

*Registered number 01614118*

REGISTRAR OF COMPANIES COPY

**SLOUGH MOTOR COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**30<sup>th</sup> November 2010**

TUESDAY



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COMPANIES HOUSE

# **Slough Motor Company Limited**

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

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## **Slough Motor Company Limited**

### **Directors' report**

The directors present their report and the audited financial statements of the company for the year ended 30<sup>th</sup> November 2010

#### ***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 £54,904,067 (2009 - £51,861,736)

The operating profit was £582,758 (2009 - £457,840) and the profit before tax was £496,489 (2009 - £321,170)

Shareholders' funds increased by £342,489 to £3,139,876 as a result of the profit for the year.

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

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

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

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

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

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

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

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

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

Movements in fixed assets are set out in note 8.

**Slough Motor Company Limited**

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

***Directors***

The directors who held office during the year were

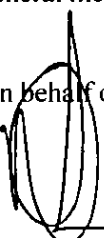
M J Warnes  
L B Friedman (deceased 2 January 2011)  
C Redfern  
T F Bradbury (resigned 18 January 2011)  
L S Mudan (appointed 23 February 2011)

C Redfern retires from the board and, being eligible, offers himself for re-election

***Auditors***

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

On behalf of the board

A handwritten signature in black ink, consisting of a large, stylized 'M' and 'J' followed by a horizontal line.

M J WARNES

17<sup>th</sup> June 2011

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

## **Slough Motor Company Limited**

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the directors are aware

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

**Slough Motor Company Limited****Independent auditors' report to the shareholders of Slough Motor Company Limited****For the year ended 30 November 2010**

We have audited the financial statements of Slough Motor Company Limited for the year ended 30 November 2010. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

give a true and fair view of the state of the company's affairs as at 30 November 2010 and of its profit for the year then ended,

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

**Slough Motor Company Limited**

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

**For the year ended 30 November 2010**

**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

A handwritten signature in black ink, reading "The Leaman Partnership LLP". The signature is written in a cursive, flowing style.

P MATTEI (Senior Statutory Auditor)

For and on behalf of

The Leaman Partnership LLP

Chartered Accountants

& Registered Auditors

51 Queen Anne Street

London W1G 9HS

17<sup>th</sup> June 2011

# **Slough Motor Company Limited**

## **Profit And Loss Account**

*for the year ended 30<sup>th</sup> November 2010*

	<i>Note</i>	2010 £	2009 £
Turnover	<i>1</i>	54,904,067	51,861,736
Cost of sales		<u>46,719,445</u>	<u>43,065,470</u>
Gross profit		8,184,622	8,796,266
Distribution and administrative expenses	<i>2</i>	<u>7,601,864</u>	<u>8,338,456</u>
		582,758	457,810
Other income	<i>3</i>	<u>          </u>	<u>30</u>
Operating profit		582,758	457,840
Interest payable	<i>4</i>	<u>86,269</u>	<u>136,670</u>
Profit on ordinary activities before taxation	<i>5</i>	496,489	321,170
Taxation	<i>6</i>	<u>(154,000)</u>	<u>-</u>
Profit for the financial year	<i>17</i>	<u><u>342,489</u></u>	<u><u>321,170</u></u>

