

**Company Registration No. 00711079 (England and Wales)**

**FOWLERS OF BRISTOL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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## **FOWLERS OF BRISTOL LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	L D Fowler F R Hart S L Fowler G H Johnson N Bennett
<b>Secretary</b>	N Bennett
<b>Company number</b>	00711079
<b>Registered office</b>	2 -12 Bath Road Bristol BS4 3DR
<b>Independent Auditors</b>	Saffery Champness Beaufort House 2 Beaufort Road Clifton Bristol BS8 2AE
<b>Bankers</b>	Barclays Bank plc Bath and Salisbury Business Centre P O Box 2156 1 Manvers Street Bath BA1 1YS  Handelsbanken 3rd Floor Upper Borough Court Upper Borough Walls Bath BA1 1RG

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## **FOWLERS OF BRISTOL LIMITED**

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## **FOWLERS OF BRISTOL LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report and financial statements for the year ended 31 December 2011.

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of selling and repairing motorcycles as well as the sale of motorcycle spares and accessories

#### **Business review**

Overall group turnover for the year levelled out with a small drop of 1.4% to £26.2m (2010 - £26.6m). This small shortfall arose as a result of pricing pressures within our retail showroom activities but again the company outperformed the overall market which declined by 2.2%.

Our wholesale parts and accessories business revenues increased by approximately £233k up 1.5% on 2010. The parts business fell by £129k down 1% on 2010 due to continuing decreases in the vehicle parc. The trade accessory business continued to expand with the addition of new brands, growing by £363k up 11.6% on 2010.

Both retail workshops and accessories showed a small improvement in revenue for 2011 offset by a small decline in showroom revenue. Overall this led to decline in turnover for our retail operation of £417k a drop of 3.5% on 2010.

Motorcycle unit sales declined by some 4.8% in 2011. This was due mainly to a decline in new bike sales heavily influenced by stock availability and constantly moving prices. Overall motorcycle revenue fell by £448k down 4.7% on 2010.

Retail clothing and accessories revenue including the web store rose by £8k up 0.6% on 2010.

The retail workshop revenue also increased up £23k, 2.4% on 2010.

Overall gross margin declined by 0.2% to £5.5m. Net operating expenses and other operating income were well controlled decreasing by 2.6% to £5.4m. This also represented a decrease to 20.8% of turnover (2010 - 21.0%) leading to an overall improvement in operating profit up 27.3% on 2010 at £64k.

The cash balance at year-end reduced by £122k with cash outflow from operating activities of £35k and £90k of net capital expenditure being the major factors for this. This increase whilst small represented our continued investment in both fixed and working capital in order to improve future profitability.

Profit on ordinary activities before tax therefore improved by 31.5% to £61k (2010 - £47k).

As a result of the relatively small increase in profitability the Directors have recommended and proposed that no dividend be paid.

## **FOWLERS OF BRISTOL LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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

The group uses a number of financial instruments to ensure that adequate funds are available to finance the groups operations. These include fixed term loans, overdraft facilities and cash together with cash generated for careful management of trade debtors and creditors.

The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below.

The main risks arising from the group's financial instruments are interest rate risk, credit risk and liquidity risk. The directors review and agree policies for managing each of these risks. These risks are summarised below and remain unchanged from previous years.

#### **Liquidity risk**

The group seeks to manage financial risk by ensuring sufficient funds are available to meet future needs and to invest cash assets both safely and profitably. Short term funds are generated through overdraft and lease facilities with longer term funding obtained through secured loans.

#### **Interest rate risk**

The group finances its operations through a mixture of retained profits and bank borrowings. The group's exposure to interest rate fluctuations on its borrowings are managed by use of both fixed and floating facilities.

#### **Credit risk**

The group's principal financial assets are cash and trade debtors. The credit risk associated with cash is not material therefore the principal credit risk arises from its trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history, third party credit references and credit reports. These limits are reviewed and adjusted on a regular basis.

At 31 December 2011 there was no material credit risk as a result of over exposure to one or a small number of trade debtors.

#### **Going concern**

The directors having reviewed appropriate forecasts for the period from January 2012 until December 2016 conclude that the company continues to trade as a going concern.

#### **Future outlook**

In line with market projections the directors believe that turnover will remain static in 2012 with a small increase forecast for 2013. It is expected that profit before tax will improve as a result of future efficiency savings and improved margins but overall improvements in profitability will remain challenging during the current economic climate.

