

Williams Motor Co. (Holdings) Limited

REPORT AND ACCOUNTS

31 December 2015

Registered number: 00597708

THURSDAY



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COMPANIES HOUSE

Williams Motor Co. (Holdings) Limited

Company Information

Directors

Mrs M M Orton Williams BA

Mr N J Cook BSc FCCA

Mr N J Dunning

Mrs A M Cook BA

Registered office

2 Vincent Way

Raikes Lane

Bolton

BL3 2NB

Bankers

Barclays Bank Plc

Barclays Corporate

1st Floor

3 Hardman Street

Spinningfields

Manchester

M3 3HF

Auditor

RSM UK Audit LLP

Chartered Accountants

3 Hardman Street

Spinningfields

Manchester

M3 3HF

Solicitors

DWF LLP

1 Scott Place

2 Hardman Street

Spinningfields

Manchester

M3 3AA

Williams Motor Co. (Holdings) Limited

Strategic Report

The directors present their strategic report for the year ended 31 December 2015.

Business Strategy

Our strategy is to grow profitability in all areas of our business by continuing to invest in staff and facilities.

We aim to improve our customer experience and business performance through our internal management training programs.

Business Review

We are delighted with the Group's strong trading performance in 2015, our strongest in the last decade. The result included improved year-on-year performance from all areas of the business, particularly used vehicle sales.

Retailers in the UK remain positive that 2016 will continue to be buoyant with further growth forecast, due to positive consumer confidence in the wider economy generating demand for our products and services. These market conditions provide the Group with confidence that we will deliver another improved performance in 2016.

The Group's key financial and other performance indicators during the year were as follows:

	2015	2014	Change
Turnover	£426.6m	£362.6m	17.7%
Gross profit	£43.8m	£38.0m	15.3%
Operating profit	£7.0m	£4.8m	45.8%
Profit before taxation	£6.3m	£4.1m	53.7%
Net assets	£39.5m	£35.4m	11.6%
Average number of employees	710	642	10.6%

In August 2015 the Group acquired the Jaguar franchise for Manchester, which required considerable effort and resource to provide common group systems and procedures. This acquisition has seen us align with JLR policy of one stakeholder holding both the Jaguar and Land Rover franchises within one area of representation.

Overall, the new car market rose 6.3% in 2015 to 2,633,503 units (2014: 2,476,435 units), breaking the record set in 2003 when 2,579,050 units were registered.

	2015 Units	2014 Units	Change
UK New car market	2,633,503	2,476,435	6.3%
BMW	167,391	148,878	12.4%
MINI	63,581	53,661	18.5%
Jaguar	23,954	18,401	30.2%
Land Rover	66,574	56,200	18.5%
BMW Motorcycles	8,469	6,942	15.9%

Our BMW registrations were up 17.4% against a market increase of 12.4%. Retail sales grew by 12.3% as customers took advantage of personal contract plans, ultra-low interest and strong residuals.

MINI registrations rose in line with the overall market, whilst retail sales grew by 21.8% as customers enjoyed attractive offers by the manufacturer.

Both Land Rover and motorcycles performed above their expected levels and produced record performances.

Corporate sales increased by 22.2% to 1,941 units (2014: 1,588).

It was pleasing to see that our continued focus on aftersales resulted in an increase in profit contribution of 10.6%.

Williams Motor Co. (Holdings) Limited

Strategic Report

Principal Risks

All businesses entail elements of risk and the Board maintains a policy of reviewing the risks which may cause the group's results to under-perform against those of similar sized groups. The main areas of risk are highlighted below:

1. Finance & Treasury

The group relies on manufacturer funding lines to fund the purchase of vehicles and these are expected to continue for the foreseeable future.

Funding levels available	2015	2014
Consignment stock	£35.5m	£25.1m
Used stock	£14.3m	£14.3m
Demo/Loan stock	<u>£19.7m</u>	<u>£17.6m</u>
Total	<u>£69.5m</u>	<u>£57.0m</u>

The Group continues to produce strong cash flow generation and reviews stock levels on a weekly basis.

The group's banking facilities (£3m overdraft and £11.4m loan), renewed in 2014 with Barclays PLC, will remain in place until March 2018 and give certainty until then.

The group has an interest rate swap for £10m, at a rate of 1.45% in place to provide a degree of certainty in its interest rate costs. This interest rate swap will remain in place until it expires in September 2020.

At the end of the year the swap had a negative market value of £18k.

2. Operational

The Board reviews key performance information on both financial and compliance matters. Specific areas of risk assessment and control fall within the remit of the Board or the executive team. Internal controls and company policy statements are regularly reviewed at executive level, which report any material changes to the Board.

The Directors adopt and regularly update robust business measures to protect our dealer management systems. We have the flexibility of being able to deploy key functions to alternative Centres due to the close proximity of our centres.

3. Manufacturer Relationships

We maintain close contact with our vehicle manufacturers and seek to ensure our respective goals are communicated, understood and aligned to deliver mutually acceptable performance. The Group's performance and investment in facilities maintains its reputation as a quality representative for our brands.

The Director's continue to focus on areas of the business that reduce our reliance on new vehicles by developing both used cars and aftersales revenues.

