

Company Registration No. 04585756 (England and Wales)

SIMONSTONE (BRISTOL) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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SIMONSTONE (BRISTOL) LIMITED

COMPANY INFORMATION

Directors	M & J Keen S Sowerby M Hooper (Appointed 26 September 2011)
Secretary	S Sowerby
Company number	04585756
Registered office	803-805 Bath Road Brislington Bristol BS4 5NL
Auditors	Afford Bond LLP Chartered Accountants Registered Auditors 31 Wellington Road Nantwich Cheshire CW5 7ED
Bankers	Bank of Scotland PO Box 208 21 Prince Street Bristol BS99 7JG
Solicitors	Addleshaw Goddard 100 Barbirolli Square Manchester M2 3AB

SIMONSTONE (BRISTOL) LIMITED

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SIMONSTONE (BRISTOL) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

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

Principal activities and review of the business

The company trades in the retail sale and repair of motor vehicles

The results for the year show a loss on ordinary activities before tax of £47,247 (2010 Profit £49,738)

The directors aim to present a balanced review of the development and performance of the business during the period and the company's position at the period end. Our review is consistent with the size and nature of the business.

The directors consider their key accounting indicators are those that communicate the financial performance of the company as a whole, being turnover and operating profit which are included in the financial statements.

The company's balance sheet is detailed on page 6 and shows a satisfactory position given the current economic environment.

The movement in fixed assets during the year are set out in notes 7 and 8 to the financial statements.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of a dividend for the year.

Directors

The following directors have held office since 1 January 2011.

M & J Keen

S Sowerby

P Keen

(Resigned 15 November 2011)

M Hooper

(Appointed 26 September 2011)

Directors' interests

The directors' interests in the shares of the company were as stated below.

	Ordinary shares of £1 each	
	31 December 2011	1 January 2011
M & J Keen	3,500	3,500
S Sowerby	1,000	500
M Hooper	500	-

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations.

Auditors

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

SIMONSTONE (BRISTOL) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

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,
- 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.

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.

By order of the board


S Sowerby
Secretary

27/2/12

SIMONSTONE (BRISTOL) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIMONSTONE (BRISTOL) LIMITED

We have audited the financial statements of Simonstone (Bristol) Limited for the year ended 31 December 2011 set out on pages 5 to 15. 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 - 2, 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 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.

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 loss 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.

SIMONSTONE (BRISTOL) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SIMONSTONE (BRISTOL) LIMITED

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



Gary Greer FCA FCCA (Senior Statutory Auditor)
for and on behalf of Afford Bond LLP

5/3/12

Chartered Accountants
Statutory Auditor

Chartered Accountants
Registered Auditors
31 Wellington Road
Nantwich
Cheshire
CW5 7ED

SIMONSTONE (BRISTOL) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2	14,803,888	16,412,268
Cost of sales		(13,026,723)	(14,449,115)
Gross profit		1,777,165	1,963,153
Administrative expenses		(1,786,203)	(1,871,927)
Operating (loss)/profit	3	(9,038)	91,226
Other interest receivable and similar income	4	-	980
Interest payable and similar charges	5	(38,209)	(42,468)
(Loss)/profit on ordinary activities before taxation		(47,247)	49,738
Tax on (loss)/profit on ordinary activities	6	1,500	(1,469)
(Loss)/profit for the year	14	(45,747)	48,269

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

SIMONSTONE (BRISTOL) LIMITED


BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Intangible assets	7		12,450		24,600
Tangible assets	8		108,782		153,646
			<u>121,232</u>		<u>178,246</u>
Current assets					
Stocks	9	1,022,808		1,148,514	
Debtors	10	1,131,763		859,935	
Cash at bank and in hand		290		199,455	
		<u>2,154,861</u>		<u>2,207,904</u>	
Creditors: amounts falling due within one year	11	<u>(2,039,211)</u>		<u>(2,103,521)</u>	
Net current assets			<u>115,650</u>		<u>104,383</u>
Total assets less current liabilities			<u>236,882</u>		<u>282,629</u>
Capital and reserves					
Called up share capital	13		5,000		5,000
Profit and loss account	14		231,882		277,629
Shareholders' funds	15		<u>236,882</u>		<u>282,629</u>

