

SIMONSTONE (BRISTOL) LIMITED

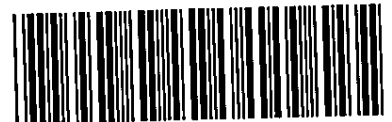
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2009

COMPANY NUMBER 04585756

Presented by:

**Afford Bond LLP
Chartered Accountants
Registered Auditors
31 Wellington Road
Nantwich
Cheshire
CW5 7ED**

THURSDAY



AZ0NRJY4

A16

13/05/2010

591

COMPANIES HOUSE

SIMONSTONE (BRISTOL) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2009

CONTENTS

	<u>Page</u>
Company Information	1
Directors' Report	1 - 2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Financial Statements	7 - 14

SIMONSTONE (BRISTOL) LIMITED

COMPANY INFORMATION

Directors	M Keen (Chairman) S Sowerby P Keen J Keen
Secretary	S Sowerby
Registered Office	803 – 805 Bath Road Brislington Bristol BS4 5NL
Company Number	04585756
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

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2009

The directors present their annual report and the audited financial statements for the year ended 31st December 2009

Principal activity and review of the business

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

The results for the year show a profit on ordinary activities before tax and exceptional items of £100,904 (2008 £101,016)

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 5 and shows a satisfactory position given the current economic environment.

Fixed assets

The movement in tangible fixed assets during the year is set out in note 8 to the financial statements.

Results and dividends

The results for the year are set out in detail on page 4

The directors do not recommend payment of an ordinary dividend.

Directors and directors' interests

The directors who served during the year and their ultimate beneficial interests in the shares of the company were

	Ordinary shares of £1 each	
	At 31 December 2009	At 31 December 2008
M Keen and J Keen	3,500	3,500
S Sowerby	500	500
P Keen	1,000	1,000

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

SIMONSTONE (BRISTOL) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2009 (continued)

Directors' responsibilities for preparing the financial statements

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.


Statement of disclosure to auditor

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.

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.

The Directors' Report was approved by the Board and signed on its behalf by


S Sowerby
Secretary

Date 4/3/2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SIMONSTONE (BRISTOL) LIMITED

We have audited the financial statements of Simonstone (Bristol) Limited for the year ended 31st December 2009 set out on pages 4 to 14. 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 and 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 31st December 2009 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.

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 (Senior Statutory Auditor)
for and on behalf of Afford Bond LLP

Chartered Accountants
Statutory Auditor

Date 

31 Wellington Road
Nantwich
Cheshire
CW5 7ED

SIMONSTONE (BRISTOL) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2009

		Continuing operation	
	<u>Notes</u>	<u>2009</u> <u>£</u>	<u>2008</u> <u>£</u>
Turnover		16,466,573	14,005,332
Cost of sales		(14,692,078)	(12,259,984)
Gross profit		1,774,495	1,745,348
Other operating income		309,958	160,547
Administration expenses		(1,888,264)	(1,717,698)
Operating profit		196,189	188,197
Exceptional item	2	-	(209,001)
		196,189	(20,804)
Interest receivable		-	2,577
Interest payable and similar charges	3	(95,285)	(89,758)
Profit/(loss) on ordinary activities before taxation	4	100,904	(107,985)
Tax on profit on ordinary activities	7	(15,980)	11,923
Profit/(loss) for the financial year		84,924	(96,062)

Statement of total recognised gains/losses

The company has no recognised gains or losses other than profits as disclosed for the two periods ended 31st December 2009 and 2008

Historical cost profits and losses

There is no material difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

The annexed notes form part of these financial statements

SIMONSTONE (BRISTOL) LIMITED

BALANCE SHEET AT 31ST DECEMBER 2009

	<u>Notes</u>	<u>2009</u>		<u>2008</u>
		£	£	£
Fixed assets				
Intangible assets	8	36,750		48,900
Tangible assets	8	149,409		188,780
		<u>186,159</u>		<u>237,680</u>
Current assets				
Stocks	9	1,094,839	1,378,546	
Debtors	11	863,266	770,027	
Cash at bank and in hand		134,267	290	
		<u>2,092,372</u>	<u>2,148,863</u>	
Creditors : amounts falling due within one year	12	<u>(2,044,171)</u>	<u>(2,237,107)</u>	
Net current assets/(liabilities)			48,201	(88,244)
Net assets			<u>234,360</u>	<u>149,436</u>
Capital and reserves				
Called up share capital	15	5,000		5,000
Profit and loss account	16	229,360		144,436
Shareholders' funds	17	<u>234,360</u>		<u>149,436</u>

