

**CHA (2005) Limited**  
**Report for the period from incorporation**  
**(3 June 2005) to 31 December 2005**

**RE-SCAN**



**Report for the period from incorporation (3 June 2005) to 31 December 2005**

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**Directors and advisers**

**Directors**

Duport Director Limited (Appointed 3 June 2005 resigned 4 October 2005)  
Duport Secretary Limited (Appointed 3 June 2005 resigned 4 October 2005)  
Travers Smith Limited (Appointed 5 October 2005 resigned 10 October 2005)  
Travers Smith Secretaries Limited (Appointed 5 October 2005 resigned 10 October 2005)  
P J Dunkley (Appointed 10 October 2005)  
D W Hammond (Appointed 10 October 2005)

**Secretary and registered office**

D W Hammond  
Hopping Hill  
Harelstone Road  
Northampton  
NN5 6PD

**Registered auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

**Solicitors**

Travers Smith Braithwaite  
10 Snow Hill  
London  
EC1A 2AL

**Bankers**

Barclays Bank Plc  
34 Market Square  
Aylesbury  
Bucks  
HP20 1TT

**Directors' report for the year ended 31 December 2005**

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

**Group restructuring**

As part of a restructuring exercise on 7 November 2005, investments in group undertakings previously held by De Facto 1301 Limited, were transferred to the Company at net book values.

**Change of name**

On 11 October 2005 the company changed its name to CHA (2005) Limited.

**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*.

**Review of business and future developments**

The consolidated profit and loss account is set out on page 8.

The Group trades through Allen Ford (UK) Limited, a Ford franchise business. The group also comprises Charles H Allen Limited, an intermediate holding company, and Camden Motors Limited which is a non trading company.

The directors were satisfied with the Group's overall performance in the year and expect the Group to continue to develop and grow in 2006.

**Dividends and transfers to reserves**

An interim dividend of £13,141,000 (2004: £nil) has been paid during the year. Further dividends amounting to £nil in respect of the period ended 31 December 2005 (2004: £13,500,000) have been accrued. The retained loss of £8,006,000 (2004: £5,031,000) for the year has been transferred to reserves.

**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.

**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 3.

**Directors' interests**

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

During the year the Group undertook a restructuring exercise, which is described in note 24 to the accounts.

**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.

**Political and charitable contributions**

During the period the Group made contributions for charitable purposes amounting to £[666] (2004: £5,200). The Group has not made any contributions to political parties during the period.

**Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period that 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 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 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 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 the Group and to 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.

**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  
25 April 2006

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

We have audited the financial statements of CHA (2005) Limited, which comprise the profit and loss account, the balance sheet and reconciliation of movement in shareholders' funds, cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 in to 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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 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.

**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 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 company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- Have been properly prepared in accordance with the Companies Act 1985

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London  
25 April 2006

**Consolidated profit and loss account for the year ended 31 December 2005**

	Notes	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
<b>Turnover</b>	2	234,203	238,074
Cost of sales		(201,362)	(207,489)
<b>Gross profit</b>		32,841	30,585
Distribution costs		(21,431)	(18,889)
Administrative expenses		(10,369)	(12,081)
Other operating income		6,018	6,404
<b>Operating profit</b>	6	7,059	6,019
Interest payable and similar charges	5	(652)	(588)
<b>Profit on ordinary activities before taxation</b>		6,407	5,431
Tax on profit on ordinary activities	7	(1,922)	(1,462)
<b>Profit on ordinary activities after taxation</b>		4,485	3,969
Dividends	9	(12,491)	(9,000)
<b>Retained loss for the year</b>	19	(8,006)	(5,031)

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.

**Reconciliation of movements in shareholders' funds**

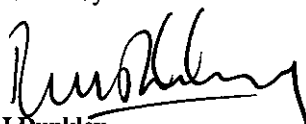
	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
Profit for the financial year	5,135	8,469
Dividends and appropriations	(13,141)	(13,500)
Net reduction in shareholders' funds	(8,006)	(5,031)
Shareholders' funds brought forward	15,251	20,282
<b>Closing shareholders' funds</b>	7,245	15,251

