

John Martin Accident Repairs Limited
Annual report and financial statements
for year ended 31 December 2017

Registered Number: SC180485

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John Martin Accident Repairs Limited

Annual report and financial statements for year ended 31 December 2017

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John Martin Accident Repairs Limited

Directors and Advisers for year ended 31 December 2017

Directors

J Martin
V Martin
G Nisbet
P E Sweeney (resigned 31 May 2018)
D W Cunningham

Company Secretary

G Nisbet

Registered office

3 Salters Road
Wallyford
Musselburgh
EH21 8JY

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

Bankers

Bank of Scotland
PO Box 5
The Mound
Edinburgh
EH1 1YZ

Solicitors

Anderson Strathern LLP
1 Rutland Court
Edinburgh
EH3 8EY

John Martin Accident Repairs Limited

Strategic report for year ended 31 December 2017

Principal activity

The principal activity of the company is that of motor body builders, repairers and refinishers.

Results and dividends

The profit for the year was £882,000 (2016: 175,000). The results for the year are dealt with in the profit and loss account on page 7.

No dividend has been paid or proposed during the year (2016: £nil).

Future Outlook

During 2016, the Group were approached by a 3rd party declaring interest in purchasing the Accident Repair business, after much consideration the directors accepted the offer and the business was sold on the 28 February 2017

Principal Risks and Uncertainties

The directors of John Martin Holdings Limited manage the group's risks at a group level, rather than at an individual company level. For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of John Martin Accident Repairs Limited's business. The principal risks and uncertainties of John Martin Holdings Limited, which include those of the company, are discussed on page 2 of the group's annual report which does not form part of this report.

Key Performance Indicators

The directors of John Martin Holdings Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of John Martin Accident Repairs Limited. The development, performance and position of John Martin Holdings Limited which include the company, is discussed on page 2 of the group's annual report which does not form part of this report.

Going Concern

The Directors, having made enquires, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the financial statements.

By order of the board



G Nisbet
Company Secretary

John Martin Accident Repairs Limited

Directors' report for year ended 31 December 2017

The directors present their annual report on the affairs of the company together with the audited financial statements and independent auditors' report for year ended 31 December 2017.

Please refer to the Strategic Report for consideration of:

- Principal activity
- Results and dividends
- Future Outlook
- Principal Risks and Uncertainties
- Key Performance Indicators
- Going Concern

Directors

The directors who held office during the year and up to the date of the directors' report are:

J Martin
V Martin
G Nisbet
P E Sweeney (resigned 31 May 2018)
D W Cunningham

Registered Number

The company's registration number is SC180485.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, Directors' report 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 prepared 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 of the profit or loss of the company 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

John Martin Accident Repairs Limited

Directors' report for year ended 31 December 2017 (continued)

The directors are 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. They are 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.

Advantage has been taken of the audit exemption available for companies conferred by section 479A of the Companies Act 2006 on the grounds:

- a. that for the year ended 31 December 2017 the company was entitled to the exemption from a statutory audit under section 479A of the Companies Act 2017; and
- b. that no notice has been deposited under section 476 of the Companies Act 2006 in relation to the financial statements for the financial year.

On behalf of the board

A handwritten signature in black ink, appearing to read 'G Nisbet', written over a horizontal line.

G Nisbet
Company Secretary

John Martin Accident Repairs Limited

Profit and loss account for year ended 31 December 2017

		2017	2016
	Notes	£'000	£'000
Turnover	2	678	4,740
Cost of sales		(388)	(2,307)
Gross profit		290	2,433
Selling and administration expenses		(354)	(2,216)
Other operating income		946	-
Operating profit		882	217
Profit on ordinary activities before taxation	3	882	217
Tax charge on ordinary activities	5	-	(42)
Profit for the financial year		882	175