Regular reviews of the risks within each of the above categories are carried out and consideration given to the potential impact should an individual risk materialise. Existing internal controls and accounting practices are considered acceptable in order to reduce the risk and provide sufficient direction on how to deal with these issues should they arise.

Personnel

The Group strives to retain key personnel with the requisite knowledge, skills and expertise. There have been few changes to the senior management team over the last year and the Group provides significant training and support to them. The Group has a desire to train from within and internal promotions are encouraged where appropriate.

Williams Motor Co. (Holdings) Limited

Strategic Report

Equality of Opportunity

We are an equal opportunity employer and we aim to ensure that our employees achieve their full potential and all employment decisions are taken without reference to discriminating criteria throughout the whole employment process.

Ethical Employment

It is the Group's policy to offer equal opportunities to disabled persons applying to vacancies and provide them with the same opportunities as all other employees, within the limitations of their aptitude and abilities. In the event of any staff member becoming disabled, every effort is made to ensure that their employment with the Group continues.

Employment with the Group is based on the person's ability to work and not on the basis of race, individual characteristics, creed or political opinion.

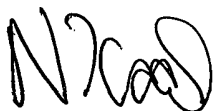
Environmental

We continue to see growth in hybrid vehicles and the manufacturer continues to invest in these products. Ongoing developments in new engine technology have resulted in greener vehicles helping to reduce emissions and support the government's agenda. We are fortunate to represent vehicle brands that are responding to the green agenda of governments. Investment is being made to cater for the sale and servicing of such vehicles.

Future Developments

The Group is entering a period of re-investment in its facilities that are required to meet new manufacturer's standards. During 2017 we envisage further significant investment in facilities at Manchester and Motorcycles.

By order of the Board



N J Cook
Managing Director

28th April 2016

Williams Motor Co. (Holdings) Limited

Directors' Report

The directors are pleased to submit their report and the audited group financial statements for the year ended 31st December 2015.

Principal activities

The principal activities of the Group are the retailing of used and new vehicles, including motorcycles, and the service and repair of these products.

Results and dividends

The results of the Group for the year are set out in the financial statements on pages 9 to 34.

An interim dividend of £1.50 per ordinary share (2014: £1.50) was paid to shareholders on 4 December 2015. The directors have recommended a final dividend of £3.00 per ordinary share which will be payable on 4 April 2016.

Market value of land and buildings

The directors consider that the market value of the Group's properties at 31 December 2015 is not materially different from the net book values in the financial statements.

Donations

The Group made no political donations (2014: £nil).

Directors and their interests in shares

Directors who served during 2015 and their respective interests in the company's issued ordinary share capital are shown below. At the date of this report, the number of company shares held remains unchanged from the numbers held on 31 December 2015. Their interests in the shares of the company are as follows:

		Shareholdings at 31 December 2015		Shareholdings at 31 December 2014	
		Ordinary		Ordinary	
		B	C	B	C
Mrs M M Orton Williams		2,480	62,560	2,480	62,560
N J Dunning		200	10,541	200	10,541
N J Cook		100	1,768	100	1,768
A M Cook		-	9,400	-	9,400
Mrs M M Orton Williams	} As trustees	335	21,038	335	21,038
N J Cook					

No right to subscribe for shares in the company was granted or exercised during the year. A directors' liability policy was in place during the financial year.

Post balance sheet events

There were no material events which occurred post the balance sheet date.

Strategic report

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Williams Motor Co. (Holdings) Limited

Directors' Report

Auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has expressed its willingness to continue in office, after the directors resolved to re-appoint them in accordance with the provision of S485 of the Companies Act 2006.

By order of the Board



N J Cook
Managing Director

28th April 2016 .

Williams Motor Co. (Holdings) Limited

Directors' responsibilities in the preparation of financial statements

The directors are responsible for preparing the Strategic Report, the 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 Group and the Company and of the profit or loss of the Group for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Williams Motor Co. (Holdings) Limited

We have audited the Group and parent company financial statements (the "financial statements") on pages 9 to 34. 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 more fully explained in the Directors' Responsibilities Statement set out on page 7, 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 APB's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent company's affairs as at 31 December 2015 and of the Group's 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

RSM UK Audit LLP

Dale Thorpe BSc FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester M3 3HF

9 May

2016

Williams Motor Co. (Holdings) Limited

Group Income Statement

for the year ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	2	426,640	362,570
Cost of sales		(382,817)	(324,549)
Gross profit		<u>43,823</u>	<u>38,021</u>
Selling and distribution costs		(9,319)	(8,077)
Administrative expenses		(27,480)	(25,100)
Operating profit	3	<u>7,024</u>	<u>4,844</u>
Interest	6	(751)	(747)
Profit on ordinary activities before taxation		<u>6,273</u>	<u>4,097</u>
Tax on profit on ordinary activities	7	(1,378)	(1,044)
Profit for the financial year		<u><u>4,895</u></u>	<u><u>3,053</u></u>

