

REGISTERED NUMBER: 03560193 (England and Wales)

**Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31st December 2013
for
SPENCERS LIMITED
TRADING AS CARRS OF BURY ST EDMUNDS**



SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

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for the year ended 31st December 2013

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SPENCERS LIMITED
TRADING AS CARRS OF BURY ST EDMUNDS

Company Information
for the year ended 31st December 2013

DIRECTORS:

Mr N A Spencer
Mrs C M Spencer

SECRETARY:

Mrs C M Spencer

REGISTERED OFFICE:

Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

REGISTERED NUMBER:

03560193 (England and Wales)

AUDITORS:

Barrons
Chartered Accountants
& Statutory Auditors
Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Strategic Report
for the year ended 31st December 2013

Spencers Limited has continued to grow and develop the business during 2013. 2013 saw a strengthening of the retail motor trade overall and specifically strong performances from the prestige brands.

Within Spencer's Limited, 2013 has seen an 18% growth in new vehicle unit sales and 21% growth in used vehicle unit sales. The aftersales area has strengthened its profitability during 2013, this is predominately as a result of a 5% increase in the labour recovery rate per hour on top of an increase in labour hours sold.

A key development for the business during 2013 was the construction, completion and utilisation of a new dedicated MINI Showroom and Used BMW Showroom. These have been developed in an adjacent leased building and have more than trebled the internal showroom spaces. Since opening in October 2013 the new site has already been very successful and has had a very positive effect on both footfall and customer satisfaction within our MINI franchise. An internal area for used vehicle display stock and an improved customer handover experience has been beneficial to the BMW franchise.

The increased overhead experienced as a result of the new site development has detracted from improved departmental performance within the business. This is likely to continue during 2014 although further growth is expected to return profitability to a level in line with 2012.

In addition to the risks incurred due to the leasehold property development, 2014 has also seen very large target increases from the manufacturer. This will require notable growth over last year to achieve key bonus payments from the manufacturer, although achieving these targets will generate an increase in bonus income, it is likely to be at the detriment of gross margin on new vehicles in order to achieve the required targets.

The company monitors and manages these risks by way of business and market review on a continual basis.

The company's operations are subject to the laws governing business in general including health and safety, labour and employment practices and other matters.

ON BEHALF OF THE BOARD:



.....
Mr N A Spencer - Director

Date: 24/9/14
.....

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Report of the Directors
for the year ended 31st December 2013

The directors present their report with the financial statements of the company for the year ended 31st December 2013.

DIVIDENDS

During the year, interim dividends of £236,083 have been declared.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2013 to the date of this report.

Mr N A Spencer
Mrs C M Spencer

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


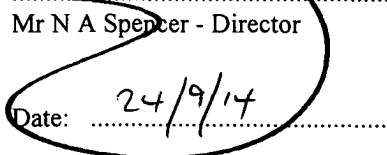
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Barrons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Mr N A Spencer - Director

Date: 24/9/14
.....

Report of the Independent Auditors to the Members of Spencers Limited

We have audited the financial statements of Spencers Limited for the year ended 31st December 2013 on pages six to twenty one. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2013 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 matter prescribed by the Companies Act 2006

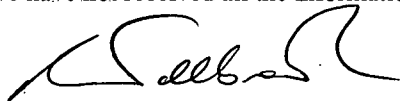
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of Spencers Limited

Matters on which we are required to report by exception

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

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



Russell Tillbrook FCCA (Senior Statutory Auditor)
for and on behalf of Barrons
Chartered Accountants
& Statutory Auditors
Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

Date:24/9/14.....

