

COMPANY REGISTRATION NUMBER 01614118

SLOUGH MOTOR COMPANY LIMITED
FINANCIAL STATEMENTS
FOR
30 NOVEMBER 2011



THE LEAMAN PARTNERSHIP LLP
Chartered Accountants & Statutory Auditor
51 Queen Anne Street
London
W1G 9HS

SLOUGH MOTOR COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

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SLOUGH MOTOR COMPANY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

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

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

Turnover for the year was £53,494,391 (2010 £54,904,067)

The operating profit was £227,861 (2010 £582,758) and the profit before tax was £178,405 (2010 £496,489)

Shareholders' fund increased by £123,405 to £3,263,281 as a result of the post tax profit for the year.

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £123,405. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

DIRECTORS

The directors who served the company during the year were as follows:

M J Warnes
L B Friedman
C Redfern
T F Bradbury
L S Mudan

SLOUGH MOTOR COMPANY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2011

L S Mudan was appointed as a director on 23 February 2011

L B Friedman passed away on 2 January 2011

T F Bradbury retired as a director on 18 January 2011

FIXED ASSETS

Movements in fixed assets are set out in note 7

AUDITOR

The Leaman Partnership LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
51 Queen Anne Street
London
W1G 9HS

Signed on behalf of the directors



M J Warnes
Director

Approved by the directors on 21 June 2012

SLOUGH MOTOR COMPANY LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 NOVEMBER 2011

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 year.

In preparing those 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.

In so far as the directors are aware

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

SLOUGH MOTOR COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SLOUGH MOTOR COMPANY LIMITED

YEAR ENDED 30 NOVEMBER 2011

We have audited the financial statements of Slough Motor Company Limited for the year ended 30 November 2011. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with 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 shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by . and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 30 November 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

SLOUGH MOTOR COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SLOUGH MOTOR COMPANY LIMITED *(continued)*

YEAR ENDED 30 NOVEMBER 2011

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



P MATTEI (Senior Statutory
Auditor)

For and on behalf of

THE LEAMAN PARTNERSHIP LLP

Chartered Accountants

& Statutory Auditor

51 Queen Anne Street
London
W1G 9HS

21 June 2012

SLOUGH MOTOR COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 2011

	Note	2011 £	2010 £
TURNOVER	2	53,494,391	54,904,067
Cost of sales		<u>46,112,253</u>	<u>46,719,445</u>
GROSS PROFIT		7,382,138	8,184,622
Distribution Costs		<u>5,085,720</u>	5,349,740
Administrative expenses		<u>2,068,557</u>	<u>2,252,124</u>
OPERATING PROFIT	3	227,861	582,758
Interest payable and similar charges	5	<u>49,456</u>	<u>86,269</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		178,405	496,489
Tax on profit on ordinary activities	6	<u>55,000</u>	<u>154,000</u>
PROFIT FOR THE FINANCIAL YEAR		123,405	342,489
Balance brought forward		<u>799,789</u>	<u>457,300</u>
Balance carried forward		<u>923,194</u>	<u>799,789</u>

All of the activities of the company are classed as continuing

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

The notes on page 6 form part of these financial statements

SLOUGH MOTOR COMPANY LIMITED

BALANCE SHEET

30 NOVEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	<u>3,424,936</u>	<u>3,482,939</u>
CURRENT ASSETS			
Stocks	8	4,817,494	5,170,065
Debtors	9	2,303,173	2,026,933
Cash in hand		<u>2,900</u>	<u>2,900</u>
		7,123,567	7,199,898
CREDITORS: Amounts falling due within one year	10	<u>7,135,222</u>	<u>7,392,961</u>
NET CURRENT LIABILITIES		(11,655)	(193,063)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,413,281</u>	<u>3,289,876</u>
CREDITORS: Amounts falling due after more than one year	11	<u>150,000</u>	<u>150,000</u>
		<u>3,263,281</u>	<u>3,139,876</u>
CAPITAL AND RESERVES			
Called-up equity share capital	16	50,100	50,100
Revaluation reserve	17	2,289,987	2,289,987
Profit and loss account		<u>923,194</u>	<u>799,789</u>
SHAREHOLDERS' FUNDS	18	<u>3,263,281</u>	<u>3,139,876</u>

