ULTIMATE CONTROLLING PARTY

There is no single ultimate controlling party.