John Martin Accident Repairs Limited

Balance sheet as at 31 December 2017

	Notes	2017 £'000	2016 £'000
Fixed Assets	6		
Tangible Assets		-	38
Current assets			
Stocks	7	-	73
Debtors	8	1,271	1,882
Cash at bank and in hand		-	129
		1,271	2,084
Creditors: amounts falling due within one year	9	(4,927)	(6,660)
Net current liabilities		(3,656)	(4,576)
Net liabilities		(3,656)	(4,538)
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account – (deficit)		(3,656)	(4,538)
Total shareholders' deficit	11	(3,656)	(4,538)

Advantage has been taken of the audit exemption available for companies conferred by section 479A of the Companies Act 2006 on the grounds:

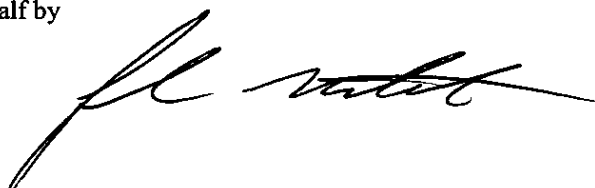
- for the year ended 31 December 2017 the company was entitled to exemption under section 479A of the Companies Act 2006.
- no members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of the affairs of the company at 31 December 2017 and of its profit for the year then ended in accordance with the requirement of section 394 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the company.

The financial statements on pages 7 to 12 were approved by the board of directors on _____ and were signed on its behalf by

G Nisbet
Director



John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017

1 Statement of accounting policies

A summary of the principal accounting policies, which have been applied consistently throughout the year and the preceding year, is set out below.

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below. Reliance is placed on the continuing financial support, described in note 15, in preparing the financial statements on a going concern basis.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company John Martin Holdings Limited. The directors have received confirmation that John Martin Holdings Limited intends to support the company.

Turnover

Turnover represents the invoiced value of sales, net of value added tax.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated normal selling price, less further costs expected to be incurred on disposal. Provision is made for obsolete, slow-moving and defective items where appropriate.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

The taxation liabilities of certain group undertakings are reduced wholly or in part by the surrender of losses by fellow group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the recipient undertaking. A charge is made for the surrender of losses between group undertakings.

Deferred taxation should be recognised as a liability or asset if transactions have occurred at the balance sheet date that gave rise to an obligation to pay more tax in the future, or a right to less tax in the future.

A deferred tax asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. The company, as permitted by FRS19, has not adopted a policy of discounting deferred tax assets and liabilities.

Pensions

Certain of the company's employees participate in the group's defined contribution pension scheme. The amount charged to the profit and loss account is the contributions payable in the year (note 4).

John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017 (continued)

2 Turnover

Turnover is derived wholly from activities undertaken in the UK.

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2017	2016
	£'000	£'000
Staff costs (note 4)	283	1,455

The auditors' remuneration is borne by the parent company.

4 Staff costs

Particulars of employees (including executive directors) are shown below:

During the year, the company's employees were employed by John Martin Group Limited, which recharged the cost of these employees to the company, based on a service agreement between the two companies.

	2017	2016
	£'000	£'000
Employee costs during the year amounted to:		
Wages and salaries	255	1,310
Social security costs	23	112
Other pension costs	5	33
	283	1,455

The monthly average number of employees (including those employed by The John Martin Group Limited) during the year was as follows:

	2017	2016
	Number	Number
Number employed	53	56

No directors' remuneration was paid by the company during the year.

John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017 (continued)

5 Tax charge on profit on ordinary activities

	2017 £'000	2016 £'000
Current tax		
UK corporation tax on profits of the year	-	42
Adjustment in respect of prior period	-	-
Total Current Tax	-	42
Deferred tax:		
Origination and reversal of timing differences (note 9)	-	-
Total deferred tax	-	-
Tax on charge on ordinary activities	-	42

The difference between the current tax charge nil (2016: £42,000) on ordinary activities for the year, reported in the profit and loss account, and the current tax charge that would result from applying the standard rate of tax to the profit on ordinary activities before tax, is explained as follows:

Factors affecting tax charge for year

Profit on ordinary activities before tax	882	217
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2016 20.00%)	176	43
Gains including rollover relief	10	-
Income not taxable for tax purposes	(186)	(1)
Total tax charge for the year	-	42

The company's profits for the accounting period are taxed at an effective rate of 19.25%, being the standard rate of corporation tax in the UK for the period.