These financial statements were approved by the directors and authorised for issue on 21 June 2012, and are signed on their behalf by



M J WARNES

Company Registration Number 01614118

The notes on page 7 form part of these financial statements

SLOUGH MOTOR COMPANY LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30 NOVEMBER 2011

	Note	2011 £	2010 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	19	186,132	67,498
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19	(49,456)	(86,269)
TAXATION	19	(154,000)	(7)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	19	(108,332)	(122,363)
DECREASE IN CASH		<u>(125,656)</u>	<u>(141,141)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011 £	2010 £
Decrease in cash in the period	<u>(125,656)</u>	<u>(141,141)</u>
Movement in net debt in the period	<u>(125,656)</u>	<u>(141,141)</u>
Net debt at 1 December 2010	19 (555,844)	(414,703)
Net debt at 30 November 2011	19 (681,500)	(555,844)

The notes on page 8 form part of these financial statements

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

Consolidation

The company was, at the end of the year, a subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Related parties transactions

The company is a 90% owned subsidiary of Bestodeck Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with members or investees of the Bestodeck Limited group

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	- 2% to 10% per annum
Leasehold Property	- over the unexpired period of the lease
Fixtures, fittings, plant and equipment	- 10% to 33 33% per annum

Stocks

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

Leased assets

Rental payments are written off in the period they are incurred

Financial instruments

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

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company
An analysis of turnover is given below

	2011	2010
	£	£
United Kingdom	<u>53,494,391</u>	<u>54,904,067</u>

3. OPERATING PROFIT

Operating profit is stated after charging

	2011	2010
	£	£
Directors' remuneration	–	–
Depreciation of owned fixed assets	166,335	175,687
Loss on disposal of fixed assets	–	45,800
Operating lease costs		
- Other	360,701	363,651
Auditor's remuneration	<u>23,000</u>	<u>22,000</u>

	2011	2010
	£	£
Auditor's remuneration - audit of the financial statements	<u>23,000</u>	<u>22,000</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2011	2010
	No	No
Number of production staff	19	20
Number of distribution staff	91	93
Number of administrative staff	32	42
	<u>142</u>	<u>155</u>

The aggregate payroll costs of the above were

	2011	2010
	£	£
Wages and salaries	3,702,997	4,019,805
Social security costs	399,058	457,302
Other pension costs	136,315	128,478
	<u>4,238,370</u>	<u>4,605,585</u>

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Interest payable on bank borrowing	9,791	10,553
Other loans	39,665	75,716
	<u>49,456</u>	<u>86,269</u>

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011	2010
	£	£
Current tax		
UK Corporation tax based on the results for the year at 26 67% (2010 - 28%)	55,000	154,000
Total current tax	<u>55,000</u>	<u>154,000</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26 67% (2010 - 28%)

	2011	2010
	£	£
Profit on ordinary activities before taxation	<u>178,405</u>	<u>496,489</u>
Profit on ordinary activities by rate of tax	47,581	139,017
Permanent timing differences	3,275	2,210
Other timing differences	7,273	16,012
Other adjustments	<u>(3,129)</u>	<u>(3,239)</u>
Total current tax (note 6(a))	<u>55,000</u>	<u>154,000</u>

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Fixtures, fittings, plant and equipment £	Total £
COST OR VALUATION				
At 1 December 2010	3,238,006	45,738	1,651,593	4,935,337
Additions	—	—	108,332	108,332
Disposals	—	—	(17,826)	(17,826)
At 30 November 2011	<u>3,238,006</u>	<u>45,738</u>	<u>1,742,099</u>	<u>5,025,843</u>
DEPRECIATION				
At 1 December 2010	82,330	26,661	1,343,407	1,452,398
Charge for the year	14,968	6,665	144,702	166,335
On disposals	—	—	(17,826)	(17,826)
At 30 November 2011	<u>97,298</u>	<u>33,326</u>	<u>1,470,283</u>	<u>1,600,907</u>
NET BOOK VALUE				
At 30 November 2011	<u>3,140,708</u>	<u>12,412</u>	<u>271,816</u>	<u>3,424,936</u>
At 30 November 2010	<u>3,155,676</u>	<u>19,077</u>	<u>308,186</u>	<u>3,482,939</u>