Williams Motor Co. (Holdings) Limited

Statement of Total Comprehensive Income for the year ended 31 December 2015

	Note	2015 £000	2014 £000
Profit for the financial year		4,895	3,053
Items that will never be classified to profit and loss:			
Actuarial gains/(losses) recognised in the pension scheme		228	(647)
Tax relating to other comprehensive income		(36)	129
Total comprehensive income for the year		<u>5,087</u>	<u>2,535</u>

Williams Motor Co. (Holdings) Limited

Statement of Financial Position

31 December 2015

		Group		Company	
	Note	2015 £000	2014 £000	2015 £000	2014 £000
Fixed assets					
Goodwill	9	4,193	4,043	484	-
Tangible assets	10	39,107	36,392	38,956	36,241
Investments	11	-	-	11,023	11,023
		<u>43,300</u>	<u>40,435</u>	<u>50,463</u>	<u>47,264</u>
Current assets					
Stocks	12	71,949	52,628	65,783	48,655
Debtors	13	19,736	14,893	18,332	14,095
Cash at bank and in hand		-	1,329	-	814
		<u>91,685</u>	<u>68,850</u>	<u>84,115</u>	<u>63,564</u>
Current liabilities					
Creditors: amounts falling due within one year	14a	(84,158)	(60,287)	(94,820)	(71,771)
Net current assets/(liabilities)		<u>7,527</u>	<u>8,563</u>	<u>(10,705)</u>	<u>(8,207)</u>
Total assets less current liabilities		<u>50,827</u>	<u>48,998</u>	<u>39,758</u>	<u>39,057</u>
Creditors: amounts falling due after more than one year	14b	(10,220)	(12,310)	(10,220)	(12,310)
Provisions for liabilities and charges					
Deferred taxation	16	(407)	(409)	(407)	(415)
Pension scheme liability	5	(660)	(847)	(660)	(847)
		<u>(1,067)</u>	<u>(1,256)</u>	<u>(1,067)</u>	<u>(1,262)</u>
Net assets		<u>39,540</u>	<u>35,432</u>	<u>28,471</u>	<u>25,485</u>
Capital and reserves					
Called up share capital	17	261	261	261	261
Share premium		124	124	124	124
Profit and loss account		39,155	35,047	28,086	25,100
Total equity		<u>39,540</u>	<u>35,432</u>	<u>28,471</u>	<u>25,485</u>

The financial statements on pages 9 to 34 were approved and authorised by the Board of Directors on 28th April 2016 and are signed on their behalf by:

N J Cook
28th April 2016

Director



Registered company number 00597708

Williams Motor Co. (Holdings) Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2015

	Share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2014	261	124	33,419	33,804
Profit for the year	-	-	3,053	3,053
Other comprehensive income, net of tax:- actuarial gains/(losses) on defined benefit scheme	-	-	(518)	(518)
Total comprehensive income for the year	-	-	2,535	2,535
Transactions with owners - dividends	-	-	(907)	(907)
Balance at 31 December 2014	261	124	35,047	35,432
Profit for the year	-	-	4,895	4,895
Other comprehensive income, net of tax:- actuarial gains/(losses) on defined benefit scheme	-	-	193	193
Total comprehensive income for the year	-	-	5,088	5,088
Transactions with owners - dividends	-	-	(980)	(980)
Balance at 31 December 2015	261	124	39,155	39,540

Williams Motor Co. (Holdings) Limited

Company Statement of Changes in Equity for the year ended 31 December 2015

	Share capital £000	Share premium £000	Profit and loss account £000	Total Equity £000
Balance at 1 January 2014	261	124	24,521	24,906
Profit for the year	-	-	2,004	2,004
Other comprehensive income, net of tax:- actuarial (losses) on defined benefit scheme	-	-	(518)	(518)
Total comprehensive income for the year	-	-	1,486	1,486
Transactions with owners – dividends	-	-	(907)	(907)
Balance at 31 December 2014	261	124	25,100	25,485
Profit for the year	-	-	3,773	3,773
Other comprehensive income, net of tax:- actuarial gains on defined benefit scheme	-	-	193	193
Total comprehensive income for the year	-	-	3,966	3,966
Transactions with owners – dividends	-	-	(980)	(980)
Balance at 31 December 2015	261	124	28,086	28,471

Williams Motor Co. (Holdings) Limited

Consolidated Statement of Cash Flow for the year ended 31 December 2015

	Note	2015	2014
		£000	£000
Operating activities			
Cash (used in)/generated from operations		(3,483)	13,668
Interest paid		(752)	(743)
Tax paid		(1,157)	(1,368)
Net cash (used in)/from operating activities		(5,392)	11,557
Investing activities			
Acquisition of trade and assets	9	(3,460)	-
Purchase of tangible fixed assets		(870)	(2,668)
Proceeds on disposal of tangible fixed assets		2	8
Interest received		1	15
Net cash used in investing activities		(4,327)	(2,645)
Financing activities			
Repayments of borrowings		(2,410)	(1,625)
Inflow from/(repayments) of vehicle finance loans		9,642	(6,023)
Dividends paid		(980)	(907)
Net cash from/(used in) financing activities		6,252	(8,555)
Net (decrease)/increase in cash and cash equivalents		(3,467)	357
Cash and cash equivalents at beginning of year		1,329	972
Cash and cash equivalents at end of year		(2,138)	1,329
Relating to:-			
Bank balances and short term deposits included in cash at bank and in hand		-	1,329
Overdrafts included in "creditors; amounts falling due within one year"		(2,138)	-
		(2,138)	1,329

Williams Motor Co. (Holdings) Limited

Accounting Policies

General information

Williams Motor Co. (Holdings) Limited ("the Company") is a limited company domiciled and incorporated in England and Wales. The Company's registered office and principal place of business is 2 Vincent Way, Raikes Lane, Bolton, BL3 2NB.