John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017 (continued)

6 Tangible assets

	Motor Vehicles	Fixtures and other Equipment	Total
	£'000	£'000	£'000
Cost			
At 1 January 2017	461	184	645
Transfers			
Disposal	(461)	(184)	(645)
At 31 December 2017	-	-	-
Accumulate depreciation			
At 1 January 2017	431	176	607
Transfers	(431)	(176)	(607)
Disposals			
Charge for the year	-	-	-
At 31 December 2017	-	-	-
Net book value			
At 31 December 2017	-	-	-
At 31 December 2016	30	8	38

7 Stocks

The following are included in the net book value of stocks:

	2017	2016
	£'000	£'000
Parts and consumables	-	73

In the opinion of the directors, there is no material difference between the book value and replacement cost of stocks at 31 December 2017.

John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017 (continued)

8 Debtors

	2017	2016
	£'000	£'000
Trade debtors	-	528
Amounts due from group undertakings	1,271	1,271
Prepayments and accrued income	-	83
	1,271	1,882

Amounts owed by group undertakings are unsecured, non interest bearing and payable on demand.

9 Creditors: amounts falling due within one year

	2017	2016
	£'000	£'000
Trade creditors	-	479
Amounts due to group undertakings	4,927	5,912
Group Relief	-	42
Other creditors and accruals	-	227
	4,927	6,660

Amounts owed by group undertakings are unsecured, non interest bearing and payable on demand.

10 Called-up share capital

	2017	2016
	£	£
Allotted, called-up and fully-paid:		
Ordinary shares of £1 each (2016: £1)	2	2

11 Reconciliation of movements in shareholders' deficit

	2017	2016
	£'000	£'000
Profit for the year	882	175
Opening shareholders' deficit	(4,538)	(4,713)
Closing shareholders' deficit	(3,656)	(4,538)

John Martin Accident Repairs Limited

Notes to the financial statements for year ended 31 December 2017 (continued)

12 Guarantees and other financial commitments

Capital commitments

The company had no authorised or contracted capital commitments at 31 December 2017 (2016: £Nil).

Contingent liabilities

The company has jointly guaranteed the bank borrowings of other undertakings in the John Martin Holdings Limited Group. The amount outstanding at 31 December 2017 amounted to £Nil (2016: £855,000).

Post year end the Group have agreed a funding facility with Bank of Scotland.

The company is registered for value added tax purposes in a group of companies which share a common registration number. As a result, it has jointly guaranteed the value added tax liability of the group, and financial failure by other members of the group would give rise to additional liabilities for the company.

13 Related party transactions

The group has taken advantage of the exemption conferred in Financial Reporting Standard 8 "Related Party Disclosures" from the need to disclose transactions with other group companies, on the grounds that its results are included in the consolidated financial statements of John Martin Holdings Limited.

14 Cash flow statement

As John Martin Holdings Limited, the ultimate parent undertaking, has produced a consolidated cash flow statement, the company, as permitted by Financial Reporting Standard 1 (revised), has not prepared a cash flow statement.

15 Continuing financial support

The company has received a letter of continued financial support from its ultimate parent company, John Martin Holdings Limited. This undertaking has been given until such time as the company is no longer in a net liability position or the company is disposed of outwith the John Martin Holdings Limited group.

16 Ultimate parent company

The ultimate parent company is John Martin Holdings Limited.

The controlling party is considered to be Mr J Martin by virtue of his interest in the shares of the company.

The largest group in which the results of the company are consolidated is that headed by John Martin Holdings Limited. Copies of the group financial statements are available from the company secretary at:

3 Salters Road
Wallyford
Musselburgh
EH21 8JY