

REGISTERED NUMBER: 08777828 (England and Wales)

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 October 2017
for
Green 4 Motor Group Limited**

**Contents of the Consolidated Financial Statements
for the Year Ended 31 October 2017**

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Green 4 Motor Group Limited
Company Information
for the Year Ended 31 October 2017

DIRECTORS:

Mr T Leggett
Mr A P Dodds
Mr D Everitt
Mrs A C France
Mr J Wainwright

SECRETARY:

Mrs A C France

REGISTERED OFFICE:

655 London Road
Coventry
CV3 4EX

REGISTERED NUMBER:

08777828 (England and Wales)

AUDITORS:

Franklin Underwood, Statutory Auditor
1 Pinnacle Way
Pride Park
Derby
Derbyshire
DE24 8ZS

**Group Strategic Report
for the Year Ended 31 October 2017**

The directors present their strategic report of the company and the group for the year ended 31 October 2017.

REVIEW OF BUSINESS

The group turnover increased in the year from £26.93 Million to £33.44 Million, an increase of 25.1% (2016: 16.9%).

The group opened a third site during the year which accounts for the majority of the increase in sales.

The operating profit of the group decreased in the year to £462k compared to £675k in the previous year.

PRINCIPAL RISKS AND UNCERTAINTIES

The trading performance to date in the year to 31 October 2017 has been in line with the directors expectations.

The directors are satisfied that there are no significant risks to the business outside those normally associated with the competitive nature of the motor industry.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors use turnover and operating profits as key performance indicators for the business.

ON BEHALF OF THE BOARD:

Mr T Leggett - Director

24 May 2018

**Report of the Directors
for the Year Ended 31 October 2017**

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2017.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2017 was £303,858 (2016: £465,242)

RESEARCH AND DEVELOPMENT

The company is not currently undertaking any research and development activities.

FUTURE DEVELOPMENTS

The trading performance of the group in the period to 31 October 2017 is in line with the directors expectations.

The directors are satisfied that there are no significant risks to the business outside those normally associated with the competitive nature of the motor industry.

DIRECTORS

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

Mr T Leggett
Mr A P Dodds
Mr D Everitt
Mrs A C France
Mr J Wainwright

FINANCIAL INSTRUMENTS

Treasury operations

The company operates a centralised treasury function which is responsible for managing the liquidity and interest rate risks associated with the company's activities. The company's principal instruments are a bank loan and bank and cash balances. In addition the company has various other financial assets and liabilities such as trade debtors, trade creditors and consignment stock creditors arising directly from the operations of the business.

Liquidity risk

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

Interest rate risk

The company is exposed to fair value interest rate risk on its bank loan facility only. The company does not have a bank overdraft facility.

Foreign currency risk

The company does not have any foreign currency risk as all sales and purchases are made within the UK.

Credit risk

Investments of cash surpluses are made with the company's main bankers. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

**Report of the Directors
for the Year Ended 31 October 2017**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr T Leggett - Director

24 May 2018

Report of the Independent Auditors to the Members of Green 4 Motor Group Limited

Opinion

We have audited the financial statements of Green 4 Motor Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2017 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 October 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Green 4 Motor Group Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Gary Underwood (Senior Statutory Auditor)
for and on behalf of Franklin Underwood, Statutory Auditor
1 Pinnacle Way
Pride Park
Derby
Derbyshire
DE24 8ZS

24 May 2018

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Statement of Income and Retained Earnings
for the Year Ended 31 October 2017**

	Notes	2017 £	2016 £
TURNOVER		33,444,412	26,930,708
Cost of sales		<u>31,704,185</u>	<u>25,225,425</u>
GROSS PROFIT		1,740,227	1,705,283
Administrative expenses		<u>1,266,520</u>	<u>1,016,918</u>
OPERATING PROFIT	4	473,707	688,365
Interest receivable and similar income		<u>1,573</u>	<u>-</u>
PROFIT BEFORE TAXATION		475,280	688,365
Tax on profit	5	<u>94,670</u>	<u>142,933</u>
PROFIT FOR THE FINANCIAL YEAR		380,610	545,432
Retained earnings at beginning of year		451,565	371,375
Dividends	7	(303,358)	(465,242)
RETAINED EARNINGS FOR THE GROUP AT END OF YEAR		<u>528,817</u>	<u>451,565</u>
Profit attributable to: Owners of the parent		<u>380,610</u>	<u>545,432</u>