All the activities of the company are classed as continuing

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



# Slough Motor Company Limited

## Balance Sheet

at 30<sup>th</sup> November 2010

	Note	£	2010 £	2009 £
<b>Fixed assets</b>				
Tangible assets	8		3,482,939	3,582,063
<b>Current assets</b>				
Stock	1	5,170,065		4,699,878
Debtors	9	2,026,933		2,324,111
Cash at bank and in hand		2,900		3,420
		<u>7,199,898</u>		<u>7,027,409</u>
<b>Creditors</b>				
Amounts falling due within one year	10	7,392,961		7,662,085
<b>Net current liabilities</b>			(193,063)	(634,676)
Total assets less current liabilities			<u>3,289,876</u>	<u>2,947,387</u>
<b>Creditors</b>				
Amounts falling due within one year				
Loan from parent company	11		(150,000)	(150,000)
<b>Net assets</b>			<u>3,139,876</u>	<u>2,797,387</u>
<b>Capital and reserves</b>				
Called up share capital	13		50,100	50,100
Revaluation reserve	14		2,289,987	2,289,987
Profit and loss account			799,789	457,300
<b>Total shareholders' funds</b>	17		<u>3,139,876</u>	<u>2,797,387</u>
<b>Shareholders' funds are attributable to:</b>				
Non-equity shareholders' funds			100	100
Equity shareholders' funds			3,139,776	2,797,287
			<u>3,139,876</u>	<u>2,797,387</u>

These financial statements were approved by the board of directors on 17<sup>th</sup> June 2011 and were signed on its behalf by



M J WARNES

Director

Company number 01614118

# **Slough Motor Company Limited**

## **Cash Flow Statement**

*for the year ended 30<sup>th</sup> November 2010*

	<i>Note</i>	£	2010 £	£	2009 £
<b><i>Net cash inflow from operating activities</i></b>	15		67,491		693,782
<b><i>Returns on investment and servicing of finance</i></b>					
Interest received	3	-		30	
Interest paid	4	(86,269)		(136,670)	
<b><i>Net cash outflow from returns on investment and servicing of finance</i></b>			(86 269)		(136,640)
<b><i>Capital expenditure</i></b>					
Payments to acquire fixed assets		(122,363)		(67,564)	
Receipts from sale of fixed assets				2,565	
			(122,363)		(64,999)
<b><i>Net cash (outflow)/inflow before financing</i></b>	16		(141,141)		492,143
<b><i>Financing</i></b>					
Decrease in loans	16		-		-
<b><i>Decrease in cash</i></b>	16		(141,141)		492,143

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

(Decrease)/increase in cash in the year		(141,141)	492,143
Cash outflow from decrease in debt		-	-
Movement in net debt in the year		(141,141)	492,143
Net debt at start of year		(264,703)	(756,846)
Net debt at end of year	16	(405,844)	(264,703)

# Slough Motor Company Limited

## Notes

(forming part of the financial statements)

### 1. Accounting policies

#### *Basis of accounting*

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

#### *Turnover*

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

#### *Fixed assets and depreciation*

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

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

#### *Stock*

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

#### *Leased assets*

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

#### *Taxation*

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

#### *Financial instruments*

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

### 2. Distribution and administrative expenses

	2010 £	2009 £
Distribution costs	5,349,740	5,812,919
Administrative expenses	2,252,124	2,525,537
	<u>7,601,864</u>	<u>8,338,456</u>

# Slough Motor Company Limited

## Notes (continued)

	2010 £	2009 £
<b>3. Other income</b>		
Interest	-	30
	<u>          </u>	<u>          </u>
<b>4. Interest payable</b>		
Bank overdraft	10,553	39,449
Loans repayable within five years	75,716	97,221
	<u>          </u>	<u>          </u>
	<u>86,269</u>	<u>136,670</u>
<b>5. Profit on ordinary activities</b>		
This is stated after charging		
Auditors' remuneration	22,000	22,000
Operating lease charges		
Other	363,651	446,983
Depreciation and amounts written off tangible fixed assets	221,487	211,473
	<u>          </u>	<u>          </u>
<b>6. Tax on profit on ordinary activities</b>		
<b>(a) Taxation</b>		
Current tax		
UK corporation tax based on the results for the year at 28% (2009- 28%)	154,000	-
(Over)/under provision in prior years	-	-
	<u>          </u>	<u>          </u>
Total current tax	<u>154,000</u>	<u>-</u>
<b>(b) Factors affecting current tax charge</b>		
Profit on ordinary activities before taxation	<u>496,489</u>	<u>321,170</u>
Tax at 28% (2009 – 30%)	139,017	89,928
Permanent timing differences	2,210	248
Other timing differences	16,012	7,054
Other adjustments	(3,239)	(97,230)
	<u>          </u>	<u>          </u>
Total current tax (6 (a))	<u>154,000</u>	<u>-</u>

