

Sandal Motors (Bayern) Limited

Reports and Financial Statements

31 December 2016



Directors

D Bosomworth
T J Simons
J Carter

Secretary

T J Simons

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Bankers

Yorkshire Bank plc
4 Victoria Place
Manor Road
Leeds
LS11 5AE

Registered Office

Dewsbury Road
Wakefield
WF2 9BE

Strategic report

The Directors present their strategic report for the year ended 31 December 2016

Review of the business

The principal activity of the Company during the year was within the motor industry.

Key performance indicators

The key performance indicators during the year are set out below

The Directors are pleased to announce that during the year turnover increased by approximately £1.6million compared with 2015, although there was a reduction in both gross profit and profit before tax.

During 2016 a major refurbishment and extension of the MINI showroom and offices and all customer facing external facilities was completed. Representing a significant reinvestment in the existing facilities, this project involved closing the MINI showroom for nearly 6 months, also 50% of the car park and customer area was occupied by builders for storage and site operations. Despite this significant disruption, detailed planning and organisation enabled the business to continue trading from the site but the works did have a negative impact on business levels, coupled with increased costs.

The principal reason for the increase in turnover was increased sales of new corporate BMW vehicles, although sales of used retail BMW vehicles fell by some 7% in 2016 compared with 2015. The overall level of sales of new and used MINI's fell by 20% compared to 2015; the loss of the MINI showroom and a reduction in used car display areas were the principal reasons for this reduction. The result of the EU referendum also created a period of uncertainty and resulted in reduction in sales levels in the second half of 2016

During this period both service and parts sales grew, but again this aspect of the business suffered during the building works, tempering the growth achieved

Operational expenses increased in 2016, with additional storage and temporary accommodation, as a direct result of the refurbishment, amounting to an extra cost of approximately £111,000. Similarly depreciation increased by £100,000 in this period reflecting the significant investment in both BMW and MINI facilities in 2015 and 2016, with depreciation in 2016 nearly £200,000 more than in 2014.

Strong control and management of the working capital of the business enabled the sound cash position to continue, with all reinvestment funded by cash reserves with no mortgage, leaving the business unencumbered by any bank borrowing.

Average employee numbers increased by 8% compared with 2015 with training costs maintained to further improve and develop standards and strategies appropriate for the long-term success of the company.

Risks and Sensitivity

The principal risks and sensitivity affecting the company's trading activity surround the general demand within the new car market and the impact of any political changes thereon, product availability and model changes and the impact of the economic environment. The Directors seek to manage the sensitivity and cyclical changes to the business through robust processes and a proactive management culture, focusing on all aspects of the business to mitigate these risks wherever possible.



T. Simons
Secretary

28 June 2017

Registered No. 1381018

Directors' report

The directors present their report for the year ended 31 December 2016

Directors

The directors who served the company during the year were as follows:

D Bosomworth

T J Simons

J Carter

Results and dividends

The profit for the year after taxation amounted to £1,230 (2015- profit of £227,202). The directors do not recommend a final dividend (2015 £74,500)

Future Developments

The Directors aim to maintain and enhance the management policies that have resulted in significant growth in recent years and which have enabled the business to remain robust despite the variable economic trading conditions. The outlook for 2017 remains positive and the Directors are confident that the policies and actions deployed will ensure the business continues to operate on a sound financial and operational footing.

The BMW and MINI brands continue to develop exciting and desirable new models. 2016 was a quiet year for new product launches; however the introduction of the hotly anticipated M2 and the introduction of additional hybrid models were well received with demand outstripping what was a limited supply. MINI new models included the new MINI convertible. Several further exciting launches are planned for 2017 and 2018, including an all new BMW 5 Series Saloon in March, followed by the 5 Series Touring in June. Later in the year new BMW X2 and X3 launches are anticipated, although not in significant numbers until 2018, when further important and substantial new models will be launched. In Feb 2017 the new MINI Countryman was launched with a hybrid version to be launched in June 2017

Actions and measures taken to improve operational efficiency, management policies, marketing initiatives and a continuing control of costs, coupled with new model introductions, are assisting the performance of the business in 2017, with profitability and sales in the first trimester of 2017 broadly as anticipated. Accordingly, the Directors anticipate that turnover and operating profit in 2017 will show an improvement on 2016.

Going Concern

The company's business activities, together with the factors likely to affect its future development, financial position and performance, risks and sensitivity are set out in the Strategic Report on page 2.

The company has a positive cash position and several funding lines available, which are currently under-utilised and can be drawn down as required. The properties are all fully paid for and the directors believe that the company is well placed to manage its business risks successfully.