The notes form part of these financial statements

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Balance Sheet
31 October 2017**

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Intangible assets	8		(214,738)		(227,370)
Tangible assets	9		435,618		232,223
Investments	10		<u>-</u>		<u>-</u>
			220,880		4,853
CURRENT ASSETS					
Stocks	11	5,265,535		3,817,709	
Debtors	12	890,447		612,814	
Cash at bank		<u>795,276</u>		<u>1,253,235</u>	
		6,951,258		5,683,758	
CREDITORS					
Amounts falling due within one year	13	<u>6,326,831</u>		<u>4,996,704</u>	
NET CURRENT ASSETS			<u>624,427</u>		<u>687,054</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			845,307		691,907
CREDITORS					
Amounts falling due after more than one year	14		(107,868)		(63,101)
PROVISIONS FOR LIABILITIES	18		<u>(59,222)</u>		<u>(27,841)</u>
NET ASSETS			<u>678,217</u>		<u>600,965</u>
CAPITAL AND RESERVES					
Called up share capital	19		149,400		149,400
Retained earnings	20		<u>528,817</u>		<u>451,565</u>
SHAREHOLDERS' FUNDS			<u>678,217</u>		<u>600,965</u>

The financial statements were approved by the Board of Directors on 24 May 2018 and were signed on its behalf by:

Mr T Leggett - Director

The notes form part of these financial statements

Green 4 Motor Group Limited (Registered number: 08777828)

**Company Balance Sheet
31 October 2017**

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	10		250,000		250,000
			<u>250,000</u>		<u>250,000</u>
CURRENT ASSETS					
Debtors	12	197,642		-	
Cash at bank		<u>217,254</u>		<u>1,250,368</u>	
		414,896		1,250,368	
CREDITORS					
Amounts falling due within one year	13	<u>515,496</u>		<u>1,350,968</u>	
NET CURRENT LIABILITIES			<u>(100,600)</u>		<u>(100,600)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>149,400</u>		<u>149,400</u>
CAPITAL AND RESERVES					
Called up share capital	19		<u>149,400</u>		<u>149,400</u>
SHAREHOLDERS' FUNDS			<u>149,400</u>		<u>149,400</u>
Company's profit for the financial year			<u>303,358</u>		<u>465,242</u>

The financial statements were approved by the Board of Directors on 24 May 2018 and were signed on its behalf by:

Mr T Leggett - Director

The notes form part of these financial statements

Green 4 Motor Group Limited (Registered number: 08777828)

**Consolidated Cash Flow Statement
for the Year Ended 31 October 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	699,850	(1,183,834)
Tax paid		<u>(128,997)</u>	<u>-</u>
Net cash from operating activities		<u>570,853</u>	<u>(1,183,834)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(308,549)	(104,726)
Interest received		<u>1,573</u>	<u>-</u>
Net cash from investing activities		<u>(306,976)</u>	<u>(104,726)</u>
Cash flows from financing activities			
New loans in year		100,000	-
Loan repayments in year		(36,657)	(25,000)
Hire Purchase advance in year		-	176,349
Capital repayments in year		(101,083)	23,316
Amount withdrawn by directors		(380,738)	(97,546)
Share issue		-	200
Equity dividends paid		<u>(303,358)</u>	<u>(465,242)</u>
Net cash from financing activities		<u>(721,836)</u>	<u>(387,923)</u>
Decrease in cash and cash equivalents		<u>(457,959)</u>	<u>(1,676,483)</u>
Cash and cash equivalents at beginning of year	2	1,253,235	906,498
Cash and cash equivalents at end of year	2	<u>795,276</u>	<u>1,253,235</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2017

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Profit before taxation	475,280	688,365
Depreciation charges	92,522	51,149
Finance income	(1,573)	-
	<u>566,229</u>	<u>739,514</u>
Increase in stocks	(1,447,826)	(3,817,709)
Increase in trade and other debtors	(79,991)	(346,119)
Increase in trade and other creditors	<u>1,661,438</u>	<u>2,240,480</u>
Cash generated from operations	<u><u>699,850</u></u>	<u><u>(1,183,834)</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 October 2017

	31.10.17	1.11.16
	£	£
Cash and cash equivalents	<u>795,276</u>	<u>1,253,235</u>

Year ended 31 October 2016

	31.10.16	1.11.15
	£	£
Cash and cash equivalents	<u><u>1,253,235</u></u>	<u><u>906,498</u></u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 October 2017**

1. STATUTORY INFORMATION

Green 4 Motor Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the use of fair values for certain financial instruments in accordance with the accounting policies set out below.