Approved by the Board and authorised for issue on

27/2/12


S Sowerby
Director

Company Registration No. 04585756

SIMONSTONE (BRISTOL) LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	£	2011 £	£	2010 £
Net cash (outflow)/inflow from operating activities		(387,471)		150,747
Returns on investments and servicing of finance				
Interest received	-		980	
Net cash (outflow)/inflow for returns on investments and servicing of finance		-		980
Taxation		(1,779)		(26,969)
Capital expenditure				
Payments to acquire tangible assets	(14,164)		(84,325)	
Receipts from sales of tangible assets	-		24,755	
Net cash outflow for capital expenditure		(14,164)		(59,570)
Net cash (outflow)/inflow before management of liquid resources and financing		(403,414)		65,188
(Decrease)/increase in cash in the year		(403,414)		65,188

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

1	Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities		2011	2010
			£	£
	Operating (loss)/profit		(9,038)	91,226
	Depreciation of tangible assets		59,028	53,875
	Amortisation of intangible assets		12,150	12,150
	Loss on disposal of tangible assets		-	1,458
	Decrease/(increase) in stocks		125,706	(53,675)
	Increase in debtors		(270,049)	(174,169)
	(Decrease)/Increase in creditors within one year		(305,268)	219,882
	Net cash (outflow)/inflow from operating activities		(387,471)	150,747

2	Analysis of net (debt)/funds	1 January 2011	Cash flow	Other non-cash changes	31 December 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	199,455	(199,165)	-	290
	Bank overdrafts	-	(204,249)	-	(204,249)
		199,455	(403,414)	-	(203,959)
	Bank deposits	-	-	-	-
	Net funds/(debt)	199,455	(403,414)	-	(203,959)

3	Reconciliation of net cash flow to movement in net (debt)/funds	2011	2010
		£	£
	(Decrease)/increase in cash in the year	(403,414)	65,188
	Movement in net (debt)/funds in the year	(403,414)	65,188
	Opening net funds	199,455	134,267
	Closing net (debt)/funds	(203,959)	199,455

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

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 for goods and services net of VAT and trade discounts

1.4 Goodwill

Purchased goodwill incurred on the acquisition of new dealership sites is written off against the profit and loss account over its useful economic life, considered to range from ten to twenty years, a reasonable maximum estimated by the directors

1.5 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

Plant and machinery	10% per annum straight line
Computer equipment	25% per annum straight line
Fixtures, fittings & equipment	10% per annum straight line
Motor vehicles	25% per annum straight line

1.6 Leasing

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value

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, where material, 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

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

3	Operating (loss)/profit	2011	2010
		£	£
	Operating (loss)/profit is stated after charging		
	Amortisation of intangible assets	12,150	12,150
	Depreciation of tangible assets	59,028	53,875
	Loss on disposal of tangible assets	-	1,458
	Operating lease rentals and associated costs	245,944	254,129
	Fees payable to the company's auditor for the audit of the company's annual accounts	3,756	4,550
		<u> </u>	<u> </u>
4	Investment income	2011	2010
		£	£
	Bank interest	-	980
		<u> </u>	<u> </u>
		-	980
		<u> </u>	<u> </u>
5	Interest payable	2011	2010
		£	£
	On bank loans and overdrafts	1,899	-
	On vehicle funding	36,310	42,468
		<u> </u>	<u> </u>
		38,209	42,468
		<u> </u>	<u> </u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