On the basis of the above, the Directors are of the opinion that the company and the group have sufficient evidence and adequate resources to continue in operational existence for the foreseeable future. Accordingly, the annual report and accounts are prepared on the going concern basis.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each

Directors' report

(continued)

director has taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



T J Simons
Secretary

28 June 2017

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 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 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 judgments and 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; and
- 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 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.

Independent auditors' report

to the members of Sandal Motors (Bayern) Limited

We have audited the financial statements of Sandal Motors (Bayern) Limited for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Independent auditors' report

to the members of Sandal Motors (Bayern) Limited (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

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, 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.



Peter Buckler (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

29 June 2016

Income statement

for the year ended 31 December 2016

	Notes	2016 £	2015 £
Turnover	3	74,556,117	72,928,472
Cost of sales		<u>(71,282,993)</u>	<u>(69,143,686)</u>
Gross Profit		3,273,124	3,784,786
Administrative expenses		<u>(3,052,669)</u>	<u>(3,234,920)</u>
Operating Profit	4	220,455	549,866
Interest payable and similar charges	7	<u>(196,580)</u>	<u>(182,138)</u>
Profit on ordinary activities before taxation		23,875	367,728
Tax	8	<u>(22,645)</u>	<u>(90,526)</u>
Profit for the financial year		<u>1,230</u>	<u>277,202</u>

All amounts relate to continuing activities.

Statement of comprehensive income

for the year ended 31 December 2016


	2016 £	2015 £
Profit for the financial year	<u>1,230</u>	<u>277,202</u>
Total comprehensive income for the year	<u>1,230</u>	<u>277,202</u>

Statement of financial position

at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	10	5,929,422	4,988,713
Current assets			
Stock	11	10,088,380	8,975,828
Debtors	12	3,456,988	3,095,010
Cash at bank and in hand		304,727	1,059,231
		<u>13,850,095</u>	<u>13,130,069</u>
Creditors: amounts falling due within one year	13	<u>(12,976,728)</u>	<u>(11,202,405)</u>
Net current assets		<u>873,367</u>	<u>1,927,664</u>
Total assets less current liabilities		<u>6,802,789</u>	<u>6,916,377</u>
Creditors: amounts falling due after more than one year	14	<u>(1,409,158)</u>	<u>(1,527,671)</u>
Provisions for liabilities			
Deferred taxation	8(c)	<u>(96,167)</u>	<u>(92,472)</u>
Net assets		<u><u>5,297,464</u></u>	<u><u>5,296,234</u></u>
Capital and reserves			
Called up share capital	16	50,000	50,000
Profit and loss account		<u>5,247,464</u>	<u>5,246,234</u>
Shareholders' funds		<u><u>5,297,464</u></u>	<u><u>5,296,234</u></u>

Approved by the Board of Directors on 28 June 2017 and signed on its behalf by:



D Bosomworth
Director

Statement of changes in equity

at 31 December 2016

	<i>Notes</i>	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
At 1 January 2015		50,000	5,043,532	5,093,532
Profit for the year			277,202	277,202
Dividend paid		-	(74,500)	(74,500)
At 1 January 2016		50,000	5,246,234	5,296,234
Profit for the year			1,230	1,230
Dividend paid			-	-
At 31 December 2016	16	<u>50,000</u>	<u>5,247,464</u>	<u>5,297,464</u>

Notes to the financial statements

at 31 December 2016

1. Accounting policies

Statement of Compliance

Sandal Motors (Bayern) Limited is a company incorporated in England. The registered office is Dewsbury Road, Wakefield, WF2 9BE.

The company's financial statements have been prepared in compliance with FRS 102.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are prepared in sterling which is the functional currency of the group.

The following disclosure exemptions have been adopted:

- The requirement to present a statement of cash flows and related notes
- The requirements relating to certain disclosures in respect of related party transactions.
- The requirements relating to certain disclosures in respect of key management personnel

Related party transactions

The company has taken advantage of the exemption provided by paragraph 33.1A of FRS102, from disclosing transactions entered into between two or more members of a group where all members are wholly owned.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold property	–	over 50 years
Leasehold property	–	over the lease term
Machinery and equipment	–	8½% - 50% on cost
Motor vehicles	–	25% - 33⅓% on cost
Office equipment	–	25% - 50% on cost

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Vehicles held on consignment from the manufacturer are included in the balance sheet as it is considered that the company enjoys the benefits and carries the risk of ownership. The associated liability is included in trade creditors.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the

Notes to the financial statements

at 31 December 2016

balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Group relief payments

The group takes advantage of provisions within the Taxes Act which enable certain tax benefits available in one group company to be transferred to another group company. Consideration is passed for this benefit based on the cash tax saving of the receiving entity.

