

CHA (2005) Limited

Annual report and financial statements
for the year ended 31 December 2008

Registered number: 05471124



CHA (2005) Limited

Annual report and financial statements for the year ended 31 December 2008

	Page
Directors and advisors	1
Directors' report for the year ended 31 December 2008	2
Independent auditors' report to the members of CHA (2005) Limited	6
Consolidated profit and loss account for the year ended 31 December 2008	8
Reconciliation of movements in shareholders' funds	9
Balance sheets as at 31 December 2008	10
Consolidated cash flow statement for the year ended 31 December 2008	11
Notes to the financial statements for the year ended 31 December 2008	12

CHA (2005) Limited

Directors and advisors

Executive directors

P J Dunkley
D W Hammond

Secretary and registered office

D W Hammond
Hopping Hill
Harlestone Road
Northampton
NN5 6PD

Independent auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Solicitors

Travers Smith Braithwaite
10 Snow Hill
London
EC1A 2AL

Bankers

The Royal Bank of Scotland Group
2nd Floor
152 Silbury Boulevard
Milton Keynes
MK9 1LT

CHA (2005) Limited

Directors' report for the year ended 31 December 2008

The directors present the report and the audited consolidated financial statements of CHA (2005) Limited for the year ended 31 December 2008. CHA (2005) Limited with its subsidiary companies is referred throughout as the "Group" and without its subsidiary companies as the "Company".

Business review and principal activities

The principal activities of the Group during the period were the sale, distribution, repair and servicing of new and used motor vehicles and the sale of accessories and replacement parts. Other operating income relates principally to finance and insurance commissions earned.

The consolidated profit and loss account is set out on page 8 and shows a small operating profit of £44,000 (2007 £6,355,000) and a loss before tax of £1,411,000 (2007 profit: £5,108,000).

Future outlook

The trading conditions in 2008 were extremely difficult against the backdrop of the credit crunch. The directors have taken action to right size the business for the current market place and are confident that the business will return to profitability in 2009.

Dividends and transfers to reserves

No interim dividend has been paid (2007: £nil) and no final dividend is proposed (2007: £nil). On the 3 April 2008 a dividend of £5,999,872 was received from Charles H Allen Limited and on the same date the Company purchased 3,062 of its own ordinary shares of 1p for a consideration of £5,999,872. This payment was made out of distributable reserves. The loss for the year of £791,000 (2007: profit £3,563,000) has been transferred to reserves.

Key performance indicators

Given that the owners of the business are also the directors of the business, the directors do not feel that an analysis of key performance indicators is necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The management of the business and execution of the company's strategy are subject to a number of risks.

The key business risks affecting the company are considered to relate to the buoyancy of the new and used vehicle markets and the factors that influence these markets.

Financial risk management

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of such risk.

Given the size of the company the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The department has policies and procedures that set out specific guidelines to manage credit risk.

CHA (2005) Limited

Directors' report for the year ended 31 December 2008 (continued)

Financial risk management (continued)

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Hierarchical authority levels ensure appropriate levels of risk appraisal.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Directors

The names of the directors of the company at any time during the year are listed on page 1.

Directors' interests

The interests of the directors of the company in the shares and loan stock of CHA (2005) Limited, at the 31 December 2008 were:

	A Ordinary Shares held by Camden Motors (Trustees) unapproved pension scheme	A Ordinary Shares of 1p each
P J Dunkley	8,137	3,938
D W Hammond	-	2,391

Other than shown above, no director had any interest in shares or loan stock of the company at 31 December 2008.

Employment policy

The Group maintains policies aimed at informing employees of, and involving them in matters relating to the Group's activities and performance, as appropriate to their employment.

Employment of disabled persons

The Group seeks applications for employment from disabled persons who can meet the requirements of the job and all necessary assistance with training is given. Where employees become disabled, the Group makes strenuous efforts to continue to employ them.

CHA (2005) Limited

Directors' report for the year ended 31 December 2008 (continued)

Political and charitable contributions

During the year the Group made no contributions for charitable purposes (2007: £nil). The Group has not made any contributions to political parties during the year.