## **FOWLERS OF BRISTOL LIMITED**

### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **Results and dividends**

The results for the year are set out on page 7

#### **Directors**

The following directors have held office since 1 January 2011.

L D Fowler  
F R Hart  
S L Fowler  
G H Johnson  
N Bennett

#### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company

#### **Directors' responsibilities**

The directors are responsible for preparing the Directors' 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). 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,
- 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 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.

**FOWLERS OF BRISTOL LIMITED**

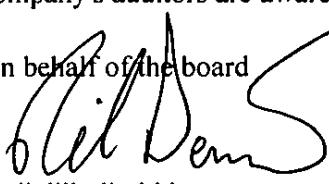
**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



N Bennett

Director

26/7/2012

## **FOWLERS OF BRISTOL LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FOWLERS OF BRISTOL LIMITED**

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We have audited the financial statements of Fowlers of Bristol Limited for the year ended 31 December 2011 set out on pages 7 to 24. 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 an auditors' 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 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 Directors' Responsibilities Statement set out on pages 1 - 4, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 31 December 2011 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



**FOWLERS OF BRISTOL LIMITED**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE MEMBERS OF FOWLERS OF BRISTOL LIMITED**

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**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

*Saffery Champness*

**David Lemon (Senior Statutory Auditor)  
for and on behalf of Saffery Champness**

30/8/12

**Chartered Accountants  
Statutory Auditors**

Beaufort House  
2 Beaufort Road  
Clifton  
Bristol  
BS8 2AE

**FOWLERS OF BRISTOL LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
<b>Turnover</b>	<b>2</b>	26,192,563	26,561,077
Cost of sales		(20,689,889)	(20,925,343)
<b>Gross profit</b>		5,502,674	5,635,734
Distribution costs		(245,663)	(258,781)
Administrative expenses		(5,303,813)	(5,474,453)
Other operating income		110,545	147,563
<b>Operating profit</b>	<b>3</b>	63,743	50,063
Other interest receivable and similar income	<b>4</b>	261	315
Interest payable and similar charges	<b>5</b>	(2,640)	(3,712)
<b>Profit on ordinary activities before taxation</b>		61,364	46,666
Tax on profit on ordinary activities	<b>6</b>	(54,816)	(13,137)
<b>Profit for the year</b>	<b>17</b>	6,548	33,529

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The notes on pages 10 to 24 form part of these financial statements

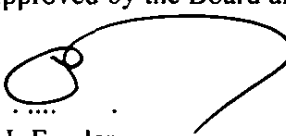
# FOWLERS OF BRISTOL LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2011

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	8	5,543,399	5,711,006
Investments	9	958,961	958,961
		<u>6,502,360</u>	<u>6,669,967</u>
<b>Current assets</b>			
Stocks	10	8,487,385	8,402,719
Debtors	11	2,849,259	1,914,161
Cash at bank and in hand		26,948	134,871
		<u>11,363,592</u>	<u>10,451,751</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(4,818,089)</u>	<u>(4,090,403)</u>
<b>Net current assets</b>		<u>6,545,503</u>	<u>6,361,348</u>
<b>Total assets less current liabilities</b>		<u>13,047,863</u>	<u>13,031,315</u>
<b>Provisions for liabilities</b>	13	<u>(331,000)</u>	<u>(321,000)</u>
		<u>12,716,863</u>	<u>12,710,315</u>
<b>Capital and reserves</b>			
Called up share capital	15	13,200	13,200
Revaluation reserve	16	383,479	383,479
Other reserves	16	534,950	534,950
Profit and loss account	16	11,785,234	11,778,686
<b>Shareholders' funds</b>	17	<u>12,716,863</u>	<u>12,710,315</u>

The notes on pages 10 to 24 form part of these financial statements

Approved by the Board and authorised for issue on 26/2/2012

  
S L Fowler  
Director

  
L D Fowler  
Director

Company Registration No. 00711079

**FOWLERS OF BRISTOL LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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	2011	2010
	£	£
<b>Net cash outflow from operating activities</b>	(34,506)	(589,740)
<b>Returns on investments and servicing of finance</b>		
Interest received	261	315
Interest paid	(2,640)	(3,712)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(2,379)	(3,397)
<b>Taxation</b>	4,885	(136,607)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(90,247)	(363,561)
Receipts from sales of tangible assets	-	851
<b>Net cash outflow for capital expenditure</b>	(90,247)	(362,710)
<b>Equity dividends paid</b>	-	(125,000)
<b>Net cash outflow before management of liquid resources and financing</b>	(122,247)	(1,217,454)
<b>Decrease in cash in the year</b>	(122,247)	(1,217,454)

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## **FOWLERS OF BRISTOL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of St James Parade (107) Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company

##### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### **1.3 Turnover**

Turnover represents amounts receivable, net of VAT and trade discounts, for the retail and wholesale of motorcycles, associated goods and accessories, parts, and servicing

###### **Online sales**

Revenue is recognised when the transaction is completed and payment is received. There is no credit available for online sales.