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Profit and Loss Account
for the year ended 31st December 2013

	Notes	2013 £	2012 £
TURNOVER		40,552,165	34,001,449
Cost of sales		<u>36,692,018</u>	<u>30,339,465</u>
GROSS PROFIT		3,860,147	3,661,984
Administrative expenses		<u>3,528,735</u>	<u>2,892,533</u>
		331,412	769,451
Other operating income		<u>18,950</u>	<u>12,868</u>
OPERATING PROFIT	3	350,362	782,319
Cost of fundamental reorganisation		<u>101,377</u>	<u>73,189</u>
		248,985	709,130
Interest receivable and similar income		<u>-</u>	<u>47</u>
		248,985	709,177
Interest payable and similar charges	4	<u>109,583</u>	<u>110,119</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		139,402	599,058
Tax on profit on ordinary activities	5	<u>13,855</u>	<u>54,246</u>
PROFIT FOR THE FINANCIAL YEAR		<u>125,547</u>	<u>544,812</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Balance Sheet
31st December 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Intangible assets	7	79,805	97,565
Tangible assets	8	1,123,142	98,765
		<u>1,202,947</u>	<u>196,330</u>
CURRENT ASSETS			
Stocks	9	5,026,186	3,775,685
Debtors: amounts falling due within one year	10	1,131,549	990,698
Debtors: amounts falling due after more than one year	10	3,231,407	3,293,293
Cash at bank and in hand		445,059	523,111
		<u>9,834,201</u>	<u>8,582,787</u>
CREDITORS			
Amounts falling due within one year	11	6,946,839	4,954,503
NET CURRENT ASSETS			
		<u>2,887,362</u>	<u>3,628,284</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,090,309</u>	<u>3,824,614</u>
CREDITORS			
Amounts falling due after more than one year	12	(2,114,660)	(1,794,540)
PROVISIONS FOR LIABILITIES			
	16	(56,111)	-
NET ASSETS			
		<u>1,919,538</u>	<u>2,030,074</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,000	100,000
Profit and loss account	18	1,819,538	1,930,074
SHAREHOLDERS' FUNDS			
	23	<u>1,919,538</u>	<u>2,030,074</u>

The financial statements were approved by the Board of Directors on 24/9/14 and were signed on its behalf by:

Mr N A Spencer - Director

The notes form part of these financial statements

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Cash Flow Statement
for the year ended 31st December 2013

		2013	2012
	Notes	£	£
Net cash (outflow)/inflow from operating activities	1	(1,057,870)	211,050
Returns on investments and servicing of finance	2	(109,583)	(110,072)
Taxation		30,647	(86,058)
Capital expenditure	2	(1,097,686)	2,407,953
Equity dividends paid		(236,083)	(302,966)
		<u>(2,470,575)</u>	<u>2,119,907</u>
Financing	2	<u>2,392,523</u>	<u>(2,348,273)</u>
Decrease in cash in the period		<u><u>(78,052)</u></u>	<u><u>(228,366)</u></u>
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(78,052)	(228,366)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(873,053)</u>	<u>80,118</u>
Change in net debt resulting from cash flows		<u>(951,105)</u>	<u>(148,248)</u>
Movement in net debt in the period		<u>(951,105)</u>	<u>(148,248)</u>
Net debt at 1st January		<u>(1,386,185)</u>	<u>(1,237,937)</u>
Net debt at 31st December		<u><u>(2,337,290)</u></u>	<u><u>(1,386,185)</u></u>

The notes form part of these financial statements

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Cash Flow Statement
for the year ended 31st December 2013

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	350,362	782,319
Depreciation charges	92,194	71,220
(Profit)/loss on disposal of fixed assets	(1,125)	862
Costs of fundamental reorganisation	(101,377)	(73,189)
Increase in stocks	(1,250,501)	(90,870)
(Increase)/decrease in debtors	(151,410)	267,860
Increase/(decrease) in creditors	3,987	(747,152)
Net cash (outflow)/inflow from operating activities	(1,057,870)	211,050

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest received	-	47
Interest paid	(109,238)	(109,337)
Interest element of hire purchase payments	(345)	(782)
Net cash outflow for returns on investments and servicing of finance	(109,583)	(110,072)
Capital expenditure		
Purchase of tangible fixed assets	(1,125,243)	(150,674)
Sale of tangible fixed assets	27,557	2,558,627
Net cash (outflow)/inflow for capital expenditure	(1,097,686)	2,407,953
Financing		
Repayment of loans	(77,748)	(74,231)
Amounts owed by group	61,886	(3,513,293)
New loan	957,125	-
Increase in vehicle stock funding	1,434,084	475,778
Capital repayments in year	(6,324)	(5,887)
Amount introduced by directors	-	983,314
Amount withdrawn by directors	-	(213,954)
Retention provision	23,500	-
Net cash inflow/(outflow) from financing	2,392,523	(2,348,273)