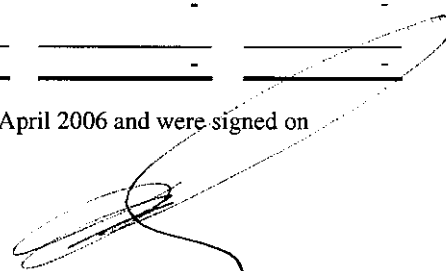


## Balance sheets at 31 December 2005

	Notes	Group as at 31 December 2005 £000	Group as at 31 December 2004 £000	Company as at 31 December 2005 £000	Company as at 31 December 2004 £000
<b>Fixed assets</b>					
Tangible assets	10	2,475	2,243	-	-
Investments	12	-	-	-	-
Goodwill	11	114	-	-	-
		<u>2,589</u>	<u>2,243</u>	<u>-</u>	<u>-</u>
<b>Current assets</b>					
Stocks	13	52,474	57,284	-	-
Debtors – due within one year	14	16,443	23,560	-	-
Cash at bank and in hand		6	6	-	-
		<u>68,923</u>	<u>80,850</u>	<u>-</u>	<u>-</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(64,267)</u>	<u>(67,842)</u>	<u>-</u>	<u>-</u>
<b>Net current assets</b>		<u>4,656</u>	<u>13,008</u>	<u>-</u>	<u>-</u>
<b>Total assets less current liabilities</b>		<u>7,245</u>	<u>15,251</u>	<u>-</u>	<u>-</u>
<b>Provisions for liabilities and charges</b>	16	-	-	-	-
<b>Net assets</b>		<u>7,245</u>	<u>15,251</u>	<u>-</u>	<u>-</u>
<b>Capital and reserves</b>					
Share Capital	18	-	-	-	-
Other reserve	19	2,472	2,472	-	-
Profit and loss account	19	4,773	12,779	-	-
<b>Total shareholders' assets</b>		<u>7,245</u>	<u>15,251</u>	<u>-</u>	<u>-</u>

The financial statements on pages 8 to 20 were approved by the board of directors on 25 April 2006 and were signed on its behalf by:

  
**P J Dunkley**  
 Director

  
**D W Hammond**  
 Director

## Consolidated cash flow statement for the period ended 31 December 2005

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3,090</b>	<b>(5,222)</b>
<b>Returns on investments and servicing of finance</b>		
Interest paid	(652)	(588)
	<b>2,438</b>	<b>(5,810)</b>
<b>Taxation</b>		
United Kingdom corporation tax paid	(1,597)	(1,137)
	<b>841</b>	<b>(6,947)</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(1,064)	(659)
Purchase of intangible assets	(114)	-
<b>Reduction in cash in the year</b>	<b>(337)</b>	<b>(7,606)</b>

## Reconciliation of operating profit to net cash inflow from operating activities

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
<b>Operating profit after exceptional items</b>	<b>7,709</b>	<b>10,519</b>
Depreciation of tangible and fixed assets	832	908
Decrease/(Increase) in stocks	4,810	(57,284)
Decrease/(Increase) in debtors	1,329	(16,018)
(Decrease)/Increase in creditors	(11,590)	56,653
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3,090</b>	<b>(5,222)</b>

**Notes to the financial statements for the year ended 31 December 2005****1 Principal accounting policies**

The financial statements cover the period ended 31 December 2005 and have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**Basis of consolidation**

The Group accounts consolidate the accounts of the Company and its subsidiaries for the period ended 31 December 2005.

Merger accounting principles have been used in preparing the financial statements and the results have been presented as if the new Group had been established throughout the current and prior years. No adjustments are required to achieve uniformity of accounting policies.

**Changes in accounting policy**

The company has adopted FRS 17, 'Retirement benefits', FRS 21, 'Events after the balance sheet date', FRS 25, 'Financial instruments: disclosure and presentation' and FRS28 'Corresponding amounts', in these financial statements. The adoption of these standards represents a change in accounting policy and the comparative figures have been restated accordingly. The company has chosen to claim the exemption from restatement in respect of comparative figures on first time adoption of FRS25.

**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% - 33⅓% 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.

**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.

Following the adoption of FRS 17 'Retirement benefits' during the year all retirement benefits are accounted for in accordance with that standard.

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

**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.

**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**

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
Aggregate emoluments and benefits	571	365
Company pension contributions to money purchase scheme	38	34
Emoluments paid to the highest paid director are as follows:		
Aggregate emoluments and benefits	246	152
Company pension contributions to money purchase scheme	16	14

Retirement benefits are accruing to four (2004: four) directors under defined contribution schemes.