Statement of directors' responsibilities in respect of the Annual Report and financial statements

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

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

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements-;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

CHA (2005) Limited

Directors' report for the year ended 31 December 2008 (continued)

Disclosure of information to auditors

Each person who is a director at the date of approval of this report confirms that:

So far as the directors are aware, there is no relevant audit information (that is, information needed by the company's auditors in preparing their report) of which the company's auditors are unaware; and

The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the companies auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

Auditors

The auditors PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the board



D W Hammond
Company Secretary

Date 30 June 2009

Independent auditors' report to the members of CHA (2005) Limited

We have audited the group and parent company financial statements (the "financial statements") of CHA (2005) Limited for the year ended 31 December 2008 which comprise the Consolidated Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses, the Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, the Directors and advisors page and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 December 2008 and of the group's loss and cash flows for the year then ended;

the financial statements have been properly prepared in accordance with the Companies Act 1985; and

the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Date *7 July 2009*

Birmingham

CHA (2005) Limited

Consolidated profit and loss account for the year ended 31 December 2008

		2008	2007
	Notes	£000	£000
Turnover	2	248,112	267,716
Cost of sales		(215,994)	(231,936)
Gross profit		32,118	35,780
Distribution costs		(23,068)	(22,611)
Administrative expenses		(13,673)	(12,751)
Other operating income		6,211	6,426
Operating profit before exceptional item	6	1,588	6,844
Exceptional loss	8	(1,544)	(489)
Operating profit after exceptional item		44	6,355
Interest payable and similar charges	5	(1,455)	(1,247)
Profit on ordinary activities before taxation		(1,411)	5,108
Tax on profit on ordinary activities	7	264	(1,545)
Profit on ordinary activities after taxation		(1,147)	3,563

The group has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above, and their historical cost equivalents.

All results are derived from continuing operations.

CHA (2005) Limited

Reconciliation of movements in shareholders' funds

	2008	2007
	£000	£000
(Loss) / Profit for the financial year	(1,147)	3,563
Purchase of 3,062 Ordinary Shares	(6,000)	-
Net (reduction) / increase in shareholders' funds	(7,147)	3,563
Shareholders' funds brought forward	8,759	5,196
Closing shareholders' funds	1,612	8,759

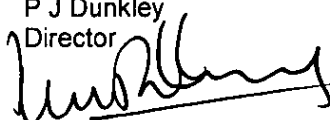
CHA (2005) Limited

Balance sheets as at 31 December 2008

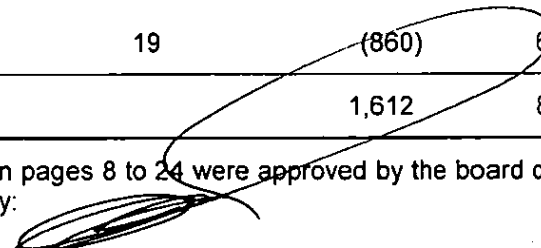
	Notes	Group		Company	
		2008	2007	2008	2007
		£000	£000	£000	£000
Fixed assets					
Tangible assets	10	3,197	3,454		-
Investments	12	-	-		-
Goodwill	11	97	102		-
		3,294	3,556		-
Current assets					
Stock	13	56,184	47,423		-
Debtors – due within one year	14	14,505	19,459		-
Cash at bank and in hand		6	7		-
		70,695	66,889		-
Creditors: amounts falling due within 1 year	15	(66,980)	(1,234)		-
Net current assets		3,715	5,203		-
Total assets less current liabilities		7,009	8,759		-
Creditors: amounts falling due after 1 year	20	(5,397)	-		-
Net assets		1,612	8,759		-
Capital and reserves					
Share capital	18	-	-		-
Other reserve	19	2,472	2,472		-
Profit and loss account	19	(860)	6,287		-
Total shareholders' assets		1,612	8,759		-

The financial statements on pages 8 to 24 were approved by the board of directors on 30 June 2009 and were signed on its behalf by:

P J Dunkley
Director



D W Hammond
Director



CHA (2005) Limited

Consolidated cash flow statement for the year ended 31 December 2008

	Note	2008	2007
		£000	£000
Net cash inflow from operating activities		6,688	8,535
Returns on investments and servicing of finance			
Receipt of dividend from Charles H Allen Limited		6,000	-
Interest paid		(1,455)	(1,247)
		5,232	(1,247)
Taxation			
United Kingdom corporation tax paid		(752)	(1,470)
		4,480	5,818
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(633)	(1,362)
Purchase of intangible assets		-	-
Purchase of 3,062 ordinary shares		(6,000)	-
Increase in cash in the year	22	3,847	4,456
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit after exceptional items		44	6,355
Depreciation of tangible and fixed assets		890	862
Amortisation of goodwill		5	8
(Increase) in stocks		(8,761)	(343)
Decrease / (increase) in debtors		5,319	(7,457)
Increase in creditors		9,191	9,110
Net cash inflow from operating activities		6,688	8,535

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008

1 Principal accounting policies

The financial statements cover the year ended 31 December 2008 and have been prepared on a going concern basis, under the historic cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. A summary of the principle accounting policies, which have been applied consistently, is set out below.