The notes form part of these financial statements

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Cash Flow Statement
for the year ended 31st December 2013

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.13 £	Cash flow £	At 31.12.13 £
Net cash:			
Cash at bank and in hand	523,111	(78,052)	445,059
	<u>523,111</u>	<u>(78,052)</u>	<u>445,059</u>
Debt:			
Hire purchase	(7,973)	6,324	(1,649)
Debts falling due within one year	(108,494)	(557,546)	(666,040)
Debts falling due after one year	(1,792,829)	(321,831)	(2,114,660)
	<u>(1,909,296)</u>	<u>(873,053)</u>	<u>(2,782,349)</u>
Total	<u>(1,386,185)</u>	<u>(951,105)</u>	<u>(2,337,290)</u>

The notes form part of these financial statements

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements
for the year ended 31st December 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net sales of goods and services for the year, excluding value added tax. Vehicle sales are recognised upon delivery to the buyer.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1998, is being amortised evenly over its estimated useful life of twenty years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease terms, whichever is shorter.

Plant and machinery	- Straight line over 5 years
Fixtures and fittings	- Straight line over 5 years
Motor vehicles	- Straight line over 5 years
Computer equipment	- Straight line over 4 years

Depreciation is charged on the Leasehold Property over the period of the lease.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

In respect of consignment stocks, the accounting practices laid out in the Financial Reporting Standard No 5 ("FRS 5") entitled "Reporting the Substance of Transactions" have been adopted. This means that consignment stocks meeting the criteria of FRS 5 have been included on the balance sheet and a corresponding liability to the manufacturer recognised. Any deposits paid have been deducted from the liability.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date and is provided for at the effective taxation rate.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. STAFF COSTS

	2013	2012
	£	£
Wages and salaries	1,644,819	1,437,094
Social security costs	219,687	182,752
Other pension costs	29,071	25,853
	<u>1,893,577</u>	<u>1,645,699</u>

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

	2013	2012
Administration	14	16
Sales	25	21
Workshop	15	16
	<u>54</u>	<u>53</u>

3. OPERATING PROFIT

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

	2013	2012
	£	£
Hire of plant and machinery	25,705	27,117
Depreciation - owned assets	70,876	49,902
Depreciation - assets on hire purchase contracts	3,558	3,558
(Profit)/loss on disposal of fixed assets	(1,125)	862
Goodwill amortisation	17,760	17,760
Auditors' remuneration	16,750	15,999
	<u>31,476</u>	<u>34,966</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Bank interest	81,345	80,770
Interest on overdue tax	1,332	-
Other loan interest	26,561	28,567
Hire purchase	345	782
	<u>109,583</u>	<u>110,119</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

5. TAXATION

Analysis of the tax charge

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

	2013	2012
	£	£
Current tax:		
UK corporation tax	(18,756)	142,563
Tax prior period adjustment	-	(29,268)
	<u>(18,756)</u>	<u>113,295</u>
Total current tax	(18,756)	113,295
Deferred tax	32,611	(59,049)
	<u>13,855</u>	<u>54,246</u>
Tax on profit on ordinary activities	<u>13,855</u>	<u>54,246</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2013	2012
	£	£
Profit on ordinary activities before tax	<u>139,402</u>	<u>599,058</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 - 24%)	27,880	143,774
Effects of:		
Expenses not deductible for tax purposes	2,102	2,184
Capital allowances for the period in excess of depreciation	(45,611)	3,380
Marginal relief	-	(9,869)
Effect of tax rate change	(3,127)	3,094
Refund due	-	(29,268)
Current tax charge	<u>(18,756)</u>	<u>113,295</u>

