

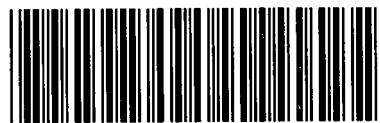
VEHICLE STOCKING LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2018

Registered number: 07380405

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VEHICLE STOCKING LIMITED

Company Information

Director	P Behrens
Company Number	07380405
Registered office	No 1 The Osiers Business Centre Leicester LE19 1DX
Independent auditor	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX

VEHICLE STOCKING LIMITED

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VEHICLE STOCKING LIMITED

Director's report for the year ended 31 March 2018

The director presents the annual report and audited financial statements of Vehicle Stocking Limited ("The Company"), a private company limited by shares which is domiciled and incorporated in the United Kingdom, for the year ended 31 March 2018.

Principal Activity

The principal activity of the Company throughout the year was the provision of finance to the motor trade.

Dividend

The director does not propose a dividend in respect of the year ended 31 March 2018 (2017: £nil).

Directors

The directors of the Company who each served during the year and up to the date of this report (unless stated below) were:

P Aratoon	(Resigned 02/05/2017)
M Dibbs	(Resigned 02/05/2017)
C Burgess	(Resigned 24/01/2018)
P Behrens	(Appointed 02/05/2017)
J Hodge	(Appointed 02/05/2017; resigned 26/03/2019)

Auditor

Ernst & Young LLP were appointed as auditor during the year.

The director has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Ernst & Young LLP have expressed their willingness to continue as auditor.

Going concern

At 31 March 2018 the Company had net liabilities of £6.3m, primarily due to loans and borrowings of £7.7m. Since the year end, the Company has reviewed the arrangements in place to generate income to repay the loans and borrowings. As a result of slower growth of the motor finance business, the Company has moved the final repayment date on the loans and borrowings to August 2024 (previously August 2022) as explained in Note 12. Furthermore, since the year-end, the Company entered into a commission arrangement with its ultimate parent company, Retail Money Market Ltd, which entitles the Company to receive commissions generated by the RateSetter Group's motor finance business. The Company forecasts show it will generate sufficient cash, through the receipt of commissions and support from its ultimate parent company if required, to allow it to meet these liabilities as they fall due.

The Director notes that the receipt of any future commissions, and financial support if required, is contingent on the ultimate parent company achieving its business plans. The director has no reason to believe that the ultimate parent company's business plans will not be achieved but given the current market conditions, there is a risk that the future expected commission levels will not be sufficient to cover the loan repayments. Consequently, a material uncertainty exists that casts significant doubt upon the ability of the Company to continue as a going concern.

Having considered the risks and uncertainties to which the business is exposed, the Director considers that the business will have sufficient financial resources to meet its obligations for the foreseeable future (being a period of at least twelve months from the date of this report). As a result, the financial statements have been produced on a going concern basis and do not contain any adjustments that would result if the company was unable to continue as a going concern.

The Company is entitled to small companies' exemption in relation to the Strategic Report as it would be entitled to prepare accounts for the year in accordance with the small companies' regime but for having been a member of an ineligible group.

This report has been approved by the Board and signed on behalf of the Board by:


P Behrens
Director
30 August 2019

VEHICLE STOCKING LIMITED

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the comprehensive income of the Company for that year. In preparing these financial statements, International Accounting Standard 1 requires that the director:

- selects suitable accounting policies and then applies them consistently;
- makes judgments and accounting estimates that are reasonable and prudent;
- presents information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provides additional disclosures when compliance with the accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and performance; and
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the director is also responsible for preparing a Director's report that complies with that law.

VEHICLE STOCKING LIMITED

Independent auditor's report

Opinion

We have audited the financial statements of Vehicle Stocking Limited ('the Company') for the year ended 31 March 2018 which comprise the statement of comprehensive income, the statement of changes in equity, statement of financial position, and the related notes 1 to 18, 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 (United Kingdom Generally Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 31 March 2018 and of its loss 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 Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company 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.

Material uncertainty related to going concern

We draw attention to the Director's Report on page 1 of the financial statements, which states that the Company has net liabilities of £6.3m. The Director notes that the receipt of any future commissions, and financial support if required, is contingent on the ultimate parent company achieving its business plans and that due to current market conditions in the motor finance business, there is a risk that the future expected commission levels will not be sufficient to cover the loan repayments and consequently, a material uncertainty exists that casts significant doubt upon the ability of the Company to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

VEHICLE STOCKING LIMITED

Independent auditor's report

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from preparing a Strategic report.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement on page 2, the director is 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 director determines is 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 director is responsible for assessing the 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Andy Blackmore (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
Bristol, United Kingdom
30 August 2019

VEHICLE STOCKING LIMITED

Statement of comprehensive income for the year ended 31 March 2018

	Note	2018 £	restated 2017 £
Revenue		2,278,784	3,702,358
Finance costs		(836,329)	(1,310,120)
Cost of sales		(147,757)	(244,636)
Gross profit		1,294,698	2,147,602
Administrative expenses		(2,515,560)	(4,706,154)
Impairment losses		(10,277)	(89,778)
Operating loss	6	(1,231,139)	(2,648,330)
Interest receivable / (payable)		1,153	(2,078)
Loss before taxation		(1,229,986)	(2,650,408)
Tax charge	7	(53,358)	-
Total comprehensive loss for the year		(1,283,344)	(2,650,408)

The notes on pages 8 to 15 form part of these financial statements.