###### **Motorcycles, goods and accessories sales**

Revenue is recognised at the earlier of when the item is despatched, or when the item is paid for in full.

###### **Parts sales**

Revenue on parts not used in servicing is recognised at the earlier of when the items are despatched, or when the items are paid for in full.

###### **Servicing sales**

Revenue from servicing and parts used in servicing is recognised when the motorcycle is collected by customer.

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land & buildings freehold/long leasehold	50 to 75 years
Plant and machinery	14-33% straight line
Investment properties	Not depreciated
Motor vehicles	25% straight line

## **FOWLERS OF BRISTOL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **1 Accounting policies**

**(continued)**

##### **1.5 Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable/receivable under operating leases are charged/credited against income on a straight line basis over the lease term

##### **1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value

##### **1.7 Stock and work in progress**

Stock consists of motorcycles, parts and accessories which are valued at the lower of cost and net realisable value

Stock items are reviewed for obsolescence annually and provisions are raised for slow moving stock on the following basis

The parts are provided for at a rate of 25%, 50%, 75% and 100% for non movements in 3, 6, 9 and 12 months respectively

Used motorcycles are provided for after being held for more than 90 days, at defined rates against the period for which they have been in stock

New Motorcycles are provided for after being held for more than twelve months at rates from 15% to 40% dependant on period for which they have been held in stock

Demo motorcycles and courtesy bikes are written down over 36 - 48 months depending on mileage. At end of use all demos and courtesy bikes are re-valued at bottom book before transferring into used stock

##### **1.8 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

##### **1.9 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

# **FOWLERS OF BRISTOL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

### **1 Accounting policies**

**(continued)**

#### **1.10 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### **1.11 Investment properties**

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity.

#### **Segmental analysis by geographical area**

The analysis by geographical area of the company's turnover is set out as below.

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Geographical segment</b>		
United Kingdom	25,528,181	25,867,289
Europe	581,544	688,121
Rest of world	82,838	5,667
	<u>26,192,563</u>	<u>26,561,077</u>

**FOWLERS OF BRISTOL LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>3</b>	<b>Operating profit</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	257,854	248,616
	Loss on foreign exchange transactions	24,825	-
	Operating lease rentals	259,180	258,016
	Audit of financial statements	22,000	20,500
	Other services relating to taxation	4,775	4,225
	and after crediting		
	Rents receivable	135,370	127,250
	Profit on disposal of tangible assets	-	851
	Profit on foreign exchange transactions	-	20,313
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Investment income</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Bank interest	261	315
		<u>          </u>	<u>          </u>
		261	315
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Interest payable</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	2,640	3,712
		<u>          </u>	<u>          </u>



**FOWLERS OF BRISTOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>6</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	44,816	-
	Adjustment for prior years	-	(4,863)
	<b>Total current tax</b>	<b>44,816</b>	<b>(4,863)</b>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	10,000	18,000
		<b>54,816</b>	<b>13,137</b>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	61,364	46,666
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.49% (2010 - 28.00%)	16,255	13,066
	Effects of		
	Non deductible expenses	4,589	5,487
	Depreciation add back	68,543	69,612
	Capital allowances	(43,138)	(89,470)
	Movements in provisions	3,446	(3,272)
	Marginal relief	(4,879)	(286)
		<b>28,561</b>	<b>(17,929)</b>
	<b>Current tax (refund)/charge for the year</b>	<b>44,816</b>	<b>(4,863)</b>
<b>7</b>	<b>Dividends</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	-	125,000

# FOWLERS OF BRISTOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

### 8 Tangible fixed assets

	Land & buildings freehold/long leasehold	Plant and machinery	Investment properties	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 January 2011	4,943,991	2,706,812	1,449,146	68,392	9,168,341
Additions	5,265	63,655	21,327	-	90,247
At 31 December 2011	4,949,256	2,770,467	1,470,473	68,392	9,258,588
<b>Depreciation</b>					
At 1 January 2011	1,047,254	2,259,606	82,083	68,392	3,457,335
Charge for the year	83,605	174,249	-	-	257,854
At 31 December 2011	1,130,859	2,433,855	82,083	68,392	3,715,189
<b>Net book value</b>					
At 31 December 2011	3,818,397	336,612	1,388,390	-	5,543,399
At 31 December 2010	3,896,737	447,206	1,367,063	-	5,711,006

