

**SLOUGH MOTOR COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**30<sup>th</sup> November 2009**

TUESDAY



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27/07/2010

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COMPANIES HOUSE

# **Slough Motor Company Limited**

## **Directors' report and financial statements**

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## **Slough Motor Company Limited**

### **Directors' report**

The directors present their report and the audited financial statements of the company for the year ended 30<sup>th</sup> November 2009

#### ***Principal activities and business review***

The main activities of the company are the sale, export, hire and maintenance of motor vehicles and ancillary services

The directors are satisfied with the results for the year despite the competitive nature of the industry. They consider that existing operational plans will result in further development for the company in the foreseeable future.

The directors consider that the key financial performance indicators (KPIs) are those that communicate the financial performance and strength of the company as a whole to the members. These KPIs comprise turnover, operating profit and shareholders' funds.

Turnover for the year was £51,861,736 (2008 - £47,069,163)

The operating profit was £457,840 (2008 loss - £15,654) and the profit before tax was £321,170 (2008 loss - £287,140)

Shareholders' funds increased by £321,170 to £2,797,387 as a result of the profit for the year.

The directors consider that the principal non-financial KPIs are customer service, employee satisfaction and health and safety. The directors are satisfied with the company's performance in each of these areas.

#### ***Results and dividends***

The results are detailed in the profit and loss account on page 6. The directors do not recommend the payment of a dividend.

#### ***Financial risk management objectives and policies***

The company's principal financial instruments comprise cash balances and bank overdrafts and loans. The main purpose of these financial instruments is to provide finance for the company's operations.

The main financial risks arising from the company's financial instruments are credit risk and liquidity risk. The company minimises its exposure to credit risk by conducting status enquiries and gate control at trading premises and by regularly reviewing the aged analysis of debtors. The company minimises its exposure to liquidity risk by ensuring that sufficient funds are available for its day to day operations via use of its borrowing facility.

#### ***Disabled persons policy***

The company operates an equal opportunities policy in respect of the employment, training, career development and promotion of disabled employees.

#### ***Significant changes in fixed assets***

Movements in fixed assets are set out in note 8.

**Slough Motor Company Limited**

**Directors' report** *(continued)*

***Directors***

The directors who held office during the year were

M J Warnes  
L B Friedman  
C Redfern  
T F Bradbury

M J Warnes retires from the board and, being eligible, offers himself for re-election

***Auditors***

A resolution to re-appoint The Leaman Partnership LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 487(2) of the Companies Act 2006

On behalf of the board

A handwritten signature in black ink, appearing to be 'L B FRIEDMAN', with a large, stylized flourish extending from the end of the signature.

L B FRIEDMAN

29 April 2010

Registered Office 51 Queen Anne Street, London, W1G 9HS

## **Slough Motor Company Limited**

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these 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.

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 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Slough Motor Company Limited**  
**Independent auditors' report to the shareholders of Slough Motor Company Limited**  
**For the year ended 30 November 2009**

We have audited the financial statements of Slough Motor Company Limited for the year ended 30 November 2009. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- ☐ give a true and fair view of the state of the company's affairs as at 30 November 2009 and of its profit for the year then ended,
- ☐ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- ☐ have been prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

**Slough Motor Company Limited**

**Independent auditors' report to the shareholders of Slough Motor Company Limited**

**For the year ended 30 November 2009**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- ☐ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- ☐ the financial statements are not in agreement with the accounting records and returns, or
- ☐ certain disclosures of directors' remuneration specified by law are not made, or
- ☐ we have not received all the information and explanations we require for our audit

*The Leaman Partnership LLP*

P MATTEI (Senior Statutory Auditor)