The Group consists of Williams Motor Co. (Holdings) Limited and all of its subsidiaries.

The Company's and the Group's principal activities are included in the directors' report.

Basis of accounting

First time adoption of FRS 102

Williams Motor Co. (Holdings) Limited have prepared these financial statements for the first time in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), the requirements of the Companies Act 2006 and under the historical cost convention. The financial statements of Williams Motor Co. (Holdings) Limited for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the previous accounting standards applied. Consequently, the directors have amended certain accounting policies to comply with FRS 102.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

Going concern

The Group's business activities, together with factors likely to affect future development, performance and position are set out in the Strategic report and the Directors' report.

The group is profitable, has a strong balance sheet with diversified income streams and is well placed to manage its business risks.

The directors believe that the group has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The group accounts consolidate the accounts of Williams Motor Co. (Holdings) Limited and its subsidiaries. Intra group transactions, balances and profits are eliminated on consolidation. Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. The difference between the cost of the acquisition of shares in subsidiaries and the fair value of the identifiable net assets acquired is recognised as goodwill. Where necessary, adjustments are made to the financial statements for subsidiaries to bring accounting policies used into line with those used by the rest of the Group.

As permitted by Section 408 of the Companies Act 2006, the company has not presented its own profit and loss account.

Williams Motor Co. (Holdings) Limited

Accounting Policies

Presentation and functional currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the Company. Amounts are rounded to the nearest £1,000 except where stated.

Turnover

Turnover represents the value of goods and services, excluding value added tax, invoiced to third parties. Income is recognised when vehicles are delivered or paid for in full, when parts have been supplied and services have been provided.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost net of depreciation.

Depreciation of tangible fixed assets is charged by equal annual installments commencing with the year of acquisition at rates estimated to write off their cost, less any residual value, over the useful economic life of the assets as follows:

Land and buildings	Up to a maximum of fifty years
Plant & Equipment	Up to a maximum of ten years
Motor vehicles	Up to a maximum of four years
Computer Equipment	Up to a maximum of five years

Land is not depreciated. Leasehold properties are depreciated over the useful life of the lease.

Goodwill

Goodwill arising on acquisitions is recognised as an intangible fixed asset and amortised on a straight line basis over its useful economic life of between 10 and 20 years. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changing circumstances indicate that the carrying value may not be recoverable.

Impairment

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

Investments

In the separate accounts of the company, interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries, associates and jointly controlled entities are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in profit or loss.

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net recognised value. Cost of vehicles and parts stock represents the purchase price plus any additional costs incurred. Where necessary, provision is made for obsolete, slow moving and defective stock.

Vehicles on consignment are included in stock when substantially all of the principal benefits and inherent risks rest with the Group. The corresponding liability is included under creditors.

Williams Motor Co. (Holdings) Limited

Accounting Policies

Financial Instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets (Trade debtors, other debtors and accrued income)

Financial assets which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Financial assets are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a counterparty constitutes a financing transaction, the financial asset is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of financial assets is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the financial asset over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity (Bank loans, payments on account, new car consignment, new car fully paid, used car finance loans, finance leases, trade creditors, other creditors, other loans and accruals)

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Financial liabilities payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a counterparty constitutes a financing transaction, the financial liability is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised in profit or loss unless hedge accounting is applied and the hedge is a cash flow hedge.

Williams Motor Co. (Holdings) Limited

Accounting Policies

Financial Instruments (continued)

De-recognition of financial assets and liabilities

A financial asset is de-recognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Retirement benefits

Defined benefit scheme

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method.

Assets/liability

The net defined benefit asset/liability represents the present value of the defined benefit obligation minus the fair value of plan assets out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Williams Motor Co. (Holdings) Limited

Accounting Policies

Gains/losses

Gains or losses recognised in profit or loss:

- The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost.
- The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.
- Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the plan assets at the beginning of the period by the rate used to discount the benefit obligations.

Gains or losses recognised in other comprehensive income:

- Actuarial gains and losses.
- The difference between the interest income on the plan assets and the actual return on the plan assets.

Defined contribution pension scheme

Contributions are charged to the profit and loss account as they fall due (See note 5 for further details).

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

1 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Used stock valuations

Stocks are stated at the lower of cost and net realisable value. The value of all used vehicles as well as the provision for slow moving and obsolete stock can have a significant influence on the inventory valuation in the financial statements. A comprehensive review of the stock holding is carried out regularly.

Pensions

The liability recognised in the balance sheet in respect of the group's retirement benefit obligations represents the liabilities of the group's defined benefit pension scheme after deduction of the fair value of the related assets. The schemes' liabilities are derived by estimating the ultimate cost of benefits payable by the schemes and reflecting the discounted value of the proportion accrued by the year end in the balance sheet. In order to arrive at these estimates a number of key financial and non-financial assumptions are made changes to which could have a material impact upon the net deficit and also the net cost recognised in the Income Statement.