### Comparable historical cost for the land and buildings included at valuation:

	£
<b>Cost</b>	
At 1 January 2011	1,065,667
Additions	21,327
At 31 December 2011	1,086,994
<b>Depreciation based on cost</b>	
At 1 January 2011	82,083
Charge for the year	-
At 31 December 2011	82,083
<b>Net book value</b>	
At 31 December 2011	1,004,911
At 31 December 2010	983,584

## **FOWLERS OF BRISTOL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **8 Tangible fixed assets**

**(continued)**

The investment properties are rented out under operating leases. The rental income for the year is disclosed in note 3.

The investment properties are valued on a rolling basis to ensure that all properties are covered in a five year term. The Brislington property was valued on 16 June 2010 which provided a market value relating to the freehold interest in the property of £600,000. The valuation was carried out by King Sturge LLP, being qualified Chartered Surveyors, who are external to the company. Should the property be sold in the future, tax of £54,000 will become chargeable on the gain.

A review of valuations by the directors in the current year has not given rise to any changes to recorded values.

The comparable historic cost for land and buildings at valuation disclosed above includes all assets held within investment properties, although due to the timings of the valuations, some are still held at their original costs.

# FOWLERS OF BRISTOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

### 9 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost or valuation</b>	
At 1 January 2011 & at 31 December 2011	958,961
<b>Net book value</b>	
At 31 December 2011	958,961
At 31 December 2010	958,961

### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Artdeans Limited	England & Wales	Ordinary	100.00
P W Ranger Motorcycles Limited	England & Wales	Ordinary	100.00
Key Wholesale Limited	England & Wales	Ordinary	100.00
Weise Motorcycle Accessories Limited	England & Wales	Ordinary	100.00
Tommy Robb Motorcycles Limited	England & Wales	Ordinary	100.00
Numberworth Limited	England & Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
	<b>Principal activity</b>		
Artdeans Limited	Dormant	1,000	-
P W Ranger Motorcycles Limited	Dormant	-	-
Key Wholesale Limited	Dormant	814,467	-
Weise Motorcycle Accessories Limited	Dormant	100	-
Tommy Robb Motorcycles Limited	Dormant	325,496	-
Numberworth Limited	Dormant	177,465	-

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

**FOWLERS OF BRISTOL LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>10 Stocks and work in progress</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Work in progress	1,770	5,841
Finished goods and goods for resale	8,485,615	8,396,878
	<u>8,487,385</u>	<u>8,402,719</u>
<b>11 Debtors</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,470,771	1,414,552
Amounts owed by parent and fellow subsidiary undertakings	412,044	5,936
Corporation tax	-	4,863
Other debtors	551,114	193,012
Prepayments and accrued income	415,330	295,798
	<u>2,849,259</u>	<u>1,914,161</u>
<b>12 Creditors: amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	383,752	369,428
Trade creditors	2,838,533	2,194,821
Amounts owed to subsidiary undertakings	1,237,428	1,237,428
Corporation tax	44,838	-
Other taxes and social security costs	176,140	146,697
Accruals and deferred income	137,398	142,029
	<u>4,818,089</u>	<u>4,090,403</u>

The company has provided security in favour of Svenska Handelsbanken AB (publ) (hereafter Handelsbanken) by way of legal mortgages over the properties known as 2-12 Bath Road, Bristol and 84 Fairview Road, Cheltenham

Bonds have been provided through Handelsbanken in favour of HM Revenue & Customs and Driver & Vehicle Licensing Agency. Counter-indemnity has been given in favour of Handelsbanken by Fowlers of Bristol Limited.

## FOWLERS OF BRISTOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

#### 13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2011	321,000
Profit and loss account	10,000
	<u>331,000</u>
Balance at 31 December 2011	<u>331,000</u>

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>331,000</u>	<u>321,000</u>

#### 14 Pension and other post-retirement benefit commitments Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	<u>115,576</u>	<u>112,021</u>

#### 15 Share capital

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
1,350 'A' Ordinary Shares of £1 each	1,350	1,350
11,850 'B' Ordinary Shares of £1 each	11,850	11,850
	<u>13,200</u>	<u>13,200</u>

For any meeting of the company, on a show of hands every Member present in person shall have one vote and on a poll every Member shall have 100 votes for each 'A' share and one vote for each 'B' share of which they are a holder. All other rights are the same for both classes of shares.

