

REGISTERED NUMBER: 01381670 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

FOR

STARTIN TRACTORS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4
Income Statement	5
Other Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11

STARTIN TRACTORS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS: Mrs J M Startin
Mr J E Startin

SECRETARY: Mrs J M Startin

REGISTERED OFFICE: The Grange
Croxall
Lichfield
Staffordshire
WS13 8RB

BUSINESS ADDRESS: Ashby Road
Twycross
Atherstone
Warwickshire
CV9 3PW

REGISTERED NUMBER: 01381670 (England and Wales)

AUDITORS: Philip Barnes & Co Limited
Chartered Accountants
Statutory Auditors
The Old Council Chambers
Halford Street
Tamworth
Staffordshire
B79 7RB

BANKERS: Lloyds Bank plc
17 George Street
Tamworth
Staffordshire
B79 7LW

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

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

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive 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.

As a main tractor dealer, the company continues to deal in new and used agricultural machinery, provide servicing, repairs and spares. The company's activities can be classified into the following divisions:-

Sales of new and used tractors and machinery
Sales of spare parts
Servicing and repairs

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross margin.

The directors are satisfied with the results for the year in all divisions.

The profit and loss account on page 5 shows the profit before tax has increased from £402,175 to £783,569.

PRINCIPAL RISKS AND UNCERTAINTIES

As for many businesses in our industry, the business environment in which we operate continues to be challenging.

ON BEHALF OF THE BOARD:

Mr J E Startin - Director

5 July 2017

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Mrs J M Startin
Mr J E Startin

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 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;
- 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.

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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Philip Barnes & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr J E Startin - Director

5 July 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STARTIN TRACTORS LIMITED

We have audited the financial statements of Startin Tractors Limited for the year ended 31 December 2016 on pages five to sixteen. 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 Financial Reporting Standard 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on 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; 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 our audit, the information given in the 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 has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Matters on which we are required to report by exception

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.

Christopher Humphreys FCA (Senior Statutory Auditor)
for and on behalf of Philip Barnes & Co Limited
Chartered Accountants
Statutory Auditors
The Old Council Chambers
Halford Street
Tamworth
Staffordshire
B79 7RB

5 July 2017

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER	3	10,463,104	8,914,805
Cost of sales		<u>8,507,176</u>	<u>7,371,825</u>
GROSS PROFIT		1,955,928	1,542,980
Administrative expenses		<u>1,174,180</u>	<u>1,143,854</u>
OPERATING PROFIT	5	781,748	399,126
Interest receivable and similar income		<u>1,821</u>	<u>3,049</u>
PROFIT BEFORE TAXATION		783,569	402,175
Tax on profit	6	<u>157,740</u>	<u>83,655</u>
PROFIT FOR THE FINANCIAL YEAR		<u>625,829</u>	<u>318,520</u>

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		625,829	318,520
OTHER COMPREHENSIVE INCOME			
		-	525
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	525
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>625,829</u>	<u>319,045</u>

STARTIN TRACTORS LIMITED (REGISTERED NUMBER: 01381670)**BALANCE SHEET**
31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	7		393,377		469,665
CURRENT ASSETS					
Stocks	8	3,885,637		4,982,470	
Debtors	9	1,541,941		977,156	
Cash at bank and in hand		<u>3,715,251</u>		<u>2,849,520</u>	
		9,142,829		8,809,146	
CREDITORS					
Amounts falling due within one year	10	<u>1,052,721</u>		<u>1,433,155</u>	
NET CURRENT ASSETS			<u>8,090,108</u>		<u>7,375,991</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,483,485		7,845,656
PROVISIONS FOR LIABILITIES	11		<u>31,000</u>		<u>19,000</u>
NET ASSETS			<u>8,452,485</u>		<u>7,826,656</u>
CAPITAL AND RESERVES					
Called up share capital	12		8,925		8,925
Share premium	13		59,500		59,500
Capital redemption reserve	13		1,575		1,575
Retained earnings	13		<u>8,382,485</u>		<u>7,756,656</u>
SHAREHOLDERS' FUNDS			<u>8,452,485</u>		<u>7,826,656</u>