6. DIVIDENDS

	2013	2012
	£	£
Ordinary shares of £1 each		
Interim	<u>236,083</u>	<u>302,966</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2013	
and 31st December 2013	<u>355,000</u>
AMORTISATION	
At 1st January 2013	<u>257,435</u>
Amortisation for year	<u>17,760</u>
At 31st December 2013	<u>275,195</u>
NET BOOK VALUE	
At 31st December 2013	<u>79,805</u>
At 31st December 2012	<u>97,565</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2013	-	187,972	219,208
Additions	658,521	98,795	340,014
At 31st December 2013	<u>658,521</u>	<u>286,767</u>	<u>559,222</u>
DEPRECIATION			
At 1st January 2013	-	161,196	204,578
Charge for year	9,146	13,050	24,516
Eliminated on disposal	-	-	-
At 31st December 2013	<u>9,146</u>	<u>174,246</u>	<u>229,094</u>
NET BOOK VALUE			
At 31st December 2013	<u>649,375</u>	<u>112,521</u>	<u>330,128</u>
At 31st December 2012	<u>-</u>	<u>26,776</u>	<u>14,630</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2013	189,615	223,674	820,469
Additions	12,000	15,913	1,125,243
Disposals	(50,542)	-	(50,542)
At 31st December 2013	151,073	239,587	1,895,170
DEPRECIATION			
At 1st January 2013	140,570	215,360	721,704
Charge for year	20,863	6,859	74,434
Eliminated on disposal	(24,110)	-	(24,110)
At 31st December 2013	137,323	222,219	772,028
NET BOOK VALUE			
At 31st December 2013	13,750	17,368	1,123,142
At 31st December 2012	49,045	8,314	98,765

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1st January 2013 and 31st December 2013	17,790
DEPRECIATION	
At 1st January 2013	6,523
Charge for year	3,558
At 31st December 2013	10,081
NET BOOK VALUE	
At 31st December 2013	7,709
At 31st December 2012	11,267

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

9. STOCKS

	2013	2012
	£	£
Parts and accessories	196,555	277,573
Vehicles	4,235,251	3,019,721
Consignment stock	594,380	478,391
	<u>5,026,186</u>	<u>3,775,685</u>

Included within vehicles is £4,235,251 (2012: £3,008,618) which is security for the vehicle stock funding liability as disclosed in Note 15. Consignment stock of £594,380 (2012: £478,391) is security for the consignment stock funding as disclosed in Note 15.

10. DEBTORS

	2013	2012
	£	£
Amounts falling due within one year:		
Trade debtors	692,136	594,985
Amounts owed by group undertakings	220,000	220,000
Other debtors	39,852	29,166
Corporation tax	18,756	29,315
Prepayments and accrued income	160,805	117,232
	<u>1,131,549</u>	<u>990,698</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>3,231,407</u>	<u>3,293,293</u>
Aggregate amounts	<u>4,362,956</u>	<u>4,283,991</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Bank loans and overdrafts (see note 13)	166,040	108,494
Other loans (see note 13)	500,000	-
Hire purchase contracts (see note 14)	1,649	6,262
Trade creditors	1,400,565	1,158,138
Vehicle stock funding	4,437,094	3,003,010
Corporation tax	143,895	142,563
Social security and other taxes	54,328	221,044
Other creditors	146,137	233,747
Accruals and deferred income	97,131	81,245
	<u>6,946,839</u>	<u>4,954,503</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

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

	2013	2012
	£	£
Bank loans (see note 13)	1,614,660	792,829
Other loans (see note 13)	500,000	1,000,000
Hire purchase contracts (see note 14)	-	1,711
	<u>2,114,660</u>	<u>1,794,540</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2013	2012
	£	£
Amounts falling due within one year or on demand:		
Bank loans	166,040	108,494
Other loans	500,000	-
	<u>666,040</u>	<u>108,494</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>170,019</u>	<u>110,639</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>534,963</u>	<u>345,221</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans more 5 years	<u>500,000</u>	<u>1,000,000</u>
Repayable by instalments		
Bank loans more 5 yr	<u>909,678</u>	<u>336,969</u>

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2013	2012
	£	£
Net obligations repayable:		
Within one year	1,649	6,262
Between one and five years	-	1,711
	<u>1,649</u>	<u>7,973</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2013	2012
	£	£
Expiring:		
Within one year	-	21,000
In more than five years	368,000	148,000
	368,000	169,000

15. SECURED DEBTS

The following secured debts are included within creditors:

	2013	2012
	£	£
Bank loans	1,780,700	901,323
Hire purchase contracts	1,649	7,973
Consignment stock funding	594,380	478,391
Vehicle stock funding	4,437,094	3,003,010
	6,813,823	4,390,697

The company's bank loan is secured by a charge dated 30/06/1998 over the freehold premises held by Carrs (Holdings) Limited, the ultimate parent company.