VEHICLE STOCKING LIMITED**Statement of changes in equity for the year ended 31 March 2018**

	Share capital £	Retained losses £	Total £
At 1 April 2016	3,000,100	(5,970,551)	(2,970,451)
Loss for the year	-	(2,650,408)	(2,650,408)
At 31 March 2017 (<i>restated</i>)	3,000,100	(8,620,959)	(5,620,859)
Capital contribution (loan forgiven)	-	607,367	607,367
Loss for the year	-	(1,283,344)	(1,283,344)
At 31 March 2018	3,000,100	(9,296,936)	(6,296,836)

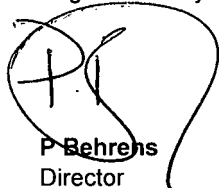
The notes on pages 8 to 15 form part of these financial statements.

VEHICLE STOCKING LIMITED

Statement of financial position as at 31 March 2018

	Notes	2018 £	2017 <i>restated</i> £
Non-current assets			
Property, plant and equipment	8	34,681	104,367
		<hr/> 34,681	<hr/> 104,367
Current assets			
Stock	9	108,178	523,727
Trade and other receivables	10	2,588,693	7,193,970
Cash and cash equivalents		323,703	995,591
		<hr/> 3,020,574	<hr/> 8,713,288
Total assets		<hr/> 3,055,255	<hr/> 8,817,655
Current liabilities			
Trade and other payables	11	(1,112,251)	(770,644)
Loans and borrowings	12	(1,893,766)	-
Provisions	13	(508,735)	(911,634)
		<hr/> (3,514,752)	<hr/> (1,682,278)
Non-current liabilities			
Trade and other payables	11	-	(12,756,236)
Loans and borrowings	12	(5,837,339)	-
		<hr/> (5,837,339)	<hr/> (12,756,236)
Total liabilities		<hr/> (9,352,091)	<hr/> (14,438,514)
Net liabilities		<hr/> (6,296,836)	<hr/> (5,620,859)
Equity			
Share capital	14	3,000,100	3,000,100
Retained losses		(9,296,936)	(8,620,959)
Equity shareholders' deficit		<hr/> (6,296,836)	<hr/> (5,620,859)

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 30 August 2019 by:


P Behrens
Director

Registration Number: 07380405

The notes on pages 8 to 15 form part of these financial statements.

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company transitioned from FRS 102 to FRS 101 for all periods presented. There were no material amendments on the adoption of FRS 101. The Company's ultimate parent undertaking, Retail Money Market Ltd, was notified of, and did not object to, the use of any disclosure exemptions.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a)(iv) of IAS 1; (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- d) the requirements of paragraphs 10(d), 10(f), 38(a-d), 40(a-d) and 134-136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows; and
- f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The Company's presentational currency is pound sterling ("£"). The functional currency of the Company is also pound sterling on the basis that it is the pricing currency in which the transactions of the Company are conducted.

The Company is entitled to the small companies' exemption in relation to the Strategic Report as it would be entitled to prepare accounts for the year in accordance with the small companies' regime but for having been a member of an ineligible group.

The financial statements have been prepared on a going concern basis under the historical cost convention except for certain financial assets that are carried at fair value.

1.2 Prior year restatements

A prior year restatement has been made to correct an error in the financial statements for the year ended 31 March 2017 resulting from an impairment of property, plant and equipment.

Extracts of statement of comprehensive income for the year ended 31 March 2017 showing the impact of restatement:

	As stated in prior year accounts £	Restatement £	Revised balance £
Impairment losses	(63,162)	(26,616)	(89,778)
Operating loss	(2,621,714)	(26,616)	(2,648,330)
Loss before taxation	(2,623,792)	(26,616)	(2,650,408)
Total comprehensive loss	(2,623,792)	(26,616)	(2,650,408)

Extracts of statement of financial position as at 31 March 2017 showing the impact of restatement:

	As stated in prior year accounts £	Restatement £	Revised balance £
Non-current assets			
Property, plant and equipment	130,983	(26,616)	104,367
Net liabilities	(5,594,243)	(26,616)	(5,620,859)
Equity			
Retained losses	(8,594,343)	(26,616)	(8,620,959)
Equity shareholders' deficit	(5,594,243)	(26,616)	(5,620,859)

1. Accounting policies (continued)

1.3 Summary of accounting policies

Revenue

Revenue represents interest and fee income on loans receivable at amortised cost which is recognised using the effective interest method which allocates interest and fees over the expected lives of the assets in the normal course of business and is shown net of VAT and other sales related taxes.