The financial statements were approved by the Board of Directors on 5 July 2017 and were signed on its behalf by:

Mr J E Startin - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2015	9,450	7,438,136	59,500	1,050	7,508,136
Changes in equity					
Issue of share capital	(525)	-	-	-	(525)
Total comprehensive income	-	318,520	-	525	319,045
Balance at 31 December 2015	8,925	7,756,656	59,500	1,575	7,826,656
Changes in equity					
Total comprehensive income	-	625,829	-	-	625,829
Balance at 31 December 2016	8,925	8,382,485	59,500	1,575	8,452,485

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	917,102	1,119,681
Tax paid		<u>(114,071)</u>	<u>(21,396)</u>
Net cash from operating activities		<u>803,031</u>	<u>1,098,285</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,281)	(27,603)
Sale of tangible fixed assets		81,050	186,300
Interest received		<u>1,821</u>	<u>3,049</u>
Net cash from investing activities		<u>72,590</u>	<u>161,746</u>
Cash flows from financing activities			
Capital repayments in year		-	(127,000)
Amount introduced by directors		-	14,702
Amount withdrawn by directors		<u>(9,890)</u>	<u>-</u>
Net cash from financing activities		<u>(9,890)</u>	<u>(112,298)</u>
Increase in cash and cash equivalents		<u>865,731</u>	<u>1,147,733</u>
Cash and cash equivalents at beginning of year	2	2,849,520	1,701,787
Cash and cash equivalents at end of year	2	<u>3,715,251</u>	<u>2,849,520</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016	2015
	£	£
Profit before taxation	783,569	402,175
Depreciation charges	65,762	129,934
Profit on disposal of fixed assets	(60,243)	(97,188)
Finance income	(1,821)	(3,049)
	<u>787,267</u>	<u>431,872</u>
Decrease in stocks	1,096,833	1,153,858
Increase in trade and other debtors	(564,785)	(511,820)
(Decrease)/increase in trade and other creditors	(402,213)	45,771
Cash generated from operations	<u><u>917,102</u></u>	<u><u>1,119,681</u></u>

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 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u>3,715,251</u>	<u>2,849,520</u>

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	<u><u>2,849,520</u></u>	<u><u>1,701,787</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. STATUTORY INFORMATION

Startin Tractors 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 Company 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 significant accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

Significant judgements and estimates

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from those estimates. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The company exercises judgement on the level of stock provisioning based on its knowledge of the trade and past experience.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding value added tax. The policies adopted for the recognition of turnover are:

Sale of goods

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer. This is usually the point at which the customer has signed for or taken delivery of the goods.

Rendering of services

When the outcome of a transaction can be estimated reliably, turnover from the rendering of services is recognised by reference to the stage of completion at the balance sheet date.

Tangible fixed assets

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

Freehold property	- 2% on cost
Plant and machinery	- 50% on reducing balance and 15% reducing balance
Fixtures and fittings	- 25% on cost and 15% reducing balance
Motor vehicles	- 25% reducing balance

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**2. ACCOUNTING POLICIES - continued****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.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	9,162,974	8,147,310
Europe	970,404	507,971
Other countries	329,726	259,524
	<u>10,463,104</u>	<u>8,914,805</u>

4. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	968,975	843,740
Social security costs	113,178	95,431
Other pension costs	55,448	167,593
	<u>1,137,601</u>	<u>1,106,764</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**4. EMPLOYEES AND DIRECTORS - continued**

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

	2016	2015
Management and administration	7	7
Sales and service	20	20
	<u>27</u>	<u>27</u>
	2016	2015
	£	£
Directors' remuneration	<u>20,596</u>	<u>20,590</u>

5. OPERATING PROFIT

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

	2016	2015
	£	£
Depreciation - owned assets	65,762	84,267
Depreciation - assets on hire purchase contracts or finance leases	-	45,667
Profit on disposal of fixed assets	(60,243)	(97,188)
Audit	4,400	4,300
Foreign exchange differences	<u>(7,456)</u>	<u>(1,605)</u>

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

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	145,740	114,655
Deferred tax	12,000	(31,000)
Tax on profit	<u>157,740</u>	<u>83,655</u>

