

Company Registration No. 00586621 (England and Wales)

HAWKINS MOTORS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

HAWKINS MOTORS LIMITED

COMPANY INFORMATION

Directors Mr W A J Hawkins
 Mrs W M Hawkins
 Mr W J Hawkins
 Mr A J Hawkins

Company number 00586621

Auditor Phillips Frith LLP
 9 Tregarne Terrace
 St Austell
 Cornwall
 PL25 4DD

HAWKINS MOTORS LIMITED

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HAWKINS MOTORS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The directors present the strategic report for the year ended 30 June 2016.

Fair review of the business

We consider that our key financial performance indicators are those that communicate the financial performance and strengths of the company as a whole, these being turnover and net profit.

The 2016 year has once again been a challenging one for the motor trade in which to maintain sales and profitability. As a result of focusing on core values and assisted by the continued growth of the franchises and customer support, the directors are pleased to report an increase in sales.

Manufacturers now have greater scope to select their dealership network which means that stricter compliance with manufacturers requirements is necessary. This has financial implications for dealerships and the Hawkins group ensure that sufficient funds are available to ensure full compliance.

At present the group trades from nine different locations throughout Cornwall and holds six different franchises as well as having a centralised parts hub. The directors believe that this diversification provides the best model for continued success.

Principal risks and uncertainties

Whilst conscious of the risks and uncertainties referred to above the directors are nevertheless confident that the company is strongly placed to take advantage of future opportunities having no external borrowing and a well diversified selection of dealer franchises.

Other information and explanations

The company has no external borrowing. In view of the uncertainties inherent in the motor industry, it is the directors' intention to avoid reliance on external financing.

On behalf of the board

Mr W J Hawkins

Director

7 December 2016

HAWKINS MOTORS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The directors present their annual report and financial statements for the year ended 30 June 2016.

The principal activity of the company continued to be that of a motor dealership.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr W A J Hawkins
Mrs W M Hawkins
Mr W J Hawkins
Mr A J Hawkins

Results and dividends

The results for the year are set out on page 5.

Ordinary dividends were paid amounting to £700,000. The directors do not recommend payment of a further dividend.

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 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 auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

Strategic Report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 is included in the Strategic Report on page 1.

On behalf of the board

Mr W J Hawkins
Director
7 December 2016

HAWKINS MOTORS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAWKINS MOTORS LIMITED

We have audited the financial statements of Hawkins Motors Limited for the year ended 30 June 2016 set out on pages 5 to 18. 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 Directors' Responsibilities Statement set out on page 2, 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 30 June 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 matters prescribed by the Companies Act 2006

In our opinion 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.

HAWKINS MOTORS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HAWKINS MOTORS 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.

Mr Ian Chalmers (Senior Statutory Auditor)
for and on behalf of Phillips Frith LLP

8 December 2016

Chartered Accountants
Statutory Auditor

9 Tregarne Terrace
St Austell
Cornwall
PL25 4DD

HAWKINS MOTORS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Notes	£	£
Turnover		74,525,571	70,801,997
Cost of sales		(65,344,452)	(62,898,602)
Gross profit		9,181,119	7,903,395
Administrative expenses		(6,770,755)	(5,978,594)
Other operating income		23,694	40,881
Operating profit	2	2,434,058	1,965,682
Interest receivable and similar income	5	14,196	9,212
Interest payable and similar charges	6	(103,461)	(124,398)
Profit before taxation		2,344,793	1,850,496
Taxation	7	(472,197)	(382,839)
Profit for the financial year		1,872,596	1,467,657
Retained earnings at 1 July 2015		8,494,740	7,727,083
Dividends		(700,000)	(700,000)
Retained earnings at 30 June 2016		9,667,336	8,494,740

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

HAWKINS MOTORS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

		2016	2015
	Notes	£	£
Fixed assets			
Intangible assets	8	3,000	3,000
Tangible assets	9	835,671	824,260
Investments	10	88,473	88,473
		927,144	915,733
Current assets			
Stocks	11	10,568,627	9,379,016
Debtors	12	4,560,494	5,115,992
Cash at bank and in hand		4,375,414	3,349,761
		19,504,535	17,844,769
Creditors: amounts falling due within one year	13	(10,302,982)	(9,814,529)
Net current assets		9,201,553	8,030,240
Total assets less current liabilities		10,128,697	8,945,973
Provisions for liabilities	14	(456,786)	(446,658)
Net assets		9,671,911	8,499,315
Capital and reserves			
Called up share capital	17	1,902	1,902
Revaluation reserve		2,575	2,575
Capital redemption reserve		98	98
Profit and loss reserves		9,667,336	8,494,740
Total equity		9,671,911	8,499,315

The financial statements were approved by the board of directors and authorised for issue on 7 December 2016 and are signed on its behalf by:

Mr W J Hawkins
Director

Company Registration No. 00586621

HAWKINS MOTORS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	20	2,535,268	2,250,036
Interest paid		(103,461)	(124,398)
Income taxes paid		(550,094)	(349,193)
Net cash inflow from operating activities		1,881,713	1,776,445
Investing activities			
Purchase of tangible fixed assets		(207,944)	(113,736)
Proceeds on disposal of tangible fixed assets		37,688	11,411
Interest received		14,196	9,212
Net cash used in investing activities		(156,060)	(93,113)
Financing activities			
Dividends paid		(700,000)	(700,000)
Net cash used in financing activities		(700,000)	(700,000)
Net increase in cash and cash equivalents		1,025,653	983,332
Cash and cash equivalents at beginning of year		3,349,761	2,366,429
Cash and cash equivalents at end of year		4,375,414	3,349,761

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Hawkins Motors Limited is a company limited by shares incorporated in England and Wales. The registered office is 57 Gwendra Road, St Stephen, St Austell Cornwall PL26 7LB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out in the directors report.