For and on behalf of

The Leaman Partnership LLP

Chartered Accountants

& Registered Auditors

51 Queen Anne Street

London W1G 9HS

29 April 2010

# Slough Motor Company Limited

## Profit And Loss Account

for the year ended 30<sup>th</sup> November 2009

	Note	2009 £	2008 £
Turnover	1	51,861,736	47,069,163
Cost of sales		43,065,470	37,864,052
Gross profit		8,796,266	9,205,111
Distribution and administrative expenses	2	8,338,456	9,220,864
		457,810	(15,753)
Other income	3	30	99
Operating profit/(loss)		457,840	(15,654)
Interest payable	4	136,670	271,486
Profit/(loss) on ordinary activities before taxation	5	321,170	(287,140)
Taxation	6	-	-
Profit/(loss) for the financial year	17	321,170	(287,140)

All the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above



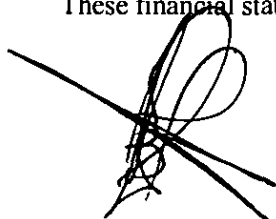
# Slough Motor Company Limited

## Balance Sheet

at 30<sup>th</sup> November 2009

	Note	£	2009 £	2008 £
<b>Fixed assets</b>				
Tangible assets	8		3,582,063	3,728,537
<b>Current assets</b>				
Stock	1	4,699,878		4,093,614
Debtors	9	2,324,111		1,165,973
Cash at bank and in hand		3,420		4,355
		<u>7,027,409</u>		<u>5,263,942</u>
<b>Creditors</b>				
Amounts falling due within one year	10	7,662,085		6,366,262
		<u></u>		<u></u>
<b>Net current liabilities</b>			(634,676)	(1,102,320)
<b>Total assets less current liabilities</b>			<u>2,947,387</u>	<u>2,626,217</u>
<b>Creditors</b>				
Amounts falling due within one year				
Loan from parent company	11		(150,000)	(150,000)
			<u></u>	<u></u>
<b>Net assets</b>			<u>2,797,387</u>	<u>2,476,217</u>
<b>Capital and reserves</b>				
Called up share capital	13		50,100	50,100
Revaluation reserve	14		2,289,987	2,289,987
Profit and loss account			457,300	136,130
			<u></u>	<u></u>
<b>Total shareholders' funds</b>	17		<u>2,797,387</u>	<u>2,476,217</u>
<b>Shareholders' funds are attributable to:</b>				
Non-equity shareholders' funds			100	100
Equity shareholders' funds			2,797,287	2,476,117
			<u>2,797,387</u>	<u>2,476,217</u>

These financial statements were approved by the board of directors on 29 April 2010 and were signed on its behalf by



L B FRIEDMAN

Director

Company number 01614118

**Slough Motor Company Limited**

**Cash Flow Statement**

*for the year ended 30<sup>th</sup> November 2009*

	Note	£	2009 £	£	2008 £
<b>Net cash inflow from operating activities</b>	15		693,782		1,570,717
<b>Returns on investment and servicing of finance</b>					
Interest received	3	30		99	
Interest paid	4	(136,670)		(271,486)	
<b>Net cash outflow from returns on investment and servicing of finance</b>			(136,640)		(271,387)
<b>Capital expenditure</b>					
Payments to acquire fixed assets		(67,564)		(112,832)	
Receipts from sale of fixed assets		2,565		-	
			(64,999)		(112,832)
<b>Net cash inflow before financing</b>	16		492,143		1,186,498
<b>Financing</b>					
Decrease in loans	16		-		(102,651)
<b>Increase in cash</b>	16		492,143		1,083,847

**Reconciliation of net cash flow to movement in net debt**

Increase in cash in the year		492,143	1,083,847
Cash outflow from decrease in debt		-	102,651
Movement in net debt in the year		492,143	1,186,498
Net debt at start of year		(756,846)	(1,943,344)
Net debt at end of year	16	(264,703)	(756,846)

## Slough Motor Company Limited

### Notes

*(forming part of the financial statements)*

#### 1. Accounting policies

##### *Basis of accounting*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules as modified by the revaluation of properties

##### *Turnover*

This represents the value of goods sold, services provided and commissions receivable by the company, excluding value added tax

##### *Fixed assets and depreciation*

Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Leasehold property	-	over the unexpired period of the lease
Fixtures, fittings, plant and equipment	-	10% to 33 <sup>1</sup> / <sub>3</sub> % per annum
Freehold property	-	2% to 10% per annum

