

Company Registration No. 06628091 (England and Wales)

GEMINI REPAIRS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 23 DECEMBER 2015

MICHAEL KAY
— & —
COMPANY



GEMINI REPAIRS LIMITED

COMPANY INFORMATION

Directors	T S Hopkins A J Hopkins D J Sargeant P Coleman
Company number	06628091
Registered office	2 Water Court Water Street Birmingham West Midlands B3 1HP
Auditors	Michael Kay & Company Limited 2 Water Court Water Street Birmingham West Midlands B3 1HP
Business address	Gemini House Gemini Business Park Stourport Road Kidderminster DY11 7QL
Bankers	Barclays Bank Plc One Snowhill Snow Hill Queensway Birmingham B3 2WN
Solicitors	MFG Solicitors Adam House Birmingham Road Kidderminster Worcestershire DY10 2SA

GEMINI REPAIRS LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9
Notes to the financial statements	10 - 21

GEMINI REPAIRS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 23 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 23 December 2015.

Review of the business

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and nature of the business and is written in the context of risks and uncertainties faced.

The company is a motor accident repairer with multiple garages.

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, gross margin and operating profit.

During the year turnover increased by 30% to £12,701,004 while gross profit margin was £5,312,667 or 41.82% (2014 £4,179,395 42.76%).

Operating profit was £71,038 (2014 £194,623).

The Directors are satisfied with the results for the year, which are in line with expectations. The Gemini Group has experienced rapid expansion in the last two years, most notably the acquisition of the subsidiary company ADR Accident Repair Centres Limited on 24 August 2015, and this has placed significant pressures on profit margins but these should ease once the new garages become more firmly established within the group.

The business environment in which we operate continues to be challenging. The motor accident repairs market in the UK is highly competitive. In addition we are of course subject to consumer spending patterns and consumers' overall level of disposable income within the economy.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

Overall the directors are satisfied with the results for the year.

On behalf of the board

T S Hopkins
Director

20 September 2016



GEMINI REPAIRS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 23 DECEMBER 2015

The directors present their report and financial statements for the year ended 23 December 2015.

Principal activities

The principal activity of the company was that of motor vehicle repair work.

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 24 December 2014:

T S Hopkins
A J Hopkins
D J Sargeant
P Coleman

Financial instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the businesses.

Interest rate risk

The company is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans.

Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Auditors

In accordance with the company's articles, a resolution proposing that Michael Kay & Company Limited be reappointed as auditors of the company will be put at a General Meeting.

GEMINI REPAIRS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2015

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 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.

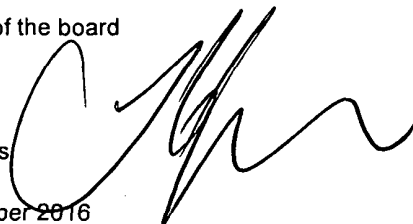
Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

T S Hopkins
Director

20 September 2016



GEMINI REPAIRS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GEMINI REPAIRS LIMITED

We have audited the financial statements of GEMINI REPAIRS LIMITED for the year ended 23 December 2015 set out on pages 6 to 21. 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).

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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, 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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 23 December 2015 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.

In our opinion the company is not entitled to the exemption from preparing group accounts conferred by section 399 of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GEMINI REPAIRS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF GEMINI REPAIRS LIMITED

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.

Michael Kay (Senior Statutory Auditor)
for and on behalf of Michael Kay & Company Limited

20 September 2016

Chartered Accountants
Statutory Auditor

2 Water Court
Water Street
Birmingham
West Midlands
B3 1HP

GEMINI REPAIRS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 23 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	2	12,701,004	9,774,603
Cost of sales		(7,388,337)	(5,595,208)
Gross profit		5,312,667	4,179,395
Distribution costs		(837,352)	(672,625)
Administrative expenses		(4,404,277)	(3,312,147)
Operating profit	3	71,038	194,623
Interest payable and similar charges	4	(49,755)	(37,194)
Profit on ordinary activities before taxation		21,283	157,429
Tax on profit on ordinary activities	5	-	-
Profit for the year	15	21,283	157,429