# FOWLERS OF BRISTOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

### 16 Statement of movements on reserves

	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2011	383,479	534,950	11,778,686
Retained profit for the year	-	-	6,548
Balance at 31 December 2011	<u>383,479</u>	<u>534,950</u>	<u>11,785,234</u>

#### Other reserves

##### Merger reserve

Balance at 1 January 2011 & at 31 December 2011	<u>534,950</u>
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The balance on the merger reserve may not be distributed under section 830 of the Companies Act 2006

### 17 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	6,548	33,529
Dividends	-	(125,000)
Net addition to/(depletion in) shareholders' funds	<u>6,548</u>	<u>(91,471)</u>
Opening shareholders' funds	12,710,315	12,801,786
Closing shareholders' funds	<u>12,716,863</u>	<u>12,710,315</u>

### 18 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	Land and buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Operating leases which expire				
Within two to five years	148,965	161,965	38,822	44,981
In over five years	95,025	95,350	-	-
	<u>243,990</u>	<u>257,315</u>	<u>38,822</u>	<u>44,981</u>

## FOWLERS OF BRISTOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

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<b>19 Capital commitments</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
At 31 December 2011 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	-	3,440

In 2010 the company had capital commitments amounting to £3,440 in relation to the purchase of plant & equipment. In the current year there were no capital commitments

<b>20 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	280,973	298,335
Company pension contributions to defined contribution schemes	32,353	28,853
	<u>313,326</u>	<u>327,188</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2010 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	92,725	91,221
Company pension contributions to defined contribution schemes	<u>14,426</u>	<u>14,226</u>



## FOWLERS OF BRISTOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

#### 21 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Admin	22	22
Other	138	140
	<u>160</u>	<u>162</u>

##### Employment costs

	2011 £	2010 £
Wages and salaries	3,031,547	3,154,393
Social security costs	302,727	330,881
Other pension costs	115,576	112,021
	<u>3,449,850</u>	<u>3,597,295</u>

#### 22 Control

Fowlers of Bristol Limited is a wholly owned subsidiary of St James Parade (107) Limited, which is also the ultimate parent of the group

The group is controlled by Mrs S L Fowler and Mrs G H Johnson.

Group accounts are available from 2-12 Bath Road, Bristol, BS4 3DR

**FOWLERS OF BRISTOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>23 Reconciliation of operating profit to net cash outflow from operating activities</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit	63,743	50,063
Depreciation of tangible assets	257,854	248,616
Profit on disposal of tangible assets	-	(851)
Increase in stocks	(84,666)	(225,939)
(Increase)/decrease in debtors	(939,961)	269,758
Increase/(decrease) in creditors within one year	668,524	(931,387)
<b>Net cash outflow from operating activities</b>	<b>(34,506)</b>	<b>(589,740)</b>

<b>24 Analysis of net debt</b>	<b>1 January 2011</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:				
Cash at bank and in hand	134,871	(107,923)	-	26,948
Bank overdrafts	(369,428)	(14,324)	-	(383,752)
	<u>(234,557)</u>	<u>(122,247)</u>	<u>-</u>	<u>(356,804)</u>
<b>Net debt</b>	<b><u>(234,557)</u></b>	<b><u>(122,247)</u></b>	<b><u>-</u></b>	<b><u>(356,804)</u></b>

<b>25 Reconciliation of net cash flow to movement in net debt</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Decrease in cash in the year	(122,247)	(1,217,454)
<b>Movement in net debt in the year</b>	<b>(122,247)</b>	<b>(1,217,454)</b>
Opening net (debt)/funds	(234,557)	982,897
<b>Closing net debt</b>	<b>(356,804)</b>	<b>(234,557)</b>

## FOWLERS OF BRISTOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

#### 26 Related party relationships and transactions

##### Loans to directors

Included within other debtors are the following balances

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Director	-	-	161,648	-	-	161,648
Director	-	-	161,648	-	-	161,648
		-	323,296	-	-	323,296

During the year the company made advances totalling £161,648 to two directors, this was the maximum balance outstanding throughout the year. The outstanding balance due from directors at the year end totalled £323,296 (2010 £nil). No interest is payable

##### Other transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.