Basis of consolidation

The Group accounts consolidate the accounts of the Company and its subsidiaries for the year ended 31 December 2008.

Goodwill

Goodwill arising on the acquisition of subsidiaries and associates prior to the effective date of FRS10 has been written off immediately against reserves.

Goodwill arising on the acquisition of subsidiaries and associates and goodwill purchased after the effective date of FRS 10 is capitalised and amortised over an estimated useful economic life of 20 years on a straight line basis.

Tangible fixed assets

The cost of fixed assets is the purchase cost, or fair value on acquisition, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	2% per annum
Short leasehold property	over the period of the lease
Plant and equipment	10% - 33½% per annum

Freehold land is not depreciated.

Investments

Investments are held at cost less any provision, where necessary, for permanent diminutions in value.

Leased assets

Assets held under finance leases are included under tangible fixed assets at their capital value and depreciated over the shorter of the lease term and the assets' useful economic life. Leasing payments consist of capital and interest elements and the interest is charged to the profit and loss account. Annual rentals in respect of operating leases are charged to the profit and loss account as incurred.

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

Principal accounting policies (continued)

Stocks

Stocks are stated at the lower of invoiced cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks. Stocks on consignment and their related obligations are recognised in current assets and creditors respectively when the risks and rewards of ownership pass to the company.

Repurchase commitments represent vehicles at the cost, or, if lower, estimated realisable value for which the company has entered into a repurchase obligation. Repurchase commitments where the benefits and risks associated with the vehicles remain with the third party until transfer of title are not recognised as either an asset or liability of the company.

Demonstration vehicles are depreciated at between 30 and 40% per annum on a straight line basis.

Turnover and cost of sales

Turnover from the sale of new and used motor vehicles, accessories and related services, which exclude value added tax, sales between Group companies and trade discounts, represent the invoiced value of goods and services supplied. Cost of sales includes funding charges made under dedicated manufacturer fleet programmes related to the supply under contract of vehicles to major fleet customers.

Deferred taxation

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Pension costs

Pension arrangements for staff are operated through the Camden Ventures Limited defined contribution scheme.

All retirement benefits are accounted for in accordance with FRS 17 'Retirement benefits'.

Pension costs are charged to the profit and loss account in the period they occur.

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

Principal accounting policies (continued)

Finance costs

In accordance with the provisions of FRS4 ("Capital Instruments"), finance costs associated with capital instruments are recognised in the profit and loss account on a systematic basis taking into consideration the Company's outstanding obligations.

Finance costs relating to non-equity shareholders' funds are treated as appropriations.

Debt issue costs are accounted for as a reduction in the proceeds of the related instrument and are recognised in the profit and loss account over the period up to the earliest possible repayment of the related debt.

Interest rate caps are capitalised at cost, included in prepayments and amortised over the term of the cap.

Related party transactions

Advantage has been taken of the exemption within FRS 8 (Related Party Transactions) not to disclose transactions between Group companies.

The company has a number of related parties on the basis of the entities being under common ownership and control. Refer to note 24 for summary of the transactions during the year and balances outstanding.

2 Segmental reporting

Turnover and profits arise entirely from sales made in the United Kingdom in respect of the Group's principal activity.

3 Directors' emoluments

No director of the Company exercised share options during the period and none became entitled to receive shares under any long term incentive scheme.

P Dunkley and D Hammond are remunerated by Camden Ventures Limited, a related entity. Accordingly, their emoluments are included in the statutory accounts of that entity.

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

4 Employee information

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

	2008	2007
	Number	Number
By activity		
Staff wholly employed in the motor vehicle business	756	806

	2008	2007
	£000	£000
Staff costs (for the above persons)		
Wages and salaries	19,326	20,829
Social security	1,740	1,799
Other pension costs (note 18)	227	214
	21,293	22,842

5 Interest payable and similar charges

	2008	2007
	£000	£000
Bank loans and overdrafts	1,121	1,247
Subordinated Loan	334	-
Total Interest	1,455	1,247

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

6 Operating profit

	2008	2007
	£000	£000
Operating profit is stated after charging:		
Depreciation on tangible fixed assets	890	862
Amortisation of goodwill	5	8
Auditors' remuneration – audit services	40	43
Operating leases – all relating to land and buildings	3,100	2,850

Amounts paid to auditors for other services relate to Corporation Tax compliance services.

