

Company Registration No. 02856048 (England and Wales)

REL LIMITED

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2010**



**Carpenter Box LLP**  
*Chartered Accountants*  
Amelia House  
Crescent Road  
Worthing  
West Sussex  
BN11 1QR

# REL LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr R G Maxwell Mr E G Zoratti
<b>Secretary</b>	Mr E G Zoratti
<b>Company number</b>	02856048
<b>Registered office</b>	200 London Road Burgess Hill West Sussex RH15 9RT
<b>Auditors</b>	Carpenter Box LLP Amelia House Crescent Road Worthing West Sussex BN11 1QR
<b>Bankers</b>	Lloyds TSB Bank Plc Lloyds Bank Chambers 36-38 Church Road Burgess Hill West Sussex RH15 9AH
<b>Solicitors</b>	DMH Stallard 100 Queens Road Brighton East Sussex BN1 3YB

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# REL LIMITED

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# **REL LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2010**

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The directors present their report and financial statements for the year ended 31 December 2010

#### **Principal activities**

The company was principally engaged as main commercial vehicle dealerships for the Mercedes-Benz franchise, together with associated parts and servicing for all makes of commercial vehicles until the trade and assets were acquired by Rossetts UK Limited on 30 January 2009. The company has not traded since that date.

#### **Directors**

The following directors have held office since 1 January 2010

Mr R G Maxwell

Mr E G Zoratti

#### **Auditors**

In accordance with the company's articles, a resolution proposing that Carpenter Box LLP be reappointed as auditors of the company will be put at a General Meeting.

#### **Statement of 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,
- 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.

# REL LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



Mr E G Zoratti

Secretary

20/7/11

# REL LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REL LIMITED

We have audited the financial statements of REL Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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, 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### 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 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.

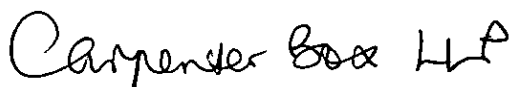
### Opinion on other matter prescribed by the Companies Act 2006

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.

### 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Hilary Julian BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Carpenter Box LLP  
Chartered Accountants  
Statutory Auditor  
Worthing

22/7/2011

# REL LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 £	2009 £
Turnover		-	1,982,216
Cost of sales		90,489	(1,533,366)
<b>Gross profit</b>		<u>90,489</u>	<u>448,850</u>
Administrative expenses		(37,282)	(622,098)
<b>Operating profit/(loss)</b>	<b>3</b>	<u>53,207</u>	<u>(173,248)</u>
Disposal of trade and assets	-	915,209	
Diminution in value of investments	-	(2,100,000)	
		<u>-</u>	<u>(1,184,791)</u>
<b>Profit/(loss) on ordinary activities before interest</b>		<u>53,207</u>	<u>(1,358,039)</u>
Investment income	<b>4</b>	-	84,105
Interest payable and similar charges		(44)	(17,835)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>53,163</u>	<u>(1,291,769)</u>
Tax on profit/(loss) on ordinary activities	<b>5</b>	(6,806)	347,595
<b>Profit/(loss) for the year</b>	<b>12</b>	<u><u>46,357</u></u>	<u><u>(944,174)</u></u>

# REL LIMITED

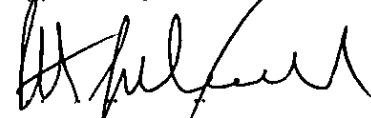
## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
<b>Current assets</b>					
Debtors	8	100		1,259,894	
Cash at bank and in hand		-		9,553	
		<u>100</u>		<u>1,269,447</u>	
<b>Creditors, amounts falling due within one year</b>	9	-		(213,022)	
<b>Total assets less current liabilities</b>			<u>100</u>		<u>1,056,425</u>
<b>Capital and reserves</b>					
Called up share capital	11		100		550,000
Profit and loss account	12		-		506,425
<b>Shareholders' funds</b>	13		<u>100</u>		<u>1,056,425</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 20/7/2011

  
Mr R G Maxwell  
Director

  
Mr E G Zoratti  
Director

Company Registration No 02856048



# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

#### 1.2 Turnover

Turnover is the total amount receivable by the company in the ordinary course of business for goods supplied as principal and the service provided, excluding VAT and trade discounts

#### 1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life

#### 1.4 Tangible fixed assets and depreciation

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

Land and buildings leasehold	over the period of the lease
Plant and equipment	between 15% and 20% per annum straight line