Judgements and estimates

The entity makes estimates and judgements concerning the future. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

Used vehicle stock valuation

Vehicle inventories are stated at the lower of cost and net realisable value (fair value less costs to sell). Fair values are assessed using third party industry valuation data supplemented as appropriate by the market intelligence of the management team.

†

Notes to the financial statements

at 31 December 2016

2. Turnover

Turnover represents the amounts receivable from the provision of goods and services, including finance commission, stated net of value added tax.

The turnover and pre-tax profit is wholly attributable to the main activity, as described in the directors' report, and has been generated in the United Kingdom.

Turnover is analysed as follows:

	2016	2015
	£	£
Sales of vehicles	66,934,479	65,625,942
Aftersales & other	7,621,638	7,302,530
	<u>74,556,117</u>	<u>72,928,472</u>

3. Operating Profit

This is stated after charging:

	2016	2015
	£	£
Auditors' remuneration – audit services (company only)	12,000	11,250
– audit services (parent undertaking)	2,000	2,000
– preparation of statutory accounts	1,000	1,000
– taxation services	18,009	4,438
	<u>33,009</u>	<u>18,688</u>
Depreciation of owned fixed assets	325,148	247,948
Depreciation of assets held under finance leases and hire purchase contracts	<u>9,833</u>	<u>4,375</u>
Operating lease rentals – land and buildings	<u>195,000</u>	<u>180,976</u>

Notes to the financial statements

at 31 December 2016

4. Directors' remuneration

	2016 £	2015 £
Remuneration	<u>325,108</u>	<u>335,959</u>
Contributions paid to defined contribution pension schemes	<u>16,836</u>	<u>35,325</u>
	<i>No.</i>	<i>No.</i>
Members of defined contribution pension schemes	<u>3</u>	<u>3</u>

The remuneration, excluding pension contributions, of the highest paid director was £126,010 (2015 – £130,310). The amount of contributions paid into a money purchase scheme on behalf of the highest paid director was £13,200 (2015 – £13,200).

5. Staff costs

	2016 £	2015 £
Wages and salaries	3,547,408	3,426,860
Social security costs	362,235	322,712
Other pension costs	<u>75,752</u>	<u>72,528</u>
	<u>3,985,395</u>	<u>3,822,100</u>

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

	<i>No.</i>	<i>No.</i>
Management, office, sales and workshop	<u>130</u>	<u>120</u>

6. Interest payable and similar charges

	2016 £	2015 £
Bank loans	22,000	30,388
Finance charges payable under finance leases	<u>174,580</u>	<u>151,750</u>
	<u>196,580</u>	<u>182,138</u>

Notes to the financial statements

at 31 December 2016

7. Tax

(a) Tax on profit on ordinary activities

The tax on profit is made up as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax on the profit for the year	22,225	17,294
Adjustments in respect of previous periods	(3,274)	-
Total current tax (note 8(b))	18,951	17,294
Deferred tax:		
Origination and reversal of timing differences	11,853	83,507
Adjustment in respect of previous years	(1,317)	-
Change in rate of deferred tax	(6,842)	(10,275)
Total deferred tax (note 8(c))	3,695	73,232
Tax on profit on ordinary activities	22,645	90,526

(b) Factors affecting the current tax liability for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.0% (2015 – 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	23,875	367,728
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.0 % (2015 – 20.25%)	4,775	73,546
Effects of:		
Expenses not deductible for tax purposes	29,302	27,255
Adjustments in respect of previous periods	(4,590)	-
Change in rate of deferred tax	(6,842)	(10,275)
Current tax for the year (note 8(a))	22,645	90,526

(c) Deferred tax

	2016 £	2015 £
Capital allowances in advance of depreciation	96,167	92,472

Notes to the financial statements

at 31 December 2016

7. Tax (continued)

(c) Deferred tax (continued)

	£
At 1 January 2016	92,472
Profit and loss account movement arising during the year	5,011
Adjustments in respect of previous periods	(1,316)
At 31 December 2016	<u>96,167</u>

(d) Factors that may affect future tax charges

The 2015 Summer Finance Bill, which was substantively enacted in October 2015, included provisions to reduce the main rate of UK corporation tax to 19% effective from 1 April 2017 and 18% with effect from 1 April 2020. Accordingly 18% has been applied when calculating deferred tax assets and liabilities as at 31 December 2015.