All assumptions have been set in accordance with the statement of funding principles and no allowance has been made for members transferring benefits out of the scheme.

Goodwill

The Group annually reviews the recoverable amount of goodwill and other intangible assets based on value in use which requires estimates in respect of the allocation of goodwill to cash generating units, the future cash flows and an appropriate discount rate. The key inputs to the value in use calculations are the discount rate and the future earnings growth.

At the point of any acquisition the Group is required to assess whether intangible assets need to be separately identified and measured. The measurement and assessment of the useful economic lives of intangible assets requires the use of judgement by management.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Company as lessee, or the lessee, where the Company is a lessor.

2 Turnover

Turnover is solely within in the UK attributable to the one principal activity of the Group.

The analysis of turnover by class of business has not been given, as in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the Group.

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

3 Operating profit

	2015 £000	2014 £000
Operating profit is stated after charging/(crediting):		
Auditors' remuneration		
- audit of the parent company and consolidated accounts	51	47
- audit of subsidiary companies	6	8
- audit of associated pension schemes	5	4
- taxation compliance	24	19
- other tax advisory services	47	19
Amortisation of goodwill	350	334
Depreciation	1,197	1,187
Operating lease rentals		
- plant and machinery	44	91
- land and buildings	825	848
Loss/(profit) on disposal of fixed assets	(2)	27
Stock – amounts expensed to cost of sales during the year	379,649	324,927

4 Directors and employees

Group staff costs (including directors' remuneration) during the year were as follows:	2015 £000	2014 £000
Wages and salaries	21,670	20,148
Social security costs	2,338	2,190
Pension costs	696	662
	24,704	23,000

The average number of persons, including directors, employed by the Group during the year was:	2015 Number	2014 Number
Sales	434	382
Aftersales	155	142
Administration	121	118
	710	642

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

b Directors and employees (*continued*)

The total amounts for parent company directors' remuneration (excluding pension contributions) were as follows:	2015 £000	2014 £000
Fees	53	53
Executive remuneration and benefits	591	593
Compensation for loss of office	-	18
	<u>644</u>	<u>664</u>

Number of directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services	-	1
	<u>-</u>	<u>1</u>

Two directors (2014: three) have benefits accruing under a Group Personal Pension scheme.

Pension contributions of £5,800 (2014: £17,231) were made on behalf of these directors.

Highest paid director

	2015 £000	2014 £000
Emoluments	475	360
Accrued pension at year end – defined benefit scheme - per annum	62	62
	<u>475</u>	<u>360</u>

5 Pension costs

The Group operates a defined contribution pension scheme whose assets are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group and amounted to £606,000 (2014: £514,000) of which £73,000 (2014: £86,000) were payable to the fund at the year end and are included in creditors.

The Group also operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 30 June 2012 and updated to 31 December 2015 by a qualified independent actuary. The principal assumptions used in the calculation of the valuation of the plan assets and the present value of the defined benefit obligation include:-

	2015 %	2014 %
Discount rate at 31 December	3.70	3.40
Inflation (RPI)	3.00	3.00
Future salary increases	-	-
Future pension increases	2.10	2.10

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

5 Pension costs (continued)

The mortality assumptions used in the valuation of the pension liabilities were:

	2015	2014
Pre-retirement mortality (non-pensioners)	none	S1PXA/CMI- 2011 [1.0%]
Post retirement mortality (non-pensioners)	S2PXA/CMI- 2015 [1.0%]	S1PXA/CMI- 2011 [1.0%]
Post retirement mortality (pensioners)	S2PXA/CMI- 2015 [1.0%]	S1PXA/CMI- 2011 [1.0%]

Amounts recognised in profit or loss in respect of the defined benefit scheme are as follows;

	2015 £000	2014 £000
Current service cost	-	-
Net interest on the defined benefit pension liability	35	19
Net return (interest)	35	19

Changes in the present value of the defined benefit obligation

	2015 £000	2014 £000
Opening defined benefit obligation	4,226	3,399
Interest cost	142	151
Actuarial (loss) / gain	(301)	760
Benefits paid	(99)	(84)
Closing defined benefit obligation	3,968	4,226

Changes in the fair value of plan assets

	2015 £000	2014 £000
Opening plan assets	3,167	2,955
Interest income	107	161
Actuarial (loss) / gain	(73)	84
Contributions by employer	51	51
Benefits paid	(99)	(84)
Closing plan assets	3,153	3,167

The actual return on plan assets over the period ended 31 December 2015 was £34,000 (2014: 245,000).

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

5 Pension costs (*continued*)

	2015 %	2014 %
Major categories of plan assets as a percentage of fair value of total plan assets		
Equities	39	38
Diversified growth assets	38	28
High yield bonds/emerging market debt	4	4
Gilts	9	9
Property	-	10
Other	10	11
	<u>100%</u>	<u>100%</u>

The Group has agreed to contribute £51,000 annually to its defined benefit pension plan; the first payment was made on the 1 May 2014. This is based on a plan to eliminate the deficit on the technical provisions basis over a 12 year period.