Significant judgements and estimates

In the application of the companies accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reversed if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by managements in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Turnover

The company recognises revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits can be reliably measured, and it is probable that future economic benefits will flow to the entity. Revenue from the sale of goods is recognised when the risks and rewards of ownership are transferred to the customer. Revenue from services is recognised in the accounting periods in which the services are rendered.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

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

Improvements to property	-	14.28%/20% on cost
Plant and machinery	-	20% on cost
Fixtures and fittings	-	20% on cost
Computer equipment	-	33% on cost
Motor vehicles	-	33% on cost

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks consists of new and used cars for sale, together with spare parts and are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is determined using the first-in, first out (FIFO) method. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Stocks held on consignment are accounted for on the balance sheet when in terms of a consignment and commercial practice indicate that the principal benefit and risks of owning the stocks rest with the company. The corresponding creditor is accordingly accounted for on the balance sheet.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of liability.

Pension costs and other post-retirement benefits

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

Intangible fixed liabilities

Negative goodwill arises on the consolidation of the group accounts following the purchase of Coventry Motor Company Holdings Limited in January 2014 and is being amortised over 20 years. In the opinion of the directors, this represents a prudent estimate of the period over which the company will derive economic benefit from the reputation and customer loyalty acquired as part of that business.

Financial instruments

The limited company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from and to related parties and bank loans.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due for goods sold or services rendered in the ordinary course of business.

Trade debtors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade creditors are classified as current liabilities of the company does not have an unconditional right, at the end of the reporting date, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	141,003	138,466
Other pension costs	11,539	9,287
	<u>152,542</u>	<u>147,753</u>

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

	2017	2016
Management and Administration	16	14
Sales	18	11
Parts and Servicing	<u>35</u>	<u>24</u>
	<u>69</u>	<u>49</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 69 .

	2017	2016
	£	£
Directors' remuneration	<u>70,273</u>	<u>34,578</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

4. **OPERATING PROFIT**

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

	2017	2016
	£	£
Hire of plant and machinery	17,986	25,858
Other operating leases	250,944	207,630
Depreciation - owned assets	105,154	63,781
Goodwill amortisation	(12,632)	(12,632)
Auditors' remuneration	<u>14,000</u>	<u>13,500</u>

5. **TAXATION**

Analysis of the tax charge

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

	2017	2016
	£	£
Current tax:		
UK corporation tax	63,289	128,997
Deferred tax	<u>31,381</u>	<u>13,936</u>
Tax on profit	<u>94,670</u>	<u>142,933</u>

6. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

7. **DIVIDENDS**

	2017	2016
	£	£
Interim	<u>303,358</u>	<u>465,242</u>

8. **INTANGIBLE FIXED ASSETS**

Group

Goodwill
£

COST

At 1 November 2016
and 31 October 2017

(262,477)

AMORTISATION

At 1 November 2016
Amortisation for year
At 31 October 2017

(35,107)

(12,632)

(47,739)

NET BOOK VALUE

At 31 October 2017
At 31 October 2016

(214,738)

(227,370)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

8. INTANGIBLE FIXED ASSETS - continued**Group**

Negative goodwill arises on the consolidation of the group accounts following the purchase of Green 4 Holdings Limited in previous years and is being amortised over 20 years. In the opinion of the directors, this represents a prudent estimate of the period over which the company will derive economic benefit from the reputation and customer loyalty acquired as part of that business.