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

The above details do not include emoluments in respect of P Dunkley or D Hammond who are remunerated by Camden Ventures Limited, a related entity. Accordingly, their emoluments are included in the statutory accounts of that entity.

**4 Employee information**

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

	Year ended 31 December 2005 Number	Year ended 31 December 2004 Number
<b>By activity</b>		
Staff wholly employed in the motor vehicle business	794	780
<b>Staff costs (for the above persons)</b>		
Wages and salaries	18,141	16,968
Social security	1,584	1,671
Other pension costs	213	135
	19,938	18,774

**5 Interest payable and similar charges**

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
Bank loans and overdrafts	652	588
	<u>652</u>	<u>588</u>

**6 Operating profit**

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
<b>Operating profit is stated after charging:</b>		
Depreciation on tangible owned fixed assets	832	908
Auditors' remuneration – audit services	36	38
Operating leases – land and buildings	<u>2,010</u>	<u>2,070</u>

**7 Tax on profit on ordinary activities**

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
UK corporation tax at 30% (2004: 30%)	1,922	1,630
Prior year adjustment	-	(213)
Total current tax	<u>1,922</u>	<u>1,417</u>
Deferred tax	-	45
Tax on profit on ordinary activities	<u>1,922</u>	<u>1,462</u>

The deferred tax liability has not been discounted

The tax for the period is less (2004: lower) than the standard rate of corporation tax in the UK of 30%. The differences are explained below:

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
Profit on ordinary activities before tax	<u>6,407</u>	<u>5,431</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004: 30%)	<u>1,922</u>	<u>1,629</u>
Effects of:		
Expenses not deductible for tax purposes	-	15
Adjustment in respect of prior periods	-	(213)
Other timing differences	-	(14)
	<u>1,922</u>	<u>1,417</u>

#### 8 Profit for the financial period

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 £nil.

#### 9 Dividends and appropriations

	Year ended 31 December 2005 £000	Year ended 31 December 2004 £000
Dividends paid to former parent company prior to restructure (see note 24)	(13,141)	(10,000)
Dividends received from former subsidiary undertakings prior to restructure (see note 24)	<u>650</u>	<u>1,000</u>
	<u>(12,491)</u>	<u>(9,000)</u>

**10 Tangible fixed assets**

<b>Group</b>	<b>Leasehold Property £000</b>	<b>Plant Equipment £000</b>	<b>Totals £000</b>
<b>Cost</b>			
As at 1 January 2005	560	6,086	6,646
Additions	33	1,031	1,064
<b>At 31 December 2005</b>	<b>593</b>	<b>7,117</b>	<b>7,710</b>
<b>Depreciation</b>			
At 1 January 2005	245	4,158	4,403
Charge for the year	107	725	832
<b>At 31 December 2005</b>	<b>352</b>	<b>4,883</b>	<b>5,235</b>
<b>Net book value at 31 December 2005</b>	<b>241</b>	<b>2,234</b>	<b>2,475</b>
Net book value at 31 December 2004	315	1,928	2,243

The company had no tangible fixed assets

**11 Intangible fixed assets**

	<b>Goodwill £000</b>
<b>Cost</b>	
As at 1 January 2005	-
Additions	114
<b>At 31 December 2005</b>	<b>114</b>
<b>Amortisation</b>	
At 1 January 2005	-
Charge for the year	-
<b>At 31 December 2005</b>	<b>-</b>
<b>Net book value at 31 December 2005</b>	<b>114</b>
Net book value at 31 December 2004	-

The goodwill above relates to the acquisition of the Swindon site in December 2005.



**12 Interests 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 Stocks**

	Group 2005 £000	Group 2004 £000	Company 2005 £000	Company 2004 £000
Motor vehicles	51,124	55,825	-	-
Parts, accessories and other stocks	1,350	1,459	-	-
	<u>52,474</u>	<u>57,284</u>	<u>-</u>	<u>-</u>

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.