Finance costs are capitalised in respect of assets under course of construction up until the date on which the assets are first ready for use

#### 1.5 Leasing

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

#### 1.6 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

#### 1.7 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

# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 2 Cost of sales and net operating expenses

	2010			2009		
	Continuing £	Discontinued £	Total £	Continuing £	Discontinued £	Total £
Cost of sales	-	(90,489)	(90,489)	-	1,533,366	1,533,366
Administrative expenses	-	37,282	37,282	-	622,098	622,098
	-	(53,207)	(53,207)	-	2,155,464	2,155,464

3 Operating profit/(loss)	2010 £	2009 £
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	-	850,888
Operating lease rentals		
- Plant and machinery	-	17,025
- Other assets	-	40,159
Auditors' remuneration (including expenses and benefits in kind)	-	4,100

Cost of sales includes old customer credit balances released to the profit and loss as the customer can no longer be contacted

4 Investment income	2010 £	2009 £
Income from fixed asset investments	-	84,105

# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

5	Taxation	2010 £	2009 £
	<b>Domestic current year tax</b>		
	U K corporation tax	6,806	(150,986)
	Adjustment for prior years	-	6,397
	<b>Total current tax</b>	<u>6,806</u>	<u>(144,589)</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	-	(203,006)
		<u>6,806</u>	<u>(347,595)</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit/(loss) on ordinary activities before taxation	<u>53,163</u>	<u>(1,291,769)</u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2009 - 28.00%)	<u>11,164</u>	<u>(361,695)</u>
	Effects of		
	Non deductible expenses	-	4,246
	Capital allowances for period falling short of depreciation	-	223,881
	Other timing differences and adjustments for prior period	(2,261)	(2,563)
	Capital gains	-	(1,934)
	Higher tax rate applicable to losses carried back to previous periods	-	(7,148)
	Group relief	(2,097)	624
		<u>(4,358)</u>	<u>217,106</u>
	<b>Current tax charge for the year</b>	<u>6,806</u>	<u>(144,589)</u>
6	<b>Dividends</b>	<b>2010 £</b>	<b>2009 £</b>
	Ordinary interim paid	<u>1,102,682</u>	<u>28,000</u>

# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 7 Fixed asset investments

	Unlisted investments £
<b>Cost</b>	
At 1 January 2010 & at 31 December 2010	580,000
<b>Provisions for diminution in value</b>	
At 1 January 2010 & at 31 December 2010	580,000
<b>Net book value</b>	
At 31 December 2010	-
At 31 December 2009	-

8 Debtors	2010 £	2009 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	100	1,175,641
Other debtors	-	84,253
	100	1,259,894

9 Creditors, amounts falling due within one year	2010 £	2009 £
Trade creditors	-	16,016
Taxation and social security	-	1,139
Other creditors	-	195,867
	-	213,022

# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 10 Pension and other post-retirement benefit commitments

##### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2010 £	2009 £
Contributions payable by the company for the year	-	7,855

#### 11 Share capital

##### Allotted, called up and fully paid

100 Ordinary £1 shares of £1 each

	2010 £	2009 £
	100	550,000

During the year the company reduced its share capital as permitted under Section 641 of the Companies Act 2006.

#### 12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2010	506,425
Profit for the year	46,357
Reduction in share capital	549,900
Dividends paid	(1,102,682)
Balance at 31 December 2010	-

# REL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

13 Reconciliation of movements in shareholders' funds	2010 £	2009 £
Profit/(Loss) for the financial year	46,357	(944,174)
Dividends	(1,102,682)	(28,000)
	<hr/>	<hr/>
	(1,056,325)	(972,174)
Movements on other reserves	549,900	-
	<hr/>	<hr/>
Net depletion in shareholders' funds	(506,425)	(972,174)
Opening shareholders' funds	1,056,425	2,028,599
	<hr/>	<hr/>
Closing shareholders' funds	100	1,056,425
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### 14 Control

The immediate and ultimate parent company is RBG Group Limited, a company registered in England and Wales. RBG Group Limited prepares group financial statements and copies can be obtained from Companies House.

RBG Group Limited is under the control of the two directors, Mr R G Maxwell and Mr E G Zoratti.

### 15 Related party relationships and transactions

The company has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities (effective April 2008) whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.