8. Dividends

	2016 £	2015 £
Dividend declared on ordinary shares	<u>-</u>	<u>74,500</u>

9. Tangible fixed assets

	<i>Freehold land and buildings</i> £	<i>Leasehold land and property</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost:					
At 1 January 2016	4,836,147	340,200	2,705,824	113,999	7,996,170
Additions	647,546	-	580,883	79,007	1,307,436
Disposals	-	-	-	(36,250)	(36,250)
At 31 December 2016	<u>5,483,693</u>	<u>340,200</u>	<u>3,286,707</u>	<u>156,756</u>	<u>9,267,356</u>
Depreciation:					
At 1 January 2016	694,678	40,200	2,188,251	84,328	3,007,457
Charge for the year	135,725	-	206,794	9,833	352,352
Disposals	-	-	-	(21,875)	(21,875)
At 31 December 2016	<u>830,403</u>	<u>40,200</u>	<u>2,395,045</u>	<u>72,286</u>	<u>3,337,934</u>
Net book value:					
At 31 December 2016	<u>4,653,290</u>	<u>300,000</u>	<u>891,662</u>	<u>84,470</u>	<u>5,929,422</u>
At 1 January 2016	<u>4,141,469</u>	<u>300,000</u>	<u>517,573</u>	<u>29,671</u>	<u>4,988,713</u>

The net book value of machinery and equipment and motor vehicles above includes an amount of £84,470 (2015 – £18,750) in respect of assets held under finance leases.

Notes to the financial statements

at 31 December 2016

10. Stock

	2016 £	2015 £
Vehicles on consignment	1,196,096	2,221,045
Other vehicles	8,534,230	6,445,332
Other stocks	358,054	309,451
	<u>10,088,380</u>	<u>8,975,828</u>

Stocks recognised as an expense in the period were £64,124,602 (2015: £ 62,887,736)

11. Debtors

	2016 £	2015 £
Trade debtors	1,760,036	1,504,454
Amounts owed by group undertakings	887,742	760,640
Other debtors	28,827	12,891
Prepayments and accrued income	780,383	817,025
	<u>3,456,988</u>	<u>3,095,010</u>

12. Creditors: amounts falling due within one year

	2016 £	2015 £
Obligations under finance leases (note 15)	7,405,273	4,433,419
Trade creditors	4,865,951	5,927,385
Taxes and social security costs	89,709	167,578
Other creditors	146,859	124,054
Accruals and deferred income	468,936	549,969
	<u>12,976,728</u>	<u>11,202,405</u>

Included within trade creditors are amounts totalling £1,196,096 (2015 – £2,221,045) due to BMW Finance (GB) Limited in respect of consignment stock. These are secured by fixed and floating charges on the assets of the company. These loans are principally stocking loans.

13. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Directors' loans	1,409,158	1,527,671
	<u>1,409,158</u>	<u>1,527,671</u>

Notes to the financial statements

at 31 December 2016

14. Obligations under finance leases and hire purchase contracts

The maturity of these amounts is as follows:

	2016	2015
	£	£
Amounts payable:		
Within one year	7,405,274	4,433,419
	<u>7,405,274</u>	<u>4,433,419</u>

The total balance of £ 7,405,274 (2015 – £4,433,419) is secured on specific stock vehicles

15. Issued share capital

	No.	2016	No.	2015
		£		£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	50,000	<u>50,000</u>	50,000	<u>50,000</u>

16. Other financial commitments

At 31 December 2016, the future minimum rentals payable under non-cancellable operating leases are as follows:

	<i>Land and buildings</i>	
	2016	2015
	£	£
Within one year:	195,000	195,000
In two to five years	48,750	243,750
In over five years	-	-

Notes to the financial statements

at 31 December 2016

17. Related party transactions

Transactions with directors:

Included within creditors due after more than one year are loans made by the directors, D Bosomworth and T J Simons and by a close family member of a director, D Bosomworth. Interest is charged at the Bank of England base rate plus a commercial interest premium. There are no fixed terms for repayment.

In addition, there is an amount owed from a director, D Bosomworth, of £4,922 (2015 – £3,548). Movements on the loan account are as follows:

	£
Amount owing at 1 January 2016	3,548
Movements during the year	1,374
Amount owing at 31 December 2016	<u>4,922</u>

Other related party balances are analysed as follows:

	2016	2015
	£	£
Amounts due from parent	812,338	504,536
Amounts due from fellow group undertakings	40,279	256,106
	<u>852,617</u>	<u>760,642</u>

18. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking and controlling party is Findpath Limited, a company incorporated in England and Wales. Copies of the group financial statements are available from Sandal Motors, Dewsbury Road, Wakefield, WF2 9BE.