##### *Stock*

Stock is valued at the lower of cost and net realisable value. Stock held on consignment is accounted for in the balance sheet only when title has passed to the company or when the commercial risk of obsolescence rests with the company

##### *Leased assets*

Rental payments are written off in the period in which they are incurred

##### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise

##### *Financial instruments*

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

#### 2. Distribution and administrative expenses

	2009 £	2008 £
Distribution costs	5,812,919	6,323,443
Administrative expenses	2,525,537	2,897,421
	<u>8,338,456</u>	<u>9,220,864</u>

# Slough Motor Company Limited

## Notes (continued)

	2009 £	2008 £
<b>3. Other income</b>		
Interest	<u>30</u>	<u>99</u>
<b>4. Interest payable</b>		
Bank overdraft	39,449	73,825
Loans repayable within five years	<u>97,221</u>	<u>197,661</u>
	<u>136,670</u>	<u>271,486</u>
<b>5. Loss on ordinary activities</b>		
This is stated after charging		
Auditors' remuneration	22,000	22,000
Operating lease charges		
Other	446,983	552,321
Depreciation and amounts written off tangible fixed assets	<u>211,473</u>	<u>249,157</u>
<b>6. Tax on profit/(loss) on ordinary activities</b>		
<b>(a) Taxation</b>		
Current tax		
UK corporation tax based on the results for the year at 28% (2008- 30%)	-	-
(Over)/under provision in prior years	-	-
Total current tax	<u>-</u>	<u>-</u>
<b>(b) Factors affecting current tax charge</b>		
Profit / (loss) on ordinary activities before taxation	<u>321,170</u>	<u>(287,140)</u>
Tax at 28% (2008 – 30%)	89,928	(86,142)
Permanent timing differences	248	793
Other timing differences	7,054	12,953
Other adjustments	<u>(97,230)</u>	<u>72,396</u>
Total current tax (6 (a))	<u>-</u>	<u>-</u>

# Slough Motor Company Limited

## Notes (continued)

	2009 £	2008 £
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### 7. Staff numbers and costs

No No

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

Production	22	28
Distribution	112	135
Administrative	43	40
	<u>177</u>	<u>203</u>

The aggregate payroll costs of these persons were as follows

£ £

Wages and salaries	4,668,375	5,060,859
Social security costs	511,315	523,666
Other pension costs	131,356	153,865
	<u>5,311,046</u>	<u>5,738,390</u>

### 8. Tangible assets

	Leasehold Improvements £	Freehold properties £	Fixtures, fittings, plant and equipment £	Total £
<b>Cost or valuation</b>				
At beginning of year	45,738	3,238,006	2,412,365	5,696,109
Additions	-	-	67,564	67,564
Disposals	-	-	(405,051)	(405,051)
At end of year	<u>45,738</u>	<u>3,238,006</u>	<u>2,074,878</u>	<u>5,358,622</u>
<b>Depreciation</b>				
At beginning of year	13,331	52,394	1,901,847	1,967,572
Provided this year	6,665	14,968	160,100	181,733
Disposals	-	-	(372,746)	(372,746)
At end of year	<u>19,996</u>	<u>67,362</u>	<u>1,689,201</u>	<u>1,776,559</u>
<b>Net book values</b>				
30 <sup>th</sup> November 2009	<u>25,742</u>	<u>3,170,644</u>	<u>385,677</u>	<u>3,582,063</u>
30 <sup>th</sup> November 2008	<u>32,407</u>	<u>3,185,612</u>	<u>510,518</u>	<u>3,728,537</u>

# Slough Motor Company Limited

## Notes (continued)

### 8. Tangible assets (continued)

#### Freehold properties comprise

	2009 £	2008 £
Cost	-	-
Valuation - 2005	3,238,006	3,238,006
	<u>3,238,006</u>	<u>3,238,006</u>