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

GEMINI REPAIRS LIMITED

BALANCE SHEET

AS AT 23 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	6	-		1	
Tangible assets	7	1,131,226		1,077,616	
Investments	8	100		-	
		<u>1,131,326</u>		<u>1,077,617</u>	
Current assets					
Stocks	9	338,018		335,182	
Debtors	10	2,767,802		1,087,816	
Cash at bank and in hand		7,768		7,220	
		<u>3,113,588</u>		<u>1,430,218</u>	
Creditors: amounts falling due within one year	11	<u>(3,215,717)</u>		<u>(1,990,223)</u>	
Net current liabilities			(102,129)		(560,005)
Total assets less current liabilities			<u>1,029,197</u>		<u>517,612</u>
Creditors: amounts falling due after more than one year	12		<u>(721,731)</u>		<u>(231,427)</u>
			<u>307,466</u>		<u>286,185</u>
Capital and reserves					
Called up share capital	14	1,000		1,000	
Profit and loss account	15	306,466		285,185	
Shareholders' funds	16	<u>307,466</u>		<u>286,185</u>	

Approved by the Board and authorised for issue on 20 September 2016

T S Hopkins
Director

Company Registration No. 06628091

GEMINI REPAIRS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 23 DECEMBER 2015

	£	2015 £	£	2014 £
Net cash (outflow)/inflow from operating activities		(886,111)		357,970
Returns on investments and servicing of finance				
Interest paid	(28,350)		(13,393)	
Interest element of finance lease rentals	(21,405)		(23,801)	
Net cash outflow for returns on investments and servicing of finance		(49,755)		(37,194)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(240,855)		(340,452)	
Payments to acquire investments	(100)		-	
Net cash outflow for capital expenditure		(240,955)		(340,452)
Acquisitions and disposals				
Purchase of subsidiary undertakings (net of cash acquired)	(2,536)		-	
Net cash outflow for acquisitions and disposals		(2,536)		-
Net cash outflow before management of liquid resources and financing		(1,179,357)		(19,676)
Financing				
New long term bank loan	150,000		-	
Other new long term loans	666,667		-	
Other new short term loans	333,333		-	
Repayment of long term bank loan	(79,147)		(38,006)	
Repayment of other long term loans	(232,885)		(14,975)	
Capital element of hire purchase contracts	(40,120)		(117,551)	
Net cash inflow/(outflow) from financing		797,848		(170,532)
Decrease in cash in the year		(381,509)		(190,208)

GEMINI REPAIRS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 23 DECEMBER 2015

1 Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2015	2014
	£	£
Operating profit	71,038	194,623
Depreciation of tangible assets	187,244	139,336
Amortisation of intangible assets	-	2,464
Increase in stocks	(2,836)	(205,390)
Increase in debtors	(1,677,146)	(388,672)
Increase in creditors within one year	535,589	615,609
Net cash (outflow)/inflow from operating activities	(886,111)	357,970

2 Analysis of net debt	24 December 2014	Cash flow	Other non-cash changes	23 December 2015
	£	£	£	£
Net cash:				
Cash at bank and in hand	7,220	548	-	7,768
Bank overdrafts	(86,042)	(382,057)	-	(468,099)
	<u>(78,822)</u>	<u>(381,509)</u>	<u>-</u>	<u>(460,331)</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(115,855)	40,120	-	(75,735)
Debts falling due within one year	(39,247)	(324,086)	-	(363,333)
Debts falling due after one year	(166,951)	(513,882)	-	(680,833)
	<u>(322,053)</u>	<u>(797,848)</u>	<u>-</u>	<u>(1,119,901)</u>
Net debt	(400,875)	(1,179,357)	-	(1,580,232)

3 Reconciliation of net cash flow to movement in net debt	2015	2014
	£	£
Decrease in cash in the year	(381,509)	(190,208)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(797,848)	70,032
Movement in net debt in the year	(1,179,357)	(120,176)
Opening net debt	(400,875)	(280,699)
Closing net debt	(1,580,232)	(400,875)

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 23 DECEMBER 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	10% straight line
Plant and machinery	10% straight line
Fixtures, fittings & equipment	10% to 25% straight line
Motor vehicles	20% straight line

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

Revenue not billed to customers is included in stock and work in progress at its net realisable value.

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

1 Accounting policies (Continued)

1.9 Revenue recognition

Income represents revenue earned under a wide variety of contracts to provide vehicle repair services. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to customers, including materials and labour but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

Income that is contingent on events outside the control of the company is recognised when the contingent event occurs.