6 Interest

	2015 £000	2014 £000
Interest receivable:		
Bank interest	1	15
	<u>1</u>	<u>15</u>
Interest receivable		
Interest payable:		
Bank loan and overdraft	(437)	(487)
Vehicle stocking finance	(280)	(256)
Net interest on the defined benefit pension liability	(35)	(19)
	<u>(752)</u>	<u>(762)</u>
Interest payable		
	<u>(751)</u>	<u>(747)</u>
Net interest		

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

7 Tax on profit on ordinary activities

	2015 £000	2014 £000
(a) Taxation		
Corporation tax:		
UK corporation tax at 20.25% (2014: 21.50%)	1,380	1,022
Deferred tax:		
Current year	-	22
Over provided in prior years	(2)	-
	<u>(2)</u>	<u>22</u>
Tax on profit on ordinary activities	<u>1,378</u>	<u>1,044</u>

(b) Factors affecting current tax charge

The reconciliation of the tax assessed on the profit on ordinary activities for the year compared to the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%) is as follows:

	2015 £000	2014 £000
Profit on ordinary activities before tax	6,273	4,097
Profit on ordinary activities multiplied by rate of tax	1,235	881
Expenses not deductible for tax purposes	185	109
Other short term timing differences and unrealised tax losses	(42)	54
Total current tax (note 7(a))	<u>1,378</u>	<u>1,044</u>

8 Dividends

	2015 £000	2014 £000
Final ordinary:		
£2.25 (2014: £2.25) paid on 1 July 2015	588	588
Interim ordinary:		
£1.50 (2014: £1.22) paid on 5 December 2015	392	319
Dividends to equity shareholders	<u>980</u>	<u>907</u>

The final dividend paid in 2015 related to profits earned during the year to 31 December 2014.

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

9 Goodwill

	Group £000	Company £000
Cost or valuation		
At 1 January 2015	7,868	-
Additions	500	500
At 31 December 2015	8,368	500
Amortisation		
At 1 January 2015	3,825	-
Charge for year	350	16
At 31 December 2015	4,175	16
Net book value		
At 31 December 2015	4,193	484
At 31 December 2014	4,043	-

On 12th August 2015 the company acquired the trade and assets of Jaguar, Manchester.

Analysis of the fair value of assets and liabilities acquired was as follows:

	Book value £000s	Adjustment £000s	Fair value £000s
Land & buildings	3,000	-	3,000
Fixed assets	50	-	50
Stock	30	-	30
Trade and other payables	(120)	-	(120)
	2,960	-	2,960
Cash consideration			3,460
Goodwill arising on acquisition			500

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

10 Tangible fixed assets

Group	Land and buildings		Plant and equipment	Motor vehicles	Total
	Freehold £000	Leasehold £000	£000	£000	£000
Cost					
At 1 January 2015	28,210	9,956	9,001	292	47,459
Additions	262	100	504	4	870
Acquisition – Jaguar	-	3,000	50	-	3,050
Disposals	-	-	(9)	(17)	(26)
At 31 December 2015	28,472	13,056	9,546	279	51,353
Depreciation					
At 1 January 2015	2,730	1,379	6,786	172	11,067
Charge for year	305	129	711	52	1,197
Disposals	-	-	(7)	(11)	(18)
At 31 December 2015	3,035	1,508	7,490	213	12,246
Net book value					
At 31 December 2015	25,437	11,548	2,056	66	39,107
At 31 December 2014	25,480	8,577	2,215	120	36,392

Company	Land and buildings		Plant and equipment	Motor vehicles	Total
	Freehold £000	Leasehold £000	£000	£000	£000
Cost					
At 1 January 2015	28,210	9,956	8,631	277	47,074
Additions	262	100	457	4	823
Acquisition – Jaguar	-	3,000	50	-	3,050
Disposals	-	-	(9)	(17)	(26)
At 31 December 2015	28,472	13,056	9,129	264	50,921
Depreciation					
At 1 January 2015	2,730	1,379	6,567	157	10,833
Charge for year	305	129	664	52	1,150
Disposals	-	-	(7)	(11)	(18)
At 31 December 2015	3,035	1,508	7,224	198	11,965
Net book value					
At 31 December 2015	25,437	11,548	1,905	66	38,956
At 31 December 2014	25,480	8,577	2,064	120	36,241

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

11 Fixed asset investments

	2015 £000	2014 £000
Shares in subsidiary companies		
Cost at 31 December 2014	11,023	11,023
Cost at 31 December 2015	<u>11,023</u>	<u>11,023</u>

The under mentioned are subsidiary companies. All of the companies are incorporated in the United Kingdom and are registered in England. The parent company owns 100% of the share capital and voting rights of the companies.