7 Tax on profit on ordinary activities

	2008	2007
	£000	£000
UK corporation tax at 28.5% (2007: 30%)	-	1,545
Adjustment in respect of previous periods	(389)	
Total current tax	(389)	1,545
Deferred tax	125	-
Tax on profit on ordinary activities	(264)	1,545

There has been a change in the corporation tax rates from 30% to 28% in the budget of 2007 effective from April 2008. The standard rate charged of 28.5% represents 9 months at the reduced rate.

The deferred tax liability has not been discounted. An analysis of the tax charge is given below:

	2008	2007
	£000	£000
(Loss)/Profit on ordinary activities before tax	(1,411)	5,108
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2007: 30%)	(402)	1,532
Effects of:		
Expenses not deductible for tax purposes	36	13
Other timing differences	366	-
	-	1,545

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

8 Exceptional operating losses

	2008	2007
	£000	£000
Exceptional write down of used vehicle stock	935	-
Restructuring costs	609	-
Loss arising on the closure of a Mitsubishi franchise in Solihull	-	489
	1,544	489

9 Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the Company's profit and loss account has not been included in these financial statements. The Company's retained profit for the year was £6m.

10 Tangible fixed assets

Group	Leasehold Property	Plant & equipment	Totals
	£000	£000	£000
Cost			
As at 1 January 2008	575	9,675	10,250
Additions	13	620	633
At 31 December 2008	588	10,295	10,883
Depreciation			
At 1 January 2008	503	6,293	6,796
Charge for the year	25	865	890
At 31 December 2008	528	7,158	7,686
Net book value at 31 December 2008	60	3,137	3,197
Net book value at 31 December 2007	72	3,382	3,454

The company had no tangible fixed assets.

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

11 Intangible fixed assets

	Goodwill
	£000
Cost	
As at 1 January 2008	113
Additions	-
At 31 December 2008	113
Amortisation	
At 1 January 2008	11
Charge for the year	5
At 31 December 2008	16
Net book value at 31 December 2008	97
Net book value at 31 December 2007	102

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

12 Investments in group undertakings

The following are the wholly owned subsidiary undertakings of CHA (2005) Limited, all of which have been included within the consolidated financial statements:

Name of undertaking	Country of incorporation	Description of shares held	Proportion of nominal value of issued shares held by:	
			Group	Company
Camden Motors Limited	Great Britain	'A' Ordinary 1p shares	100%	Nil
		'B' Ordinary 1p shares	-	-
Charles H. Allen Limited	Great Britain	Ordinary £1 shares	100%	100%
		Preference £1 shares	100%	100%
		Non cumulative preference 3.75% £1 shares	100%	100%
Allen Ford (UK) Limited	Great Britain	'A' Ordinary 1p shares	100%	Nil
		'B' Ordinary 1p shares	-	-

Camden Motors Limited is a dormant company. Charles H. Allen Limited is an intermediate holding company. The principal activities of Allen Ford (UK) Limited are the distribution, sale, repair and service of new and used vehicles and the sale of accessories and replacement parts.

13 Stock

	Group	Group	Company	Company
	2008	2007	2008	2007
	£000	£000	£000	£000
Motor vehicles	54,102	45,022	-	-
Parts, accessories and other stocks	2,082	2,401	-	-
	56,184	47,423	-	-

Vehicle consignment stocks are recognised on the balance sheet where, in substance, they are deemed to be assets of the company. The principal criterion applied is whether the vehicles are interest bearing. The corresponding liabilities have been included in creditors. 2008 £41,208,000 (2007 - £24,106,000)

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

14 Debtors: amounts falling due within one year

	Group	Group	Company	Company
	2008	2007	2008	2007
	£000	£000	£000	£000
Trade debtors	8,440	11,654	-	-
Amounts due from related parties	2,351	2,353	-	-
Prepayments and accrued income	3,240	5,343	-	-
Corporation Tax	474	-	-	-
Deferred tax (note 17)	-	109	-	-
	14,505	19,459	-	-

15 Creditors: amounts falling due within one year

	Group	Group	Company	Company
	2008	2007	2008	2007
	£000	£000	£000	£000
Bank loans and overdrafts	2,455	6,303	-	-
Trade creditors	52,058	37,426	-	-
Other taxation and social security	1,763	1,762	-	-
Amounts owed to related parties	44	88	-	-
Corporation tax	-	668	-	-
Other creditors	8,555	14,800	-	-
Accruals and deferred income	2,089	639	-	-
Deferred Taxation – Note 16	16	-	-	-
	66,980	61,686	-	-

The bank overdraft is secured by way of a fixed and floating charge over the assets of the company.