# Slough Motor Company Limited

## Notes (continued)

	2010 £	2009 £
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### 7. Staff numbers and costs

No

No

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

Production	20	22
Distribution	93	112
Administrative	42	43
	<u>155</u>	<u>177</u>

The aggregate payroll costs of these persons were as follows

£

£

Wages and salaries	4 019,803	4,668,375
Social security costs	457,302	511,315
Other pension costs	128,478	131,356
	<u>4,605,583</u>	<u>5,311,046</u>

### 8. Tangible assets

	Leasehold Improvements £	Freehold properties £	Fixtures, fittings, plant and equipment £	Total £
<b>Cost or valuation</b>				
At beginning of year	45,738	3,238,006	2,074,878	5,358,622
Additions	-	-	122,363	122,363
Disposals	-	-	(545,648)	(545,648)
At end of year	<u>45,738</u>	<u>3,238,006</u>	<u>1,651,593</u>	<u>4,935,337</u>
<b>Depreciation</b>				
At beginning of year	19,996	67,362	1,689,201	1,776,559
Provided this year	6,665	14,968	154,054	175,687
Disposals	-	-	(499,848)	(499,848)
At end of year	<u>26,661</u>	<u>82,330</u>	<u>1,343,407</u>	<u>1,452,398</u>
<b>Net book values</b>				
30 <sup>th</sup> November 2010	<u>19,077</u>	<u>3,155,676</u>	<u>308,186</u>	<u>3,482,939</u>
30 <sup>th</sup> November 2009	<u>25,742</u>	<u>3,170,644</u>	<u>385,677</u>	<u>3,582,063</u>

# Slough Motor Company Limited

## Notes (continued)

### 8. Tangible assets (continued)

Freehold properties comprise

	2010 £	2009 £
Cost	-	-
Valuation - 2005	3,238,006	3,238,006
	<u>3,238,006</u>	<u>3,238,006</u>

The historical cost of these properties was

<u>1,107,438</u>	<u>1,107,438</u>
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All other tangible assets are stated at historical cost

### 9. Debtors

Trade debtors	631,307	893,012
Amounts owed by group undertakings	1,098,492	1,089,570
Prepayments and accrued income	297,134	287,754
Social security and other taxes	-	53,775
	<u>2,026,933</u>	<u>2,324,111</u>

### 10. Creditors falling due within one year

Trade creditors	4,823,770	5,607,587
Other creditors	-	2,068
Social security and other taxes	170,986	134,527
Amounts owed to group undertakings	429,724	429,724
Accruals	1,378,443	1,192,755
Bank overdraft (secured - see note 12)	408,744	268,123
Corporation tax	181,294	27,301
	<u>7,392,961</u>	<u>7,662,085</u>

## Slough Motor Company Limited

### Notes (continued)

#### 11. Related party transactions

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

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

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

#### 12. Bank overdraft and loans

	2010 £	2009 £
The aggregate amount of secured borrowings is as follows		
Falling due within five years		
Bank overdraft	408,744	268,123

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

#### 13. Share capital

##### *Authorised*

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

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

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

# Slough Motor Company Limited

## Notes (continued)

	2010 £	2009 £
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### 14. Revaluation reserve

At 1 December 2009 and 30 November 2010	<u>2,289,987</u>	<u>2,289,987</u>
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There is no present intention of disposing of the remaining revalued properties, accordingly no provision has been made in these financial statements for taxation of £686,996 which would arise in the event of such a disposal

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

Operating profit	582,758	457,840
Other operating income	-	(30)
Depreciation and loss on sale of fixed assets	221,487	211,473
Increase in stock	(470,187)	(606,264)
Decrease/(increase) in debtors	297,178	(1,158,138)
Decrease/(increase) in creditors	(563,745)	1,788,901
	<u>67,491</u>	<u>693,782</u>

