LFPV LIMITED

FINANCIAL STATEMENTS

31ST MARCH 2008

COMPANY NO. 4138030

LFPV LIMITED

DIRECTORS' REPORT

The directors present their annual report and the accounts for the year ended 31st March 2008

DIRECTORS

The following directors have held office since 1st April 2007

	Date Appointed
P Benzimra	
A P W Durrant	
D M Selden FCA FRSA	
R Patel ACMA	2nd July 2007

PRINCIPAL ACTIVITY & REVIEW OF BUSINESS
During the year the Company experienced the beginning of a tougher trading environment with pricing coming under increasing pressure Gross margins across the business reduced to 13 4% from 13 8% the prior year Despite this a small improvement in turnover was recorded Stock has been reduced and is now at more appropriate levels Manufacturer production constraints in certain vehicle lines have also affected trading as a result of lost opportunities

Trading in the current period has been satisfactory with the first quarter showing an improvement year on year The directors anticipate that trading will remain challenging but are hopeful with the support of the Manufacturers that the company will again show an improvement in turnover

The Company has changed its accounting period to 31st December and will report on a nine month period to 31st December 2008

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board The policies set by the board of directors are implemented by the company's finance department

Price risk
The company is exposed to price risk due to normal inflationary increases in the purchase price of the goods and services in purchases worldwide The company has no exposure to equity securities price risk as it holds no listed or other equity investments

Credit risk
The company has implemented policies that require appropriate credit checks on potential customers before sales are made The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board

Liquidity risk
The company has no long-term or short-term debt finance, therefore has no exposure to liquidity risk

Interest rate risk
The company has interest bearing assets Interest bearing assets include only cash balances which earn interest at the prevailing rate

RESULTS FOR THE YEAR AND DIVIDENDS

The profit for the year after taxation was £433,370 (2007 £527,055)
The directors do not recommend the payment of a dividend

LFPV LIMITED

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each of the directors are aware
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information , and
- there is no relevant information of which the auditors are unaware

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Nexia Smith & Williamson be reappointed as auditors of the company will be put to the Annual General Meeting

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare accounts for each financial year which 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 accounts, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985 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

Fishers House,
Portsmouth Road,
Ripley,
Surrey
3 July 2008

By order of the Board

P Benzimra
Company Secretary

Nexia Smith & Williamson

Independent auditors report to the shareholders of LFPV Limited

We have audited the accounts of LFPV Limited for the year ended 31st March 2008 which comprise the profit and loss account, the balance sheet, the cashflow statement and the related notes 1 to 17 and A to C These accounts have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985 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 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 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We read the information contained within the Directors' Report and consider whether it is consistent with the audited accounts Our responsibilities do not extend to any other information

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We state in our report whether in our opinion the information given in the Directors' Report is consistent with the accounts We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st March 2008 and of its profit for the year then ended, the accounts have been properly prepared in accordance with the Companies Act 1985, and the information given in the Directors' Report is consistent with the accounts

Nexia Smith & Williamson

23 July 2008

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors

1 Bishops Wharf
Walnut Tree Close
Guildford
Surrey
GU1 4RA

LFPV LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2008

	Note	2008 £	2007 £
TURNOVER	2	10,305,747	9,767,712
Cost of sales		(8,927,162)	(8,414,383)
GROSS PROFIT		1,378,585	1,353,329
Administrative expenses		(939,796)	(806,028)
OPERATING PROFIT	3	438,789	547,301
Interest receivable		12,285	11,104
Interest payable and similar charges	4	(16,865)	(29,042)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		434,209	529,363
Taxation on profit on ordinary activities	6	(839)	(2,308)
RETAINED PROFIT FOR THE YEAR	12	433,370	527,055

All of the company's operations are classed as continuing
A statement of the movement on shareholders funds appears as note 13 to the accounts
The company had no recognised gains or losses other than the result stated above

LFPV LIMITED

BALANCE SHEET

31ST MARCH 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	7	0	0
		0	0
CURRENT ASSETS			
Stock	8	2,893,832	5,130,475
Debtors	9	1,351,268	1,503,716
Cash at bank and in hand		498,141	2,038,153
		4,743,241	8,672,344
CREDITORS amounts falling due within one year	10	(4,330,378)	(8,692,851)
NET CURRENT ASSETS/LIABILITIES		412,863	(20,507)
		412,863	(20,507)
CAPITAL AND RESERVES			
Called up share capital	11	850,000	850,000
Profit and loss account	12	(437,137)	(870,507)
EQUITY SHAREHOLDERS' FUNDS	13	412,863	(20,507)

These accounts were approved by the Board of Directors on 3rd July 2008

P Benzimra Director

D M Selden FCA FRSA Director

LFPV LIMITED

CASHFLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2008

	Note	2008 £	2007 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	A	(1,533,322)	1,964,240
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest paid		(16,865)	(29,042)
Interest received		12,285	11,104
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(4,580)	(17,938)
TAXATION			
U K Corporation tax paid		(2,110)	(1,300)
TAXATION PAID		(2,110)	(1,300)
NET CASH (OUTFLOW)/INFLOW	B/C	(1,540,012)	1,945,002

See notes to cashflow statement on page 11

LFPV LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2008

1 ACCOUNTING POLICIES

1 1 Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards

1 2 Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful economic lives as follows

Fixtures and fittings	25% Straight line
Computer equipment	25% Straight line
Motor vehicles	25% Straight line

1 3 Stock

Stock is valued at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow moving items

1 4 Deferred taxation

Deferred taxation is provided on a full provision basis on all timing differences which have arisen but not reversed at the balance sheet date A deferred tax asset is not recognised to the extent that the transfer of economic benefit in the future is uncertain Any assets and liabilities recognised have not been discounted