The freehold property has been professionally valued and the directors are of the opinion that it is accurately stated at market value in the accounts

All other tangible assets are stated at historical cost

Freehold properties comprise

	2011 £	2010 £
Cost	—	—
Valuation 2005	3,238,006	3,238,006
	<u>3,238,006</u>	<u>3,238,006</u>

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2011 £	2010 £
Historical cost	<u>1,107,438</u>	<u>1,107,438</u>

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

8. STOCKS

	2011 £	2010 £
Stock	<u>4,817,494</u>	<u>5,170,065</u>

9. DEBTORS

	2011 £	2010 £
Trade debtors	553,331	631,307
Amounts owed by group undertakings	1,463,698	1,098,492
Prepayments and accrued income	286,144	297,134
	<u>2,303,173</u>	<u>2,026,933</u>

10. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Overdrafts	534,400	408,744
Trade creditors	4,293,486	4,823,770
Amounts owed to group undertakings	429,724	429,724
Corporation tax	82,294	181,294
Other taxation and social security	338,844	170,986
Accruals and deferred income	1,456,474	1,378,443
	<u>7,135,222</u>	<u>7,392,961</u>

The bank overdrafts are secured by fixed and floating charges over certain assets of the company

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011 £	2010 £
Overdrafts	<u>534,400</u>	<u>408,744</u>

11. CREDITORS: Amounts falling due after more than one year

	2011 £	2010 £
Shareholders' loans	<u>150,000</u>	<u>150,000</u>

12. PENSIONS

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

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

13. COMMITMENTS UNDER OPERATING LEASES

At 30 November 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2011	2010
	£	£
Operating leases which expire		
Within 1 year	153,000	85,250
Within 2 to 5 years	10,708	9,833
After more than 5 years	231,400	221,900
	<u>395,108</u>	<u>316,983</u>

14. CONTINGENCIES

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

15. RELATED PARTY TRANSACTIONS

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

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

16. SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
50,000 'A' ordinary shares of £1 each	50,000	50,000	50,000	50,000
100 'B' ordinary shares of £1 each	100	100	100	100
	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>

17. RESERVES

	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	2,289,987	799,789
Profit for the year	—	123,405
Balance carried forward	<u>2,289,987</u>	<u>923,194</u>

There is no present intention to dispose of the revalued properties, accordingly no provision has been made in these financial statements for taxation of £686,996 which would arise in the event of such a disposal

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	123,405	342,489
Opening shareholders' funds	<u>3,139,876</u>	<u>2,797,387</u>
Closing shareholders' funds	<u>3,263,281</u>	<u>3,139,876</u>

19. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	227,861	582,758
Depreciation	166,335	175,687
Loss on disposal of fixed assets	—	45,800
Decrease/(increase) in stocks	352,571	(470,187)
(Increase)/decrease in debtors	(276,240)	297,178
Decrease in creditors	<u>(284,395)</u>	<u>(563,738)</u>
Net cash inflow from operating activities	<u>186,132</u>	<u>67,498</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2011 £	2010 £
Interest paid	<u>(49,456)</u>	<u>(86,269)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(49,456)</u>	<u>(86,269)</u>

TAXATION

	2011 £	2010 £
Taxation	<u>(154,000)</u>	<u>(7)</u>

CAPITAL EXPENDITURE

	2011 £	2010 £
Payments to acquire tangible fixed assets	<u>(108,332)</u>	<u>(122,363)</u>
Net cash outflow from capital expenditure	<u>(108,332)</u>	<u>(122,363)</u>

SLOUGH MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2011

19. NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Dec 2010 £	Cash flows £	At 30 Nov 2011 £
Net cash			
Cash in hand and at bank	2,900	–	2,900
Overdrafts	<u>(408,744)</u>	<u>(125,656)</u>	<u>(534,400)</u>
	<u>(405,844)</u>	<u>(125,656)</u>	<u>(531,500)</u>
Debt			
Debt due after 1 year	<u>(150,000)</u>	<u>–</u>	<u>(150,000)</u>
Net debt	<u>(555,844)</u>	<u>(125,656)</u>	<u>(681,500)</u>

20. ULTIMATE PARENT COMPANY

The company's ultimate parent company and controlling party is Bestodeck Limited, a company registered in England

The group has no ultimate controlling party