The additional bank loan is secured by a cross guarantee and debenture between Spencers Limited and Carrs (Holdings) Limited dated 31/05/2013 given in favour of Barclays Bank Plc.

The hire purchase creditor is secured against the asset to which it relates.

Consignment stock funding is secured against consignment stock.

Vehicle stock funding is secured against the stock vehicles to which it relates.

16. PROVISIONS FOR LIABILITIES

	2013	2012
	£	£
Deferred tax	32,611	-
Other provisions	23,500	-
	56,111	-

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

16. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £	Building contract retention £
Provided during year	-	23,500
Movement in the year	32,611	-
Balance at 31st December 2013	<u>32,611</u>	<u>23,500</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2013	2012
Number:	Class:	Nominal value:	£	£
48,500	Ordinary	£1	48,500	48,500
46,500	Ordinary "A"	£1	46,500	46,500
5,000	Ordinary "B"	£1	5,000	5,000
			<u>100,000</u>	<u>100,000</u>

18. RESERVES

	Profit and loss account £
At 1st January 2013	1,930,074
Profit for the year	125,547
Dividends	(236,083)
At 31st December 2013	<u>1,819,538</u>

19. ULTIMATE PARENT COMPANY

Carrs (Holdings) Limited is the ultimate parent company as at the balance sheet date.

20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Directors current account 2012

	2013 £	2012 £
Mr N A Spencer and Mrs C M Spencer		
Balance outstanding at start of year	-	-
Amounts advanced	-	265,601
Amounts repaid	-	(265,601)
Balance outstanding at end of year	<u>-</u>	<u>-</u>

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

21. RELATED PARTY DISCLOSURES

Thurston House Stud

Relationship:

The business is owned by Mrs C M Spencer, a director of the company.

Transactions and Balances:

i. During the year, Spencers Limited paid £29,250 (2012: £32,300) to Thurston House Stud in respect of advertising and promotion.

Mrs C A Mapes

Relationship:

Mrs C A Mapes is a close family member of Mrs C M Spencer, a director of the company.

Transactions and Balances:

i. At the balance sheet date Spencers Limited owed Mrs C A Mapes £1,000,000 (2012: £1,000,000).

The Carol Mapes Settlement

Relationship:

Mr N A Spencer and Mrs C M Spencer, directors of the company, are trustees of the trust.

Transactions and Balances:

i. During the year, the company paid dividends to the trust totalling £Nil (2012: £24,149).

Mr N A Spencer and Mrs C M Spencer

Relationship:

Mr N A Spencer and Mrs C M Spencer are directors of the company.

Transactions and Balances:

i. During the year the company paid dividends totalling £Nil (2012: £192,536) to the directors of the company.
ii. The other loan totalling £1,000,000 (2012: £1,000,000) is secured by a personal guarantee from Mrs C M Spencer, a director of the company.

Carrs (Holdings) Limited

Relationship:

Parent company

Transactions and Balances:

i. During the year, the company paid dividends totalling £236,083 (2012: £86,281) to Carrs (Holdings) Limited.
ii. Freehold property was transferred to Carrs (Holdings) Limited at a cost of £Nil (2012: £2,523,410).
iii. During the year, the company paid rent to Carrs (Holdings) Limited of £220,000 (2012: £Nil)
iv. At the balance sheet date, Carrs (Holdings) Limited owed the company £3,451,407 (2012: £3,513,293).

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the company is Mr N A Spencer by virtue of his shareholding in the parent company for both the current year and preceding year.

SPENCERS LIMITED (REGISTERED NUMBER: 03560193)
TRADING AS CARRS OF BURY ST EDMUNDS

Notes to the Financial Statements - continued
for the year ended 31st December 2013

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	125,547	544,812
Dividends	(236,083)	(302,966)
Net (reduction)/addition to shareholders' funds	(110,536)	241,846
Opening shareholders' funds	2,030,074	1,788,228
Closing shareholders' funds	1,919,538	2,030,074