1 5 Foreign exchange

Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date unless such balances are covered by a forward contract in which case the contracted rate has been used Transactions in foreign currencies are translated monthly at a rate fixed at the end of the month in question Foreign exchange differences have been charged to the profit and loss account

2 TURNOVER

Turnover is stated net of VAT and after trade discounts The company carries on only one class of business Geographical analysis of turnover is not given

Turnover and associated costs are recognised when a product is invoiced and available for despatch

3 OPERATING PROFIT

	2008	2007
	£	£
The operating profit is stated after charging/(crediting)		
Depreciation	0	2,156
Auditors' remuneration	15,000	14,750
Foreign exchange differences	(161,976)	(193,879)

Staff costs are covered by the holding company and recharged by way of a monthly management charge

4 INTEREST PAYABLE

	2008	2007
On sums other than bank loans and overdrafts	16,865	29,042

5 DIRECTORS AND EMPLOYEES

No directors received remuneration from the company during the year Details of remuneration paid by the holding company are disclosed in the accounts of that company
No directors are accruing retirement benefits

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2008	2007
	£	£
a Analysis of charge in year		
U K corporation tax at 20% (2007 19%) based on the profits for the year	839	2,110
Adjustment in respect of prior years	0	198
	839	2,308

b Factors affecting tax charge for year
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20% (2007 19%))
The differences are explained below

	2008	2007
Profit on ordinary activities before tax	434,209	529,363
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2007 19%)	86,842	100,579
Depreciation in excess of capital allowances	(4,430)	410
Expenses not deductible for tax purposes	468	13,582
Losses utilised	(69,042)	(112,461)
Other Tax Adjustments	(13,000)	0
Adjustment to prior year	1	198
Current tax charge for year (note 6 (a))	839	2,308

LFPV LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2008

c Factors that may affect future tax charges
The company has tax losses of approximately £79,343 (2007 £424,552) to carry forward and offset against future profits from the same trade This has not been recognised in the financial statements

d Deferred tax
No provision has been made in these accounts for a potential deferred tax asset of £29,157 (2007 £144,943) resulting from the excess of depreciation over accelerated capital allowances and carry forward trading losses
A deferred tax asset would only be recognised where there is reasonable certainty that the company will be able to claim capital allowances in excess of depreciation in the future or where a balancing allowance would arise on the disposal of the asset and where there is reasonable certainty that suitable taxable profits will be generated in the foreseeable future

7 TANGIBLE FIXED ASSETS

	Fixtures fittings & equipment £	Computer equipment £	Total equipment £
Cost			
At 31 March 2008	109,316	80,759	190,075
Depreciation			
At 1st April 2007	109,316	80,759	190,075
Charge for period	0	0	0
At 31st March 2008	109,316	80,759	190,075
Net book value			
At 31st March 2008	0	0	0
At 31st March 2007	0	0	0

	2008 £	2007 £
8 STOCKS		
Vehicles	2,828,986	5,077,719
Parts	64,846	52,756
	2,893,832	5,130,475
9 DEBTORS		
Trade debtors	1,342,880	1,285,403
Other debtors	8,388	218,313
	1,351,268	1,503,716
10 CREDITORS amounts falling due within one year		
Trade creditors	1,696,929	6,871,277
Amounts owed to group undertakings	1,843,951	1,164,906
Payments on account	228,575	37,002
Corporation tax	839	2,110
Other creditors	27,200	87,551
Accruals and deferred income	532,884	530,005
	4,330,378	8,692,851

LFPV LIMITED

NOTES TO THE ACCOUNTS

31ST MARCH 2008

		2008	2007
11	SHARE CAPITAL	£	£
	Authorised		
	1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	Allotted, called up and fully paid		
	850,000 Ordinary shares of £1 each	850,000	850,000

12 PROFIT AND LOSS ACCOUNT

Retained losses at 1st April 2007	(870,507)	(1,397,562)
Profit for the year	433,370	527,055
Retained losses at 31st March 2008	(437,137)	(870,507)

13 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Profit for the financial year	433,370	527,055
Shareholders' funds at 1st April 2007	(20,507)	(547,562)
Shareholders' funds at 31st March 2008	412,863	(20,507)

14 CONTINGENT LIABILITIES

The following guarantees have been given by the company's parent, Conrico International Limited

Guarantee limited to £500,000 to the company's banker
Unlimited guarantee to Land Rover
Unlimited guarantee to Ford Credit

15 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard number 8 Related party transactions, and has not disclosed transactions with fellow group undertakings, where more than 90% of the voting rights are controlled within the group

16 ULTIMATE HOLDING COMPANY

The ultimate holding company is The Regent Trust Company Limited

17 PARENT UNDERTAKING

The immediate parent undertaking is Conrico International Limited Consolidated accounts for this group are prepared and filed and can be obtained from Companies House

LFPV LIMITED

NOTES TO THE CASHFLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2008

		2008	2007
		£	£
A	RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTLOW) / INFLOW FROM OPERATING ACTIVITIES		
	Operating profit	438,789	547,301
	Depreciation charges	0	2,156
	Decrease/(Increase) in stock	2,236,643	(2,127,334)
	Decrease in debtors	152,448	676,189
	(Decrease)/Increase in creditors	(4,361,202)	2,865,928
	NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(1,533,322)	1,964,240
B	RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS		
	(Decrease) / Increase in cash in the year	(1,540,012)	1,945,002
	Net funds at 1st April 2007	2,038,153	93,151
	Net funds at 31st March 2008	498,141	2,038,153

C ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2007	Cashflows	At 31 March 2008
	£	£	£
Cash at bank and in hand	2,038,153	(1,540,012)	498,141
TOTAL	2,038,153	(1,540,012)	498,141