9. TANGIBLE FIXED ASSETS**Group**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 November 2016	498,505	218,212	158,024
Additions	155,630	33,160	76,250
Disposals	(135,829)	-	-
At 31 October 2017	<u>518,306</u>	<u>251,372</u>	<u>234,274</u>
DEPRECIATION			
At 1 November 2016	314,908	188,516	140,744
Charge for year	58,334	16,312	18,189
Eliminated on disposal	(135,829)	-	-
At 31 October 2017	<u>237,413</u>	<u>204,828</u>	<u>158,933</u>
NET BOOK VALUE			
At 31 October 2017	<u>280,893</u>	<u>46,544</u>	<u>75,341</u>
At 31 October 2016	<u>183,597</u>	<u>29,696</u>	<u>17,280</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 November 2016	-	186,835	1,061,576
Additions	22,336	21,173	308,549
Disposals	-	(142,401)	(278,230)
At 31 October 2017	<u>22,336</u>	<u>65,607</u>	<u>1,091,895</u>
DEPRECIATION			
At 1 November 2016	-	185,185	829,353
Charge for year	6,763	5,556	105,154
Eliminated on disposal	-	(142,401)	(278,230)
At 31 October 2017	<u>6,763</u>	<u>48,340</u>	<u>656,277</u>
NET BOOK VALUE			
At 31 October 2017	<u>15,573</u>	<u>17,267</u>	<u>435,618</u>
At 31 October 2016	<u>-</u>	<u>1,650</u>	<u>232,223</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

10. **FIXED ASSET INVESTMENTS**

Company

Shares in
group
undertakings
£

COST

At 1 November 2016
and 31 October 2017

250,000

NET BOOK VALUE

At 31 October 2017

250,000

At 31 October 2016

250,000

	Country of incorporation	Class of shares	Percentage held by the company	Nature of business
Green 4 Holdings Limited	England	Ordinary	100%	Holding Company
Green 4 Company Limited *	England	Ordinary	100%	Motor vehicle retailers

*Held by Green 4 Holdings Limited

11. **STOCKS**

Group

	2017 £	2016 £
Finished goods	<u>5,265,535</u>	<u>3,817,709</u>

Costs of stocks recognised as an expense in the year amounted to £31,914,247 (2016: £19,548,726)

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	540,267	491,892	-	-
Other debtors	300	44,580	-	-
Directors' current accounts	197,642	-	197,642	-
Prepayments and accrued income	<u>152,238</u>	<u>76,342</u>	<u>-</u>	<u>-</u>
	<u>890,447</u>	<u>612,814</u>	<u>197,642</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts (see note 15)	42,974	24,399	-	-
Hire purchase contracts (see note 16)	98,582	199,665	-	-
Consignment stock creditor	2,723,930	1,703,415	-	-
Trade creditors	2,847,573	2,328,560	-	-
Amounts owed to group undertakings	-	-	515,496	1,167,871
Tax	63,289	128,997	-	-
Social security and other taxes	105,324	52,981	-	-
Other creditors	98,463	128,850	-	-
Directors' current accounts	-	183,096	-	183,097
Accruals and deferred income	346,696	246,741	-	-
	<u>6,326,831</u>	<u>4,996,704</u>	<u>515,496</u>	<u>1,350,968</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2017	2016
	£	£
Bank loans (see note 15)	<u>107,868</u>	<u>63,101</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>42,974</u>	<u>24,399</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>41,775</u>	<u>23,688</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>66,093</u>	<u>39,413</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	2017	2016
	£	£
Net obligations repayable:		
Within one year	<u>98,582</u>	<u>199,665</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2017	2016
	£	£
Bank loans	<u>150,842</u>	<u>87,500</u>

The bank loan is secured by way of a Debenture, being a fixed and floating charge over the whole assets of the company.

18. PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£	£
Deferred tax		
Accelerated capital allowances	<u>59,222</u>	<u>27,841</u>

Group

	Deferred tax
	£
Balance at 1 November 2016	27,841
Provided during year	<u>31,381</u>
Balance at 31 October 2017	<u>59,222</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017	2016
			£	£
149,400	Ordinary	1	<u>149,400</u>	<u>149,400</u>

The above shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

20. RESERVES

Group

	Retained earnings
	£
At 1 November 2016	451,565
Profit for the year	380,610
Dividends	<u>(303,358)</u>
At 31 October 2017	<u>528,817</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2017

20. **RESERVES - continued**

Company

	Retained earnings £
Profit for the year	303,358
Dividends	<u>(303,358)</u>
At 31 October 2017	<u>-</u>

21. **PENSION COMMITMENTS**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The amount charged against profits represent the contributions payable to the scheme in respect of the accounts accounting period and amounts to £11,359 (2016: £9,287.) There were no outstanding contributions payable at the year end.

22. **ULTIMATE CONTROLLING PARTY**

The controlling party is T Leggett.

Mr T Leggett owns 50.2% of the company's share capital and therefore has control.

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