The financial statements were approved by the Board and signed on its behalf by


M Kwan
Director

Date 4/3/2010

The annexed notes form part of these financial statements

SIMONSTONE (BRISTOL) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2009

	<u>Notes</u>	<u>2009</u> <u>£</u>	<u>2008</u> <u>£</u>
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit/(loss)		196,189	(20,804)
Depreciation		62,557	71,075
Profit on sale of fixed assets		-	(16,623)
Decrease/(increase) in stocks		283,707	265,270
(Increase)/decrease in debtors		(15,739)	(2,369)
(Decrease)/increase in creditors		147,508	(72,030)
Net cash inflow from operating activities		<u>674,222</u>	<u>224,519</u>
Cash flow statement			
Net cash inflow from operating activities		674,222	224,519
Returns on investments and servicing of finance	21	(98,861)	(87,964)
Capital expenditure	21	(11,036)	(31,771)
Dividends paid		-	-
Financing	21	(430,682)	(214,767)
Taxation		11,020	-
Increase/(decrease) in cash		<u>144,663</u>	<u>(109,983)</u>
Reconciliation of net cash flow to movement in net debt	22		
Increase/(decrease) in cash in the period/change in net debt		144,663	(109,983)
Net funds at 31st December 2008		<u>(10,396)</u>	<u>99,587</u>
Net funds at 31st December 2009		<u>134,267</u>	<u>(10,396)</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting rules

Depreciation

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

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

Pensions

The company operates a defined contribution/stakeholder pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period

Stocks

Stocks are stated at the lower of cost and estimated net realisable value

Taxation

The charge for taxation is based on the profit for the year and takes into account, where material, taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. Provision for deferred taxation is made under the liability method, where material, to the extent that it is probable that the liability will become payable in the foreseeable future

Leased assets and hire purchase contracts

Where the assets are financed by leasing agreements 'finance leases' or hire purchase contracts the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease or hire purchase contract in proportion to the balance of capital payments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

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

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

Turnover

Turnover consists of the invoice value excluding VAT for goods and services supplied to third parties

2. Exceptional item

The exceptional item arose as a result of a combination of vehicle stock losses due to the substantial fall in residual resale values on high value, nearly new, 4x4 and equivalent vehicle types and the associated redundancy costs following departmental restructuring due to the current continuing economic downturn

3 Interest payable and similar charges	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
On vehicle funding	<u>95,285</u>	<u>89,758</u>

4. Profit/(loss) on ordinary activities before taxation is stated after charging:

Depreciation of tangible and intangible fixed assets	62,557	71,075
Equipment hire and leasing	2,664	3,848
Auditors' remuneration – audit services	<u>4,376</u>	<u>7,500</u>

5 Staff numbers and cost

Average number of people (including directors)
employed by the company during the year

	<u>No. of Employees</u>	
	<u>2009</u>	<u>2008</u>
Production	11	11
Sales and distribution	16	15
Administration	21	20
	<u>48</u>	<u>46</u>

Cost in respect of these employees:

	<u>£</u>	<u>£</u>
Wages and salaries	1,214,951	1,065,396
Social security costs	110,550	99,824
Stakeholder pension contributions	14,579	19,220
	<u>1,340,080</u>	<u>1,184,440</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

6. Directors' remuneration

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Directors' emoluments	<u>75,000</u>	<u>55,000</u>
Emoluments excluding pension contributions		
Chairman	Nil	Nil
Highest paid director	<u>55,000</u>	<u>55,000</u>

Number of other directors whose emoluments fell within the bands stated

	<u>No. of Directors</u>	
	<u>2009</u>	<u>2008</u>
£0 - £5,000	1	2
£20,000 - £25,000	<u>1</u>	<u>-</u>

7 Tax on profit on ordinary activities

	<u>£</u>	<u>£</u>
Taxation charge for the year:		
Corporation tax charge/(refund)	27,000	(11,777)
Adjustment in prior years	<u>(11,020)</u>	<u>(146)</u>
	<u>15,980</u>	<u>(11,923)</u>

8 Intangible fixed assets

	<u>Goodwill</u>
	<u>£</u>
Cost	
At 1st January 2009	<u>121,503</u>
At 31st December 2009	<u>121,503</u>
Amortisation	
At 1st January 2009	72,603
Charge for the year	<u>12,150</u>
At 31st December 2009	<u>84,753</u>
Net book value	
At 31st December 2009	<u>36,750</u>
At 31st December 2008	<u>48,900</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