These financial statements for the year ended 30 June 2016 are the first financial statements of Hawkins Motors Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The accounts have been prepared on the assumption that the company is able to carry on business as a going concern which the directors consider appropriate. The turnover has continued to grow despite the economic climate of recession. The company has no financial borrowing and a healthy reserves balance and balance sheet position.

1.3 Turnover

Turnover represents the net amount invoiced to customers less trade discounts, excluding VAT and sales of fixed assets. In the opinion of the directors the markets supplied do not differ substantially from each other nor has the company carried on business of substantially different classes. The turnover and profit before taxation are attributable to the principle activities of the company and all arises in the United Kingdom.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold improvements	2% per annum on the straight line method
Plant, machinery and equipment	20% per annum on the straight line and reducing balance methods
Computer equipment	20% per annum on the straight line method
Motor vehicles	25% per annum on the reducing balance method
Cruiser	5% per annum on the straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.5 Inventories

Inventories and work in progress are stated at the lower of cost and estimated selling price.

The company has applied the accounting treatment required by FRS 102 Section 13 to its consignment stock. Where the interest free consignment period has expired, vehicles are included in the statement of financial position as stock with a matching liability for the purchase price included in trade creditors.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.7 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

2 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	35,745	33,475
Depreciation of owned tangible fixed assets	161,809	155,810
(Profit)/loss on disposal of tangible fixed assets	(2,964)	411
Cost of stocks recognised as an expense	64,546,403	62,226,905
	<u>64,546,403</u>	<u>62,226,905</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016	2015
	Number	Number
Sales	85	83
Servicing and repairs	88	86
Administration and clerical	41	39
	<u>214</u>	<u>208</u>

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	4,058,267	3,625,030
Social security costs	399,451	378,261
Pension costs	499,048	77,325
	<u>4,956,766</u>	<u>4,080,616</u>

4 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	143,815	150,599
Directors pension	415,016	-
	<u>558,831</u>	<u>150,599</u>

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

5 Interest receivable and similar income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	14,196	9,212
	<u>14,196</u>	<u>9,212</u>

6 Interest payable and similar charges

	2016	2015
	£	£
Other finance costs:		
Other interest	103,461	124,398
	<u>103,461</u>	<u>124,398</u>

7 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	462,069	391,895
	<u>462,069</u>	<u>391,895</u>
Deferred tax		
Origination and reversal of timing differences	10,128	(9,056)
	<u>10,128</u>	<u>(9,056)</u>
Total tax charge	<u>472,197</u>	<u>382,839</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
Profit before taxation	2,344,793	1,850,496
	<u>2,344,793</u>	<u>1,850,496</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.75%)	468,959	383,978
Tax effect of expenses that are not deductible in determining taxable profit	2,316	2,402
Permanent capital allowances in excess of depreciation	(9,206)	5,515
Deferred tax charge/ (credit) for the year	10,128	(9,056)
	<u>472,197</u>	<u>382,839</u>
Tax expense for the year	<u>472,197</u>	<u>382,839</u>

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

8 Intangible fixed assets

	Apartment rights £
Cost	
At 1 July 2015 and 30 June 2016	3,000
Amortisation and impairment	
At 1 July 2015 and 30 June 2016	-
Carrying amount	
At 30 June 2016	3,000
At 30 June 2015	3,000

The historical cost of the apartment rights was £23,000 in 1990.

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

9 Tangible fixed assets	Freehold land improvements	Leasehold machinery and equipment	Plant, computer equipment	Motor vehicles	Cruiser	Total
Cost	£	£	£	£	£	£
At 1 July 2015	5,550	319,844	1,051,739	162,483	438,882	311,401
Additions	-	-	99,028	-	108,916	-
Disposals	-	-	-	-	(73,777)	(73,777)
At 30 June 2016	5,550	319,844	1,150,767	162,483	474,021	311,401
Depreciation and impairment						
At 1 July 2015	-	33,997	765,530	151,812	261,970	252,330
Depreciation charged in the year	-	6,241	73,648	3,574	62,776	15,570
Eliminated in respect of disposals	-	-	-	-	(39,053)	(39,053)
At 30 June 2016	-	40,238	839,178	155,386	285,693	267,900
Carrying amount						
At 30 June 2016	5,550	279,606	311,589	7,097	188,328	43,501
At 30 June 2015	5,550	285,847	286,209	10,671	176,912	59,071
						824,260

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

10 Fixed asset investments

	2016	2015
	£	£
Vintage motorcycles	88,473	88,473

The historical cost of the assets was £94,279. The valuation is provided by the directors.