6	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	(1,779)	1,500
	Adjustment for prior years	279	(31)
	Total current tax	<u>(1,500)</u>	<u>1,469</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(47,247)</u>	<u>49,738</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2010 - 21.00%)	<u>(9,449)</u>	<u>10,445</u>
	Effects of		
	Depreciation add back	11,806	11,619
	Capital allowances	(4,797)	(20,286)
	Other tax adjustments	940	(309)
		<u>7,949</u>	<u>(8,976)</u>
	Current tax charge for the year	<u>(1,500)</u>	<u>1,469</u>
7	Intangible fixed assets		Goodwill £
	Cost		
	At 1 January 2011 & at 31 December 2011		<u>121,503</u>
	Amortisation		
	At 1 January 2011		96,903
	Charge for the year		12,150
	At 31 December 2011		<u>109,053</u>
	Net book value		
	At 31 December 2011		<u>12,450</u>
	At 31 December 2010		<u>24,600</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2011	174,634	207,855	23,008	405,497
Additions	6,736	7,428	-	14,164
At 31 December 2011	181,370	215,283	23,008	419,661
Depreciation				
At 1 January 2011	85,671	161,860	4,320	251,851
Charge for the year	24,559	28,717	5,752	59,028
At 31 December 2011	110,230	190,577	10,072	310,879
Net book value				
At 31 December 2011	71,140	24,706	12,936	108,782
At 31 December 2010	88,963	45,995	18,688	153,646

9 Stocks

	2011 £	2010 £
Goods for resale	1,022,808	1,148,514

The replacement cost of the above stocks would not be significantly different from the values stated

At the year end the company held consignment stocks of £310,885 (2010 £358,896) This has been reflected on the balance sheet as it is considered that the stock is in substance the property of the company

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

10 Debtors	2011 £	2010 £
Trade debtors	308,352	270,050
Amounts owed by parent and fellow subsidiary undertakings	550,000	325,000
Corporation tax	1,779	-
Other debtors	220,336	224,541
Prepayments and accrued income	51,296	40,344
	<u>1,131,763</u>	<u>859,935</u>

11 Creditors, amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	204,249	-
Trade creditors	614,190	742,547
Other creditors - secured	978,000	1,062,607
Corporation tax	-	1,500
Other taxes and social security costs	115,256	164,388
Accruals and deferred income	127,516	132,479
	<u>2,039,211</u>	<u>2,103,521</u>

The company's Other creditors who provide vehicle funding have floating charges over vehicle stocks

The company have an agreed bank loan and overdraft facility secured for all sums between Simonstone Motor Group Plc, Simonstone (Bristol) Limited and Simonstone (South West) Limited

12 Pension and other post-retirement benefit commitments

Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	<u>13,920</u>	<u>14,579</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

13 Share capital	2011 £	2010 £
Authorised		
5,000 Ordinary shares of £1 each	5,000	5,000
Allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2011	277,629
Loss for the year	(45,747)
Balance at 31 December 2011	231,882

15 Reconciliation of movements in shareholders' funds	2011 £	2010 £
(Loss)/Profit for the financial year	(45,747)	48,269
Opening shareholders' funds	282,629	234,360
Closing shareholders' funds	236,882	282,629

16 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	
	2011 £	2010 £
Operating leases which expire in over five years	179,500	179,500

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

17 Directors' remuneration	2011 £	2010 £
Remuneration for qualifying services	7,750	75,000

18 Employees

Number of employees

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

	2011 Number	2010 Number
Production, sales and distribution	26	27
Administration	17	21
	43	48

Employment costs	2011 £	2010 £
Wages and salaries	1,198,822	1,268,930
Other pension costs	13,920	14,579
	1,212,742	1,283,509

19 Control

The company is owned by Simonstone Motor Group Plc a company registered in England and Wales which is under the ultimate control of M Keen, Director

20 Related party relationships and transactions

During the year the company paid costs of £100,000 (2010 £100,000) to Simonstone Motor Group Plc the parent company. All transactions are considered to be on a commercial basis between companies under the control of M Keen.