8 Tangible fixed assets

	Fixtures and fittings £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1st January 2009	173,736	118,990	34,049	19,475	346,250
Additions	750	5,615	662	9,981	17,008
Disposals	-	-	-	(9,550)	(9,550)
At 31st December 2009	<u>174,486</u>	<u>124,605</u>	<u>34,711</u>	<u>19,906</u>	<u>353,708</u>
Depreciation					
At 1st January 2009	111,720	39,983	2,127	3,640	157,470
Charge for the year	24,913	12,046	8,543	4,905	50,407
Disposals	-	-	-	(3,578)	(3,578)
At 31st December 2009	<u>136,633</u>	<u>52,029</u>	<u>10,670</u>	<u>4,967</u>	<u>204,299</u>
Net book value					
At 31st December 2009	<u>37,853</u>	<u>72,576</u>	<u>24,041</u>	<u>14,939</u>	<u>149,409</u>
At 31st December 2008	<u>62,016</u>	<u>79,007</u>	<u>31,922</u>	<u>15,835</u>	<u>188,780</u>

9. Stocks

	<u>2009</u> £	<u>2008</u> £
Goods for resale	<u>1,094,839</u>	<u>1,378,546</u>

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

10 Consignment stock

At the year end the company held consignment stocks of £244,707 (2008 £643,399) 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 FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

11 Debtors

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Trade debtors	418,862	316,185
Other debtors	219,492	269,920
Loan to group company	177,500	100,000
Prepayments and accrued income	47,412	83,922
	<u>863,266</u>	<u>770,027</u>

12 Creditors : amounts falling due within one year

Bank overdraft	-	10,686
Trade creditors	779,253	603,790
Other creditors - secured	864,752	1,138,600
Loan from group company	-	79,334
Corporation tax	27,000	-
Other taxation and social security	181,648	206,116
Accruals and deferred income	191,518	198,581
	<u>2,044,171</u>	<u>2,237,107</u>

13. 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

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

14 Provision for liabilities and charges

The amounts provided for deferred taxation and the amounts involved if deferred taxation had been provided in full are as follows:-

	<u>Full provision</u>		<u>Provided</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Accelerated capital allowances	<u>18,824</u>	<u>16,725</u>	<u>-</u>	<u>-</u>

The potential liability and provision are based on a corporation tax rate of 21% (2008 21%)

15 Called up share capital

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Authorised 5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid 5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

16. Reserves

Profit and loss account		
At 1st January 2009	144,436	240,498
Profit/(loss) for the financial year	84,924	(96,062)
Dividends	-	-
At 31st December 2009	<u>229,360</u>	<u>144,436</u>

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

17 Reconciliation of movements in shareholders' funds	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Profit/(loss) for the financial year	84,924	(96,062)
Dividends	-	-
	<hr/>	<hr/>
Net addition to shareholders' funds	84,924	(96,062)
Opening shareholders' funds	149,436	245,498
	<hr/>	<hr/>
Closing shareholders' funds	<u>234,360</u>	<u>149,436</u>

18 Pension scheme

The company operates a defined contribution/stakeholder pension scheme. The pension cost charge for the year represented contributions payable by the company to the fund and amounted to £14,579 (2008 £19,220).

19. Related parties

During the year the company paid costs of £150,000 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.

20 Ultimate holding company/controlling party

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.

SIMONSTONE (BRISTOL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER 2009 (continued)

21	Gross cash flows	<u>2009</u>	<u>2008</u>	
		<u>£</u>	<u>£</u>	
	Returns on investments and servicing of finance			
	Interest paid	(98,861)	(90,541)	
	Interest received	-	2,577	
		<u>(98,861)</u>	<u>(87,964)</u>	
	Capital expenditure			
	Payments to acquire tangible fixed assets	(17,008)	(90,556)	
	Receipt from sale of tangible fixed assets	5,972	58,785	
		<u>(11,036)</u>	<u>(31,771)</u>	
	Financing			
	Loan from/to group company	(156,834)	(264,323)	
	Other loans	(273,848)	49,556	
		<u>(430,682)</u>	<u>(214,767)</u>	
22	Analysis of changes in net debt			
		At 1st January 2009	Cash flows	At 31st December 2009
	Cash at bank and in hand	(10,396)	144,663	134,267