### 16. Analysis of net debt

	1-December 2009	Cashflow	30-November 2010
Cash at bank	3,420	(520)	2,900
Overdrafts	(268,123)	(140,621)	(408,744)
Net debt	<u>(264,703)</u>	<u>(141,141)</u>	<u>(405,844)</u>

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

	2010 £	2009 £
Profit for the financial year	342,489	321,170
Opening shareholders' funds	<u>2,797,387</u>	<u>2,476,217</u>
Closing shareholders' funds	<u>3,139,876</u>	<u>2,797,387</u>



## Slough Motor Company Limited

### Notes (continued)

#### 18. Contingent liability

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

#### 19. Financial commitments

##### *Pensions*

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

##### *Operating leases*

The company has annual commitments expiring as follows

	2010 £ Land and Buildings	2009 £ Land and Buildings
Within one year	85,250	115,167
In two to five years	9,833	8,834
After five years	221,900	202,400
	<u>316,983</u>	<u>326,401</u>

# **Slough Motor Company Limited**

## **Detailed trading and profit & loss account** *for the year ended 30<sup>th</sup> November 2010*

	2010		2009	
	£	£	£	£
Sales		54,326,344		51,293,812
Commissions		577,723		567,924
		<u>54,904,067</u>		<u>51,861,736</u>
<b><i>Cost of sales</i></b>				
Stock at beginning of year	4,699,878		4,093,614	
Purchases	46,724,949		42,886,519	
Production wages	618,906		785,215	
Less stock at end of year	<u>(5,324,288)</u>		<u>(4,699,878)</u>	
		<u>46,719,445</u>		<u>43,065,470</u>
<b><i>Gross Profit</i></b>		<b>8,184,622</b>		<b>8,796,266</b>
<b><i>Distribution costs</i></b>				
Salaries and commissions	3,254,107		3,678,961	
Preparation, free service and guarantee work	649,829		656,926	
Training	127,323		133,709	
Advertising and publicity	471,568		435,982	
Equipment and motor vehicle expenses	512,213		592,566	
Travelling and general expenses	<u>334,700</u>		<u>314,775</u>	
<b><i>Carried forward</i></b>	<b>5,349,740</b>	<b>8,184,622</b>	<b>5,812,919</b>	<b>8,796,266</b>

# Slough Motor Company Limited

## Detailed trading and profit & loss account

For the year ended 30<sup>th</sup> November 2010

		2010		2009
	£	£	£	£
<i>Brought forward</i>	5,349,740	8,184,622	5,812,919	8,796,266
<b><i>Administrative expenses</i></b>				
Management charge	100,272		98,220	
Salaries and pension costs	732,572		846,870	
Property expenses	776,069		876,649	
Training	3,058		3,041	
Lighting and heating	120,879		196,721	
Insurance	185,029		199,112	
Motor vehicle and equipment expenses	77,893		79,283	
Travelling and entertaining expenses	19,280		24,894	
Postage and telephone	92,504		76,349	
Printing and stationery	19,646		6,801	
Accountancy and computer services	(259,136)		(358,381)	
Legal and professional charges	52,403		46,726	
Bad and doubtful debts	32,400		130,629	
Sundry expenses	41,384		45,401	
Depreciation	175,687		181,733	
Advertising and sales promotion	36,384		41,749	
Loss on sale of fixed assets	45,800		29,740	
	<u>2,252,124</u>		<u>2,525,537</u>	
		7,601,864		8,338,456
		<u>582,758</u>		<u>457,810</u>
<b><i>Other income</i></b>				
Interest		-		30
		<u>582,758</u>		<u>457,840</u>
<b><i>Interest payable</i></b>				
Bank overdraft	10,553		39,449	
Other loans	<u>75,716</u>		<u>97,221</u>	
		86,269		136,670
<b>Profit on ordinary activities</b>		<u>496,489</u>		<u>321,170</u>