The historical cost of these properties was

1,107,438	1,107,438
<u>1,107,438</u>	<u>1,107,438</u>

All other tangible assets are stated at historical cost

### 9. Debtors

Trade debtors	893,012	307,766
Amounts owed by group undertakings	1,089,570	518,157
Prepayments and accrued income	287,754	340,050
Social security and other taxes	53,775	-
	<u>2,324,111</u>	<u>1,165,973</u>

### 10. Creditors falling due within one year

Trade creditors	5,607,587	3,952,096
Other creditors	2,068	245
Social security and other taxes	134,527	263,288
Amounts owed to group undertakings	429,724	479,166
Accruals	1,192,755	882,966
Bank overdraft (secured - see note 12)	268,123	761,200
Corporation tax	27,301	27,301
	<u>7,662,085</u>	<u>6,366,262</u>

## Slough Motor Company Limited

### Notes (continued)

#### 11. Related party transactions

The company's ultimate parent company and controlling party is Bestodeck Limited, a company registered in England. The group has no ultimate controlling party.

The company has taken advantage of the exemptions provided by Financial Reporting Standard 8 and has not reported transactions with other group companies.

The loan of £150,000 from Bestodeck Limited, is at present, free of interest.

#### 12. Bank overdraft and loans

	2009 £	2008 £
The aggregate amount of secured borrowings is as follows		
Falling due within five years		
Bank overdraft	268,123	761,200

The bank overdraft and loans are secured by fixed and floating charges over certain of the company's assets.

#### 13. Share capital

##### *Authorised*

'A' ordinary shares of £1 each	50,000	50,000
'B' ordinary shares of £1 each	100	100
	<u>50,100</u>	<u>50,100</u>

##### *Allotted, issued and fully paid*

'A' ordinary shares of £1 each	50,000	50,000
'B' ordinary shares of £1 each	100	100
	<u>50,100</u>	<u>50,100</u>

# **Slough Motor Company Limited**

## **Notes (continued)**

	2009 £	2008 £
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### **14. Revaluation reserve**

At 1 December 2008 and 30 November 2009	<u>2,289,987</u>	<u>2,289,987</u>
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There is no present intention of disposing of the remaining revalued properties, accordingly no provision has been made in these financial statements for taxation of £686,996 which would arise in the event of such a disposal

### **15. Reconciliation of operating loss to net cash inflow from operating activities**

Operating profit / (loss)	457,840	(15,654)
Other operating income	(30)	(99)
Depreciation and loss on sale of fixed assets	211,473	249,157
(Increase)/decrease in stock	(606,264)	1,285,793
(Increase)/decrease in debtors	(1,158,138)	540,647
Increase/ (decrease) in creditors	<u>1,788,901</u>	<u>(489,127)</u>
	<u>693,782</u>	<u>1,570,717</u>

### **16. Analysis of net debt**

	1-December 2008	Cashflow	30-November 2009
Cash at bank	4,355	(935)	3,420
Overdrafts	<u>(761,200)</u>	<u>493,077</u>	<u>(268,123)</u>
Net debt	<u>(756,845)</u>	<u>492,142</u>	<u>(264,703)</u>

### **17. Statement of total recognised gains and losses**

Profit / (loss) for the financial year	321,170	(287,140)
Opening shareholders' funds	<u>2,476,217</u>	<u>2,763,357</u>
Closing shareholders' funds	<u>2,797,387</u>	<u>2,476,217</u>



## Slough Motor Company Limited

### Notes (continued)

#### 18. Contingent liability

The company is the representative member of a group registration for value added tax purposes and, accordingly, is jointly and severally liable for any such tax due by other group members

#### 19. Financial commitments

##### *Pensions*

The parent company operates a group personal pension plan under which contributions are paid into individual policies. Contributions paid by the company are written off to the profit and loss account in the accounting period in which they are incurred

##### *Operating leases*

The company has annual commitments expiring as follows

	2009 £	2008 £
	Land and Buildings	Land and Buildings
Within one year	115,167	73,750
In two to five years	8,834	65,000
After five years	202,400	289,900
	<u>326,401</u>	<u>428,650</u>