Name of subsidiary	Country of incorporation	Type of share capital	Percentage of shares held by parent and group	Nature of business
Williams Motor Co. Ltd	UK	Ordinary	100%	Motor dealership
Williams (Bolton) Ltd	UK	Ordinary	100%	Dormant
Williams Motor Company (Manchester) Ltd	UK	Ordinary	100%	Dormant
Williams (Rochdale) Ltd	UK	Ordinary	100%	Dormant
Orlando Street Bridge (Bolton) Ltd	UK	Ordinary	100%	Dormant
Nine Gorrells Way Ltd	UK	Ordinary	100%	Dormant
Williams Stockport Ltd	UK	Ordinary	100%	Dormant
Benham (Specialist Cars) Ltd	UK	Ordinary	100%	Dormant

12 Stocks

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Consignment	17,501	9,659	14,723	8,433
Vehicles	53,267	41,938	50,016	39,309
Parts and other stocks	1,181	1,031	1,044	913
	<u>71,949</u>	<u>52,628</u>	<u>65,783</u>	<u>48,655</u>

Stock is shown net of a provision of £1,021,000 (2014: £1,062,000).

Vehicles held on consignment from the manufacturers are included within the balance sheet as consignment stock. Stocks of vehicles for the Group shown above include £17,501,000 (2014: £9,634,000) in respect of vehicles held on consignment. The corresponding liabilities are shown under creditors.

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

13 Debtors

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Due within one year:				
Trade debtors	12,302	8,882	11,466	8,235
Other debtors	3,377	1,351	3,224	1,208
Other tax and social security	2,153	1,449	2,152	1,607
Prepayments and accrued income	1,904	3,211	1,490	3,045
	<u>19,736</u>	<u>14,893</u>	<u>18,332</u>	<u>14,095</u>

Trade debtors are shown net of a provision of £52,677 (2014: £14,064).

14 (a) Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank overdraft	2,138	-	1,158	-
Bank loan	1,130	1,130	1,130	1,130
Payments on account	1,423	1,439	1,064	950
New car consignment	17,501	9,634	14,723	8,433
New car fully paid finance loans	11,951	14,337	11,950	14,337
Used/demonstrator vehicle finance loans	25,595	13,567	24,648	12,511
Trade creditors	16,450	13,213	15,610	12,813
Amounts owed to group undertakings	-	-	17,130	15,044
Other creditors	2,629	2,159	2,543	2,133
Other loans	-	320	-	320
Corporation tax	982	778	787	554
Other taxation and social security costs	803	671	650	612
Accruals and deferred income	3,556	3,039	3,427	2,934
	<u>84,158</u>	<u>60,287</u>	<u>94,820</u>	<u>71,771</u>

The bank loan and overdraft facility are secured by fixed and floating charges over the group's assets.

The vehicle stocking finance loans of the group are secured by a fixed and floating charge on the vehicle stocks of the group.

A commercial rate of interest is charged on all loans and overdrafts.

14 (b) Creditors: Amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loan	10,220	11,350	10,220	11,350
Other loans	-	960	-	960
	<u>10,220</u>	<u>12,310</u>	<u>10,220</u>	<u>12,310</u>

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

14 (b) Creditors: amounts falling due after more than one year (continued)

Bank loans

The maturity of these amounts is as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
In one year or less	1,130	1,130	1,130	1,130
Between one and two years	1,130	1,130	1,130	1,130
Between two and five years	9,090	10,220	9,090	10,220
	<u>11,350</u>	<u>12,480</u>	<u>11,350</u>	<u>12,480</u>

The group has a bank loan of £14m which is repayable by sixteen quarterly instalments of £282,500 and a final payment of £9,467,000 in February 2018. Interest is payable on the £14m loan at 1.75% over LIBOR. The Group renewed its term loan in March 2014 for a period of four years, this giving a degree of certainty until 2018.

Other loans

The maturity of these amounts is as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
In one year or less	-	320	-	320
Between one and two years	-	960	-	960
	<u>-</u>	<u>1,280</u>	<u>-</u>	<u>1,280</u>

15 Financial instruments

The carrying amounts of the Group's financial instruments at 31 December were:

	2015	2014
	£	£
Financial assets:		
Debt instruments, measured at amortised cost	15,679	10,233
Total	<u>15,679</u>	<u>10,233</u>
Financial liabilities:		
Measured at amortised cost	95,430	71,028
Measure at fair value through profit or loss		
- Non-derivatives that are not part of a trading portfolio	18	120
- Other financial liabilities	-	-
Total	<u>95,448</u>	<u>71,148</u>

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

Debt instruments measured at amortised cost include trade debtors, other debtors and accrued income.

Financial instruments measured at amortised cost include bank loans, payments on account, new car consignment, new car fully paid finance loans, trade creditors, other creditors, other loans and accruals.

Interest rate swaps

The group has a £10m interest rate swap in place to provide a degree of certainty in its interest rate costs. The fixed rate swap, at a rate of 1.45% remains in place and this will expire in September 2020.

16 Deferred taxation

	Group £000	Company £000
At 31 December 2014	409	415
Credited in the year	(2)	(8)
At 31 December 2015	<u>407</u>	<u>407</u>

Provision for deferred tax has been made up as follows:

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Excess of capital allowances over depreciation	554	573	554	579
Short term timing differences	(147)	(164)	(147)	(164)
	<u>407</u>	<u>409</u>	<u>407</u>	<u>415</u>

17 Called up share capital

	Authorised		Allotted, called up and fully paid	
	2015 Number	2014 Number	2015 Number	2014 Number
'B' Ordinary shares of £1 each	5,000	5,000	5,000	5,000
'C' Ordinary shares of £1 each	295,000	295,000	256,395	256,395
	<u>300,000</u>	<u>300,000</u>	<u>261,395</u>	<u>261,395</u>

'C' Ordinary shares rank pari passu in all respects to 'B' Ordinary shares save that they have no voting rights except on the variation of their terms.