1.10 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2015 £	2014 £
Operating profit is stated after charging:		
Amortisation of intangible assets	-	2,464
Depreciation of tangible assets	187,244	139,336
Operating lease rentals	375,585	262,916
Auditors' remuneration (including expenses and benefits in kind)	6,000	-
	<u> </u>	<u> </u>

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

4	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	19,034	2,677
	On other loans wholly repayable within five years	575	3,241
	Lease finance charges and hire purchase interest	30,146	31,276
		<u>49,755</u>	<u>37,194</u>
		<u><u>49,755</u></u>	<u><u>37,194</u></u>
5	Taxation	2015	2014
		£	£
	Total current tax	-	-
		<u>-</u>	<u>-</u>
		<u><u>-</u></u>	<u><u>-</u></u>
	 Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	21,283	157,429
		<u>21,283</u>	<u>157,429</u>
		<u><u>21,283</u></u>	<u><u>157,429</u></u>
	 Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 20.00%)	4,257	31,486
		<u>4,257</u>	<u>31,486</u>
	 Effects of:		
	Tax losses utilised	(4,257)	(31,486)
		<u>(4,257)</u>	<u>(31,486)</u>
		<u><u>(4,257)</u></u>	<u><u>(31,486)</u></u>
	 Current tax charge for the year	-	-
		<u>-</u>	<u>-</u>
		<u><u>-</u></u>	<u><u>-</u></u>

The company has estimated losses of £ 160,428 (2014 - £ 200,059) available for carry forward against future trading profits.

On the basis of these financial statements no provision has been made for corporation tax.

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

6 Intangible fixed assets

	Goodwill £
Cost	
At 24 December 2014 & at 23 December 2015	73,748
Amortisation	
At 24 December 2014 & at 23 December 2015	73,748
Net book value	
At 23 December 2015	-
At 23 December 2014	1

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

7 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 24 December 2014	193,659	975,641	248,201	194,718	1,612,219
Additions	80,048	106,197	50,610	4,000	240,855
At 23 December 2015	273,707	1,081,838	298,811	198,718	1,853,074
Depreciation					
At 24 December 2014	68,239	275,731	117,896	72,738	534,604
Charge for the year	26,872	99,094	28,949	32,329	187,244
At 23 December 2015	95,111	374,825	146,845	105,067	721,848
Net book value					
At 23 December 2015	178,596	707,013	151,966	93,651	1,131,226
At 23 December 2014	125,420	699,911	130,305	121,980	1,077,616

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2015

7 Tangible fixed assets

(Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 23 December 2015	36,256	73,071	109,327
At 23 December 2014	213,720	98,265	311,985
Depreciation charge for the year			
At 23 December 2015	3,497	25,194	28,691
At 23 December 2014	29,749	20,784	50,533

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 24 December 2014	-
Additions	100
At 23 December 2015	100
Net book value	
At 23 December 2015	100

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
ADR Accident Repair Centres Limited	UK	Ordinary	100.00

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

8 Fixed asset investments

(Continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
	Principal activity		
ADR Accident Repair Centres Limited	Motor accident repairs	171,645	6,142,945
9 Stocks		2015 £	2014 £
Finished goods and goods for resale		338,018	335,182
10 Debtors		2015 £	2014 £
Trade debtors		1,433,272	822,552
Other debtors		1,132,538	30,000
Prepayments and accrued income		201,992	235,264
		2,767,802	1,087,816
11 Creditors: amounts falling due within one year		2015 £	2014 £
Bank loans and overdrafts		498,099	125,289
Net obligations under finance leases and hire purchase contracts		34,837	51,379
Trade creditors		1,225,075	1,238,041
Taxes and social security costs		620,681	358,566
Other creditors		589,947	215,698
Accruals and deferred income		247,078	1,250
		3,215,717	1,990,223

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

12 Creditors: amounts falling due after more than one year	2015 £	2014 £
Bank loans	97,500	17,400
Other loans	583,333	149,551
Net obligations under finance leases and hire purchase contracts	40,898	64,476
	<u>721,731</u>	<u>231,427</u>
Analysis of loans		
Wholly repayable within five years	1,044,166	206,198
	<u>1,044,166</u>	<u>206,198</u>
Included in current liabilities	(363,333)	(39,247)
	<u>680,833</u>	<u>166,951</u>
Loan maturity analysis		
In more than one year but not more than two years	363,333	169,951
In more than two years but not more than five years	317,500	-
	<u>680,833</u>	<u>169,951</u>
Bank loans and overdrafts totalling £595,599 (2014 £142,689) are secured by a debenture as well as a personal guarantee of £300,000 from certain directors of the company.		
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	34,837	51,379
Repayable between one and five years	43,764	64,476
	<u>78,601</u>	<u>115,855</u>
Included in liabilities falling due within one year	(34,837)	(51,379)
	<u>43,764</u>	<u>64,476</u>

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

13 Retirement Benefits

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

At the year-end contributions totalling £41,585 (2014 £8,763) were in arrears.