11 Inventories

	2016	2015
	£	£
Work in progress	1,477,568	1,010,504
Finished goods and goods for resale	9,091,059	8,368,512
	10,568,627	9,379,016

Included within finished goods and goods for resale is vehicle consignment stock of £724,027 (2015: £651,861). Excluded from inventories at the year end are vehicles received on consignment costing £490,672 (2015: £222,976) which are not considered to be in substance assets of the company as at the statement of financial position date.

12 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	3,038,238	3,593,330
Other debtors	1,407,495	1,405,357
Prepayments and accrued income	114,761	117,305
	4,560,494	5,115,992

13 Creditors: amounts falling due within one year

	2016	2015
	£	£
Payments received on account	340,706	359,606
Trade creditors	6,113,741	6,093,347
Amounts due to group undertakings	2,522,414	1,917,841
Corporation tax	104,193	192,218
Other taxation and social security	433,784	504,528
Other creditors	552,585	615,100
Accruals and deferred income	235,559	131,889
	10,302,982	9,814,529

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

14 Provisions for liabilities

	Notes	2016 £	2015 £
Potential GAP insurance policy claims		359,100	359,100
Deferred tax liabilities	15	97,686	87,558
		<u>456,786</u>	<u>446,658</u>

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Potential GAP insurance policy claims £
At 1 July 2015 and 30 June 2016	<u>359,100</u>

A provision of £359,100 (2015: £359,100) is recognised at the year end for potential claims in respect of GAP insurance policies sold in earlier years. The costs to settle these claims are expected to be incurred in the coming financial years. The provision is a calculated estimate based on claims to date, the total income received in the prior years and the number of policies sold.

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
Balances:		
Accelerated capital allowances	<u>97,686</u>	<u>87,558</u>
Movements in the year:		2016 £
Liability at 1 July 2015		87,558
Charge to profit or loss		<u>10,128</u>
Liability at 30 June 2016		<u>97,686</u>

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

16 Retirement benefit schemes

	2016	2015
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	84,032	77,325
	=====	=====

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
1,902 ordinary shares of £1 each	1,902	1,902
	=====	=====

18 Controlling party

The immediate parent company was Hawkins Holdings Limited (a company incorporated in the UK) which was controlled by members of the Hawkins family who are directors of Hawkins Motors Limited. The ultimate controlling party was the members of the Hawkins family who are the shareholders in Hawkins Holdings Limited.

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	143,815	150,599

Transactions

During the year the subsidiary had the following transactions with related parties:

	2016		2015	
	Net Transactions £	Balance at year end £	Net Transactions £	Balance at year end £
<u>Related party:</u>				
<i>JM Hawkins, son of WAJ Hawkins (director):</i>				
Sub contract work from JM Hawkins	70,153	-	52,043	-
<i>First City Rental Limited, a company controlled by the directors of Hawkins Motors Limited:</i>				
Purchases from First City Rental Limited	5,610,411	-	3,768,778	-
Sales to First City Rental Limited	5,626,937	513,115	4,401,540	698,333
Loan from First City Rental Limited	39,205	202,385	38,303	163,180
<i>Vehicle Equipment Limited, a company controlled by WJ Hawkins (director)</i>				
Purchases from Vehicle Equipment Limited	94,048	18,709	178,932	13,357
Sales to Vehicle Equipment Limited	-	-	8,337	-

Guarantees

Hawkins Motors Limited has given security to Lloyds TSB in the form of a guarantee up to £300,000 for the liabilities of First City Rental Limited.

Disclosure of group transactions

The company was a wholly owned subsidiary of Hawkins Holdings Limited and has used the exemption in FRS102 Section 33 for disclosure of group transactions.

Advances and credits with directors

Included in other creditors are the following amounts owing to the directors arising from transactions between the company and the directors:

	2016 £	2015 £
Mr W A J Hawkins	161,368	159,392
Mr W J Hawkins	64,041	109,308
Mr A J Hawkins	10,311	60,497

HAWKINS MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

19	Related party transactions		(Continued)
		235,720	329,197
		<u> </u>	<u> </u>
20	Cash generated from operations		
		2016	2015
		£	£
	Profit for the year after tax	1,872,596	1,467,657
	Adjustments for:		
	Taxation charged	472,197	382,839
	Finance costs	103,461	124,398
	Investment income	(14,196)	(9,212)
	(Gain)/loss on disposal of tangible fixed assets	(2,964)	411
	Depreciation and impairment of tangible fixed assets	161,809	155,810
	(Decrease)/increase in provisions	-	143,640
	Movements in working capital:		
	(Increase)/decrease in stocks	(1,189,611)	591,689
	Decrease/(increase) in debtors	555,498	(1,870,207)
	Increase in creditors	576,478	1,263,011
		<u> </u>	<u> </u>
	Cash generated from operations	2,535,268	2,250,036
		<u> </u>	<u> </u>

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.