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

18 Reconciliation of profit after tax to net cash generated from/(used in) operations

	2015 £000	2014 £000
Profit after tax	4,895	3,053
Adjustments for:		
Depreciation of tangible fixed assets	1,197	1,154
Amortisation of intangible assets	350	334
Loss on disposal of fixed assets	(6)	2
Interest receivable	(1)	(15)
Interest payable	752	743
Taxation	1,378	1,044
Defined benefit pension scheme	-	(22)
Fair value (gains) on financial instruments	(102)	(119)
Operating cash flow before movements in working capital	8,463	6,174
Operating cash flow before movements in working capital (Increase)/Decrease in stock	(19,321)	1,250
Decrease in trade and other debtors	(4,843)	(2,517)
Increase in trade and other creditors	12,218	8,761
Cash (used in) / generated from operations	(3,483)	13,668

19 Operating lease commitments

At 31 December 2015 the Group had total commitments under non-cancellable operating leases as set out below:

	31 December 2015		31 December 2014	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire:				
- within one year	1,410	44	1,433	37
- within two to five years	5,234	5	2,704	7
- after more than five years	3,951	-	4,610	-
	10,595	49	8,747	44

20 Capital commitments

Amounts contracted for but not provided in the group accounts amount to £nil (2014: £nil).

Williams Motor Co. (Holdings) Limited

Notes to the accounts

for the year ended 31 December 2015

21 Related party transactions

The total remuneration of the directors and managers who are considered to be the key management personnel of the Group was £823,000 (2014: £782,000).

During the year, the company and a subsidiary provided interest free loans to directors and senior managers, to enable them to acquire cars at cost under a company car scheme. Under this scheme, the companies have the option to repurchase these vehicles within the next twelve months.

The maximum amount outstanding during the year was £821,000 (2014: £644,000). At the year end, loans totaling £819,000 (2014: £582,000) in respect of 17 vehicles were outstanding.

22 Ultimate controlling party

There is no ultimate controlling party of the company.

23 First time adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on;

- (i) the consolidated equity at the date of transition to FRS 102;
- (ii) the consolidated equity at the end of the comparative period;
- (iii) the consolidated profit or loss for the comparative period reported under previous UK GAAP;
- (iv) the company equity at the date of transition to FRS 102;
- (v) the company equity at the end of the comparative period; and
- (vii) the company profit or loss for the comparative period reported under previous UK GAAP is given below.

Under FRS 102, the Consolidated Statement of Cash Flows presents changes in cash and cash equivalents (which include cash in hand, deposits repayable on demand and overdrafts and short-term, highly liquid investments), showing changes arising from operating activities, investing activities and financing activities separately. Under previous UK GAAP, the Consolidated Cash Flow Statement presented changes in cash (which includes cash in hand, deposits repayable on demand and overdrafts) under the headings of operating activities, returns on investments and servicing of finance, taxation, capital expenditure and financial investment, acquisitions and disposals, equity dividends paid, management of liquid resources, and financing.

Reconciliation of consolidated equity	Notes	1 January 2014 £'000	31 December 2014 £'000
Consolidated equity as previously reported under previous UK GAAP		34,043	35,552
Fair value (losses)/gains on interest rate swaps	a	(239)	119
Transition date adjustments		-	(239)
Consolidated equity reported under FRS 102		<u>33,804</u>	<u>35,432</u>

Williams Motor Co. (Holdings) Limited

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for the year ended 31 December 2015

23 First time adoption of FRS 102 (continued)

Reconciliation of consolidated profit or loss		Year ended 31 December 2014 £'000
	Notes	
Consolidated profit as previously reported under previous UK GAAP		2,973
Fair value gains on interest rate swaps	a	119
Reduction in income on plan assets held in retirement benefit plans	b	(39)
Consolidated profit reported under FRS 102		<u>3,053</u>

Reconciliation of company equity		1 January 2014 £'000	31 December 2014 £'000
	Notes		
Company equity as previously reported under previous UK GAAP		25,145	25,605
Fair value (losses)/gains on interest rate swaps	a	(239)	119
Transition date adjustments	b	-	(239)
Company equity reported under FRS 102		<u>24,906</u>	<u>25,485</u>

Reconciliation of company profit or loss		Year ended 31 December 2014 £'000
	Notes	
Company profit as previously reported under previous GAAP		1,924
Fair value gains on interest rate swaps	a	119
Reduction in income on plan assets held in retirement benefit plans	b	(39)
Company profit reported under FRS 102		<u>2,004</u>

Notes

- a) Recognition of brought forward interest rate swap, giving rise to fair value gain / (loss).
- b) Recognition of reduced fair value of assets held under the defined benefit pension scheme including a prior year FRS102 adjustment.