Amounts owed to Group undertakings are unsecured, interest free and have no fixed date of repayment. The amounts include £Nil (2007: £nil) in respect of amounts payable for group relief.

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

16 Provisions for liabilities and charges

	Deferred taxation
	£000
Group	
At 1 January 2008	(109)
Charged to the profit and loss account in the year	125
At 31 December 2008	16

Deferred taxation

Deferred taxation provided in the financial statements is as follows:

	Amount provided 2008	Amount provided 2007
	£000	£000
Group		
Tax effect of timing differences:		
Excess of tax allowances over depreciation	16	(99)
Short term timing differences	-	(10)
	16	(109)

There are no deferred tax charges in the Company

17 Pension and similar obligations

The company contributes to a Camden Ventures Limited defined contribution scheme where the retirement benefits of certain employees are funded by contributions from the company. These contributions are based on pension costs across the group as a whole and paid by Camden Ventures Limited to insurance companies and charged to the profit and loss account for the year in which they become payable. There were no amounts outstanding at 31 December 2008. The total pension cost for the year was £227,000 (2007: £214,000).

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

18 Called up share capital

Group and Company	2008	2007
	£	£
Authorised		
96,938 A ordinary shares of 1p each	969	1,000
Allotted, called up and fully paid		
12,252 A ordinary shares of 1p each	123	153
On 3 April 2008 the company repurchased 3,062 ordinary shares for a cash consideration of £5,999,872.		

19 Reserves

Group	Other reserve	Profit and loss account	Total
	£000	£000	£000
At 1 January 2008	2,472	6,287	8,759
Loss for the year	-	(1,147)	(1,147)
Purchase of 3,062 ordinary	-	(6,000)	(6,000)
At 31 December 2008	2,472	(860)	1,612

Company	Profit and loss account
	£000
At 1 January 2008	-
Purchase of 3,062 ordinary shares	(6,000)
Dividend Received from Charles H Allen Limited	6,000
At 31 December 2008	-

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

20 Creditors due after 1 year

	2008	2007
	£000	£000
Subordinated Loan	5,397	-
	5,397	-

On 3 April 2008 the Company's shareholders loaned £5,999,872 to Allen Ford (UK) Limited subject to the terms of a Deed of Subordination in favour of FCE Bank plc, Lombard North Central PLC and National Westminster Bank plc. This loan is interest bearing at 7.5% and is repayable over a period of 5 years.

In January 2009 an aggregate amount of £603,022 was repaid and this amount is shown within creditors due within 1 year.

21 Reconciliation of net cash flow to movement in net debt

	2008	2007
	£000	£000
Increase/(decrease) in cash in the year	3,847	4,456
Net debt at 1 January	(6,296)	(10,752)
Net debt at 31 December	(2,449)	(6,296)

22 Movement in net debt

	At 1 January 2008	Cash flow	At 31 December 2008
	£000	£000	£000
Cash in hand and at bank	7	(1)	6
Overdrafts and other on demand facilities	(6,303)	3,848	(2,455)
	(6,296)	3,847	2,449

CHA (2005) Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

23 Financial commitments

	2008	2007
	£000	£000
Annual commitments in respect of operating leases relating wholly to land and buildings expiring::		
Expiring within one year	87	414
Expiring between two and five years	27	27
Expiring after five years	2,986	2,409
	3,100	2,850

Included in commitments expiring in over five years is the sum of £1,686,000 (2007: £1,135,000) payable to Camden Ventures Limited by way of rent on properties owned by this related party

24 Contingent liabilities

The company has provided a guarantee in favour of Ford Credit and The Royal Bank of Scotland Group in respect of certain funding facilities provided to Allen Ford (UK) Limited.

25 Related party transactions

The group has a number of related parties on the basis of the entities being under common ownership and control. The transactions during the year and balances outstanding are described below.

	Sales to related party	Purchases from related party	Amounts owed by related party	Amounts owed to related party
	£000	£000	£000	£000
Related party				
Car Shops Limited	40	-	4	-
Camden Motor Group Limited	-	-	2,347	-
Camden Ventures Limited	115	2,221	-	44