The effective interest rate method requires the Company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the loans receivable.

Finance costs

Finance costs comprise interest arising on loans and borrowings measured at amortised cost using the effective interest method.

Cost of sales

Cost of sales comprise fees associated with the transportation, storage and repair of repossessed vehicles, as well as stock check fees and credit costs incurred when providing hire purchase finance to customers. Costs are recognised on an accruals basis.

Administrative expenses

Administrative expenses comprise office costs, staff salaries, marketing, professional costs, depreciation of assets used for administrative purposes and other costs. All costs are recognised on an accruals basis.

Cash and cash equivalents

Cash and cash equivalents include short-term deposits with banks and other financial institutions, with an initial maturity of three months or less.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon the estimated selling prices less any cost of disposal. Provision is made for obsolete and slow-moving stock.

Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised to write off the cost or valuation of assets, less their residual values, over their useful lives on the following bases:

Motor vehicles	- 30% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the statement of comprehensive income.

Impairment of fixed assets

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income.

1. Accounting policies (continued)

1.4 Summary of accounting policies

Financial instruments

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. The Company classifies its financial assets, at initial recognition and for subsequent measurement, into one category, loans and receivables.

Loans and receivables

Financial assets categorised in the Company's statement of financial position as trade and other receivables are classified as loans and receivables under IAS 39. After initial measurement, loans and receivables are subsequently measured at amortised cost less any provision for impairment. Losses arising from impairment are recognised in the statement of comprehensive income. The measurement of the impairment provision for financial assets classified as loans receivable is detailed in Note 2.

Impairment of financial assets

Impairment is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the asset's effective interest rate. Any loss on impairment is recognised through the statement of comprehensive income.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Evidence of impairment may include: indications that the borrower is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganisation; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial liabilities

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs. The Company classifies its financial liabilities, at initial recognition and for subsequent measurement, as loans and borrowings.

Loans and borrowings

Financial liabilities categorised in the Company's statement of financial position as either loans and borrowings or trade and other payables are classified as other financial liabilities measured at amortised cost under IAS 39. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost.

Taxation

The tax expense comprises current and deferred tax. Current tax is recognised in the statement of comprehensive income and is provided at the amount expected to be paid (or recovered) applying tax rates and laws enacted or substantively enacted at the end of the reporting year.

Deferred tax is provided in full, using a temporary difference approach, and is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated applying tax rates and laws enacted or substantively enacted at the end of the reporting year. Deferred tax liabilities are generally recognised for all taxable temporary differences.

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

1. Accounting policies (continued)

Provisions for liabilities

Provisions are recognised when the Company has a legal or constructive present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value.

2. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with FRS 101 requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Going concern assessment

The Company exercises judgement in assessing whether to prepare the accounts on a going concern basis. This requires management to make certain estimates and assumptions with respect to the future financial performance of the Company.

Measurement of impairment provision

The Company exercises judgement in measuring and recognising provisions related to loans made to individuals that have acquired vehicles under hire purchase contracts. An estimation technique is adopted in assessing the likelihood that a liability will arise, and to quantify the possible range of the financial settlement. Due to the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

3. Segmental analysis

The Company's operations are carried out solely in the UK and are considered by the director to consist of a single business unit/component. The results and net liabilities of the Company are derived from its principal activity.

4. Employees

The average monthly number of persons (including directors) employed by the Company during the year was 14 (2017: 29).

Employment costs (including key management personnel) during the year were:

	2018 £	2017 £
Wages and salaries	503,947	1,091,464
Social security costs	45,422	117,498
Post-employment benefits	3,311	-
	552,680	1,208,962

5. Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	71,918	132,655

The directors are the only members of management that meet the definition of key management personnel.

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

6. Operating loss

	2018	2017
	£	Restated £
Operating loss for the year is stated after charging / (crediting):		
Depreciation of property, plant and equipment	24,192	89,639
Auditor's remuneration	22,584	37,500
Impairment on property, plant and equipment	10,277	89,778
Profit on disposal of property, plant and equipment	(2,539)	-
Movement in loss allowance for loans receivable	1,049,683	1,958,157
Reversal of provisions	(402,899)	-
Rent and operating lease expense	30,000	30,006

7. Tax on loss on ordinary activities

The standard UK corporation tax rate was 19% for the year (20% for the year ended 31 March 2017).