UK corporation tax has been charged at 20% (2015 - 20.25%).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

6. TAXATION - continued

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:

	2016 £	2015 £
Profit before tax	<u>783,569</u>	<u>402,175</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.247%)	156,714	81,428
Effects of:		
Expenses not deductible for tax purposes	588	888
Marginal relief	-	(113)
Other	<u>438</u>	<u>1,452</u>
Total tax charge	<u>157,740</u>	<u>83,655</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2015 Tax £	Net £
Purchase of own shares	<u>525</u>	<u>-</u>	<u>525</u>

The standard rate of corporation tax is unchanged from the previous period. From 1 April 2017 the main rate of corporation tax has reduced to 19%.

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2016	271,408	291,493	91,980	465,836	1,120,717
Additions	-	2,411	7,870	-	10,281
Disposals	-	(168,500)	(6,249)	(20,449)	(195,198)
At 31 December 2016	<u>271,408</u>	<u>125,404</u>	<u>93,601</u>	<u>445,387</u>	<u>935,800</u>
DEPRECIATION					
At 1 January 2016	63,001	248,307	78,384	261,360	651,052
Charge for year	4,894	7,095	2,698	51,075	65,762
Eliminated on disposal	-	(149,378)	(6,207)	(18,806)	(174,391)
At 31 December 2016	<u>67,895</u>	<u>106,024</u>	<u>74,875</u>	<u>293,629</u>	<u>542,423</u>
NET BOOK VALUE					
At 31 December 2016	<u>203,513</u>	<u>19,380</u>	<u>18,726</u>	<u>151,758</u>	<u>393,377</u>
At 31 December 2015	<u>208,407</u>	<u>43,186</u>	<u>13,596</u>	<u>204,476</u>	<u>469,665</u>

Included in freehold property is freehold land of approximately £135,000 (2015 - £135,000) which is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

8. STOCKS

	2016	2015
	£	£
Stocks	<u>3,885,637</u>	<u>4,982,470</u>

All stocks are expensed as cost of sales.

9. DEBTORS

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	347,215	856,371
Other debtors	638,593	49,910
Other taxation receivable	35,601	51,453
Prepayments	<u>20,532</u>	<u>19,422</u>
	<u>1,041,941</u>	<u>977,156</u>

Amounts falling due after more than one year:

Other debtors	<u>500,000</u>	<u>-</u>
---------------	----------------	----------

Aggregate amounts	<u>1,541,941</u>	<u>977,156</u>
-------------------	------------------	----------------

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	570,640	993,006
Corporation tax	145,740	114,071
Social security and other taxes	49,719	34,619
Other creditors	4,615	10,418
Directors' current accounts	12,222	22,112
Accruals	<u>269,785</u>	<u>258,929</u>
	<u>1,052,721</u>	<u>1,433,155</u>

11. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>31,000</u>	<u>19,000</u>

	Deferred tax
	£
Balance at 1 January 2016	19,000
Accelerated capital allowances	<u>12,000</u>
Balance at 31 December 2016	<u>31,000</u>

The amount of net reversal of deferred tax expected to occur next year is £1,000 relating to the reversal of existing timing differences on tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**12. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
		£1	£	£
8,925	Ordinary £1		<u>8,925</u>	<u>8,925</u>

13. RESERVES

	Retained earnings	Share premium	Capital redemption reserve	Totals
	£	£	£	£
At 1 January 2016	7,756,656	59,500	1,575	7,817,731
Profit for the year	<u>625,829</u>			<u>625,829</u>
At 31 December 2016	<u>8,382,485</u>	<u>59,500</u>	<u>1,575</u>	<u>8,443,560</u>

14. RELATED PARTY DISCLOSURES**Entities with control, joint control or significant influence over the entity**

	2016	2015
	£	£
Amounts due to related parties	<u>12,222</u>	<u>22,112</u>

Other related parties

	2016	2015
	£	£
Sales	78,580	734,601
Purchases	58,500	135,500
Transfers	500,000	-
Amounts due from related parties	<u>1,141,542</u>	<u>687,309</u>

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr J Startin by virtue of his majority shareholding.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.