	2015 £	2014 £
Contributions payable by the company for the year	28,464	4,219

14 Share capital

Allotted, called up and fully paid

	2015 £	2014 £
450 A Ordinary of £1 each	450	450
450 B Ordinary of £1 each	450	450
100 C Ordinary of £1 each	100	100
	1,000	1,000

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 24 December 2014	285,183
Profit for the year	21,283
Balance at 23 December 2015	306,466

16 Reconciliation of movements in Shareholders' funds

	2015 £	2014 £
Profit for the financial year	21,283	157,429
Opening Shareholders' funds	286,185	128,756
Closing Shareholders' funds	307,466	286,185

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2015

17 Financial commitments

At 23 December 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 23 December 2016:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Operating leases which expire:				
Within one year	65,117	-	376,751	174,181
Between two and five years	61,100	58,600	103,739	78,275
In over five years	238,743	168,743	-	-
	<u>364,960</u>	<u>227,343</u>	<u>480,490</u>	<u>252,456</u>

18 Directors' remuneration

	2015	2014
	£	£
Remuneration for qualifying services	172,365	148,478
Company pension contributions to defined contribution schemes	729	-
	<u>173,094</u>	<u>148,478</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 0).

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 23 DECEMBER 2015

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Head office administration	12	5
Directors	4	4
Other	142	118
	<u>158</u>	<u>127</u>

Employment costs

	2015 £	2014 £
Wages and salaries	2,064,029	1,572,097
Social security costs	381,036	303,915
Other pension costs	28,464	4,219
	<u>2,473,529</u>	<u>1,880,231</u>

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

20 Acquisition of subsidiary undertaking

On 24th August 2015 Gemini Repairs Limited acquired 100% of the ordinary shares in ADR Accident Repair Centres Limited, which has its next period-end at 23 December 2015. As Gemini Repairs Limited is a medium sized company it would normally be expected to prepare group consolidated accounts to include the subsidiary trading for the period from acquisition to 23rd December 2015. However the directors of Gemini Repairs Limited have been unable to obtain the information necessary from the previous business owners to prepare accounts on a true and fair basis for ADR Accident Repair Centres Limited for the period ended 23 December 2015 and thus they have decided not to consolidate the results of the subsidiary as this would also prevent a true and fair view of the parent company's financial position.

The Balance Sheet position of ADR Accident Repair Centres at 24 August 2015 on acquisition consisted of the following:-

	£
Fixed assets	887,668
Current assets	1,140,459
Creditors: amounts falling due within one year	(1,396,543)
Net assets	<u>631,584</u>

The acquisition was funded entirely through a cash consideration which was made up as follows:-

	£
Net assets book value at 24 August 2015	631,584
Negative goodwill	(329,463)
Net consideration	<u>302,121</u>

At the year-end £299,585 of the consideration was still due to be paid.

The subsidiary company results for the year ended 23 December 2015 were as follows:-

	£
Trading loss prior to acquisition	(2,924,050)
Exceptional liabilities written off on acquisition	9,676,870
Sales after acquisition	7,302,529
Cost of sales after acquisition	(4,916,757)
Administration and distribution costs after acquisition	(2,993,435)
Interest payable after acquisition	(2,212)
Profit for the year to 23 December 2015	<u>6,142,945</u>

GEMINI REPAIRS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 23 DECEMBER 2015

20 Acquisition of subsidiary undertaking

(Continued)

The acquisition method of accounting has been adopted.

21 Related party relationships and transactions

Advances and credits to directors

Advances and credits granted to the directors during the year are outlined in the table below:

	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Advances to directors	-	(149,551)	150,336	-	-	785
		<u>(149,551)</u>	<u>150,336</u>	<u>-</u>	<u>-</u>	<u>785</u>

During the period the company paid rent and service charges totalling £151,011 (2014 £39,316) to Gemini Properties (UK) Limited, a company in which T S Hopkins and A J Hopkins are shareholders and directors. At the year end £224,075 (2014 £27,544) was owed to Gemini Repairs Limited.

At the year-end £904,621 was owed to Gemini Repairs Limited by its subsidiary company ADR Accident Repair Centres Limited in respect of loans advanced since the acquisition of the subsidiary on 24 August 2015.