	2018	2017
	£	Restated £
Current tax		
Current tax on loss for the year	-	-
Tax charge in relation to previous years	53,358	-
Tax charge	53,358	-
Factors affecting the tax charge for the current year:		
Loss for the year	(1,229,986)	(2,650,408)
Tax on loss at standard UK tax rate of 19.00% (2017: 20.00%)	(233,697)	(530,082)
Effects of:		
Expenses not deductible	988	744
Losses surrendered as Group relief	-	44,593
Movement in deferred tax not recognised	232,709	484,745
Adjustments in respect of prior periods	53,358	-
Tax charge for the year	53,358	-
Unrecognised deferred tax:		
Fixed Assets	(41,034)	(30,345)
Losses	(1,290,105)	(1,143,091)
Other	-	(53,542)
	(1,331,139)	(1,226,978)

The current UK corporation tax rate is 19%. The Finance Act 2016, enacted in September 2016, further reduced the tax rate to 17% (effective from 1 April 2020). Unrecognised deferred tax balances of £1,331,139 have been calculated at a rate of 17%.

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

8. Property, plant and equipment

	Motor vehicles £
Cost	
At 1 April 2017	219,848
Additions	-
Disposals	(69,275)
Impairments	(10,277)
At 31 March 2018	<u>140,296</u>
Depreciation and impairment	
At 1 April 2017	115,481
Depreciation charged in the year	24,192
Eliminated in respect of disposals	(34,058)
At 31 March 2018	<u>105,615</u>
Carrying amount	
At 31 March 2018	<u>34,681</u>
At 31 March 2017 (<i>restated</i>)	<u>104,367</u>

9. Stock

	2018 £
At 1 April 2017	523,727
Additions	108,178
Disposals	(523,727)
At 31 March 2018	<u>108,178</u>

10. Trade and other receivables

	2018 £	2017 £
Current assets:		
Loans receivable	1,753,044	7,023,902
Amounts owed by group undertakings	804,511	39,824
Other debtors	31,138	130,244
	<u>2,588,693</u>	<u>7,193,970</u>

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

11. Trade and other payables

	2018 £	2017 £
Current liabilities:		
Trade creditors	156,837	596,647
Other taxation and social security	19,524	20,288
Finance lease obligations	16,254	-
Other creditors	866,278	153,709
Corporation tax liability	53,358	-
	1,112,251	770,644
Non-current liabilities:		
Amounts owed to group undertakings	-	12,739,982
Finance lease obligations	-	16,254
	-	12,756,236

Future minimum lease payments under finance leases, together with the present value of the net minimum lease payments at 31 March 2018 are as follows:

	Minimum payments £	Present value of payments £
Within one year	16,538	16,254

12. Loans and borrowings

	2018 £	2017 £
Current liabilities:		
Loans and borrowings	1,893,766	-
Non-current liabilities:		
Loans and borrowings	5,837,339	-

As part of the acquisition of the Company by RateSetter Motor Limited from Vehicle Trading Group Limited (in administration) in May 2017, the loans owed as at 31 March 2017, with an average interest charge of 11.95%, were released in return for the Company taking on a proportion of the outstanding secured debt owed by its former parent company to the RateSetter investors, with an average interest charge of 7%. These loans and borrowings have been re-termed with the final repayment date moved to August 2024 (previously August 2022). They continue to amortise monthly with an average interest charge of 7%.

13. Provisions

	2018 £	2017 £
At 1 April 2017 / 1 April 2016	911,634	105,549
Additions	-	806,085
Released in the year	(402,899)	-
	508,735	911,634
At 31 March 2018 / 31 March 2017		

The total provision figure at 31 March 2018 includes provisions for sums potentially due to HMRC in relation to historical VAT obligations and a provision for onerous leases, both of which are estimated as due within one financial year.

VEHICLE STOCKING LIMITED

Notes forming part of the financial statements for the year ended 31 March 2018

14. Called up share capital

	2018 £	2017 £
Ordinary share capital (issued and fully paid)		
3,000,100 Ordinary shares of £1 each	3,000,100	3,000,100

15. Operating lease commitments

At the reporting end date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	60,000	60,000
Between one and five years	240,000	240,000
In over five years	67,500	127,500
	<hr/>	<hr/>
	367,500	427,500
	<hr/>	<hr/>

16. Related party transactions

There are no related party transactions other than those already disclosed within the notes of these accounts.

17. Post balance sheet events

Since the year-end, the Company entered into a commission arrangement with its ultimate parent company, Retail Money Market Ltd, which entitles the Company to receive commissions generated on the RateSetter Group's motor lending business. As of the date of signing these financial statements the Company is owed £626,120 under this agreement.

18. Ultimate controlling entity

At the reporting date, the ultimate controlling entity was Retail Money Market Ltd (registered number: 07075792), a company incorporated in the United Kingdom.