**14 Debtors: amounts falling due within one year**

	Group 2005 £000	Group 2004 £000	Company 2005 £000	Company 2004 £000
Trade Debtors	8,406	8,964	-	-
Amounts due from group undertakings	-	7,981	-	-
Amounts due from related parties	1,833	-	-	-
Prepayments and accrued income	6,007	6,418	-	-
Deferred Tax (note 16)	197	197	-	-
	<u>16,443</u>	<u>23,560</u>	<u>-</u>	<u>-</u>

**15 Creditors: amounts falling due within one year**

	<b>Group 2005 £000</b>	<b>Group 2004 £000</b>	<b>Company 2005 £000</b>	<b>Company 2004 £000</b>
Bank loans and overdrafts	7,948	7,612	-	-
Trade creditors	52,207	58,173	-	-
Other taxation and social security	1,137	894	-	-
Corporation tax	994	325	-	-
Other creditors	1,000	-	-	-
Accruals and deferred income	981	838	-	-
	<b>64,267</b>	<b>67,842</b>	<b>-</b>	<b>-</b>

The bank overdraft is secured by way of a fixed and floating charge over the assets of the company, and a guarantee provided by Camden Ventures Limited.

Amounts owed to Group undertakings are unsecured, interest free and have no fixed date of repayment. The amounts include £ nil (2004:£483,000) in respect of amounts payable for group relief.

**16 Provisions for liabilities and charges**

<b>Group</b>	<b>Deferred Taxation £000</b>
At 1 January 2005	197
Charged to the profit and loss account in the year	-
	<hr/>
<b>At 31 December 2005</b>	<b>197</b>
	<hr/>

**Deferred taxation**

Deferred taxation provided in the financial statements is as follows:

<b>Group</b>	<b>Amount Provided 2005 £000</b>	<b>Amount Provided 2004 £000</b>
Tax effect of timing differences:		
Excess of tax allowances over depreciation	187	187
Short term timing differences	10	10
	<b>197</b>	<b>197</b>

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 2005. The total pension cost for the year was £213,000 (2004:£135,000).

**18 Called up share capital**

Group and Company	31 December 2005 £	31 December 2004 £
<b>Authorised</b>		
100,000 A ordinary shares of 1p each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
15,314 A ordinary shares of 1p each	153	153
	<u>153</u>	<u>153</u>

**19 Reserves****Group**

	Other Reserve £000	Profit & Loss Account £000	Total £000
At 1 January 2005	2,472	12,779	15,251
Retained loss for the period	-	(8,006)	(8,006)
<b>At 31 December 2005</b>	<u>2,472</u>	<u>4,773</u>	<u>7,245</u>

**Company**

	Profit & Loss Account £000
At 1 January 2005	-
Retained profit for the period	-
<b>At 31 December 2005</b>	<u>-</u>

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

	2005 £000	2004 £000
Reduction in cash in the period	<u>(337)</u>	<u>(7,606)</u>
Net debt at 1 January	<u>(7,606)</u>	<u>-</u>
<b>Net debt at 31 December</b>	<u>(7,943)</u>	<u>(7,606)</u>

**21 Movement in net debt**

	At 1 January 2005 £000	Cash Flow £000	At 31 December 2005 £000
Cash in hand and at bank	6	-	6
Overdrafts and other on demand facilities	(7,612)	(337)	(7,949)
	<u>(7,606)</u>	<u>(337)</u>	<u>(7,943)</u>

**22 Financial commitments**

	2005 £000	2004 £000
Annual commitments in respect of operating leases:		
Expiring within one year	52	42
Expiring between two and five years	486	320
Expiring after five years	1,661	1,536
	<u>2,199</u>	<u>1,898</u>

**23 Contingent liabilities**

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

**24 Group restructure**

In November 2005 the Camden Motor Group was restructured by way of a S110 demerger. The group's three trading businesses were demerged into three groups resulting in the interest of each being held separately from one another by the original shareholders of the Camden Motor Group.

These groups include the three principal trading entities Camden Corporate Fleet Services Limited, Car Shops Limited and Allen Ford (UK) Limited. A fourth demerged group includes the former holding company, Camden Motor Group Limited and is headed by Camden Ventures Limited, this fourth group is also held separately by the same original shareholders.

**25 Related party transactions**

As a result of the group restructure (see note 24), 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.

Related party	Sales to related party £000	Purchases from related party £000	Amounts owed by related party £000	Amounts owed to related party £000
Car Shops Limited	2	-	1	-
CS (2005) Limited	18	-	-	-
Camden Corporate Fleet Services Limited	126	22	8	-
CCFS (2005) Limited	587	1,846	-	-
Camden Retail Limited	331	-	-	-
Camden Ventures Limited	99	490	1,699	-
Camden Motor Group Limited	-	837	125	-
Camden Motors (Holdings) Limited	101	726	-	-