

Registered no 5143561  
England and Wales

**MATADOR (UK) LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**



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**MATADOR (UK) LIMITED**

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## **MATADOR (UK) LIMITED**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2006**

The director presents his report and the financial statements of the company for the year ended 31 December 2006

#### **Director's Responsibilities**

Company law requires the director to prepare financial statements 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

#### **Director**

M Plevak Esq (resigned 1 July 2006)  
J Marecek Esq (appointed 1 July 2006)

#### **Secretary**

Mrs D M Burgoyne

#### **Registered Office**

Unit 3  
Heart of Wales Business Park  
Llandrindod Wells  
Powys LD1 5AB

#### **Principal Activity**

The principal activity of the company throughout the year was that of the supply of tyres

#### **Review of Business**

The results for the year and the financial position at the year end were considered satisfactory by the director, who expects continued growth in the foreseeable future.

#### **Future Developments**

The director aims to maintain the management policies which have resulted in the company's growth in recent years.

**MATADOR (UK) LIMITED**

**DIRECTOR S REPORT FOR THE YEAR ENDED 31 DECEMBER 2006**

**Results and Dividends**

The results of the year s trading and the financial position of the company are shown in the annexed accounts

The company s profit for the year, after taxation, amounted to £127,592 (2005 - £163,798)

On 17 August 2006, a dividend of 5,700 pence per ordinary share was paid amounting to £57,000

A final dividend of £63,993 is proposed based on the current years figures

**Director**

The present director is shown above He served on the board during the year

The company s Articles of Association do not require directors to retire by rotation

The director states that at the time the director's report was approved -

- so far as the director is aware, there is no relevant audit information of which the company s auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any revelant audit information and to establish that the companys auditors are aware of that information

  
MRS D M BURGOYNE - SECRETARY

Date 26-2-2007

**MATADOR (UK) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO MATADOR (UK) LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 3 to 15 for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985

**Respective responsibilities of directors and auditors**

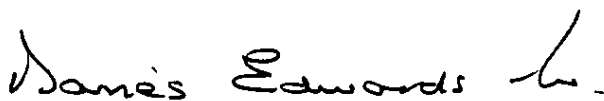
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 15 properly prepared in accordance with that provision.



**DAVIES EDWARDS & CO**

Registered Auditors and Chartered Certified Accountants

Date 26 February 2007

West Lodge  
Rainbow Street  
Leominster  
Herefordshire  
HR6 8DQ

**MATADOR (UK) LIMITED**

**ABBREVIATED PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	2006 £	2005 £
<b>GROSS PROFIT</b>		481,505	499,458
Net operating expenses	2	332,888	301,845
<b>OPERATING PROFIT</b>	3	148,617	197,613
Loss on sale of fixed assets		(543)	-
Other interest receivable and similar income		9,588	5,588
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		157,662	203,201
Tax on profit on ordinary activities	5	30,070	39,403
<b>PROFIT FOR THE FINANCIAL YEAR</b>		127,592	163,798
Dividends	6	57,000	-
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		70,592	163,798
Retained profit brought forward		186,027	22,229
<b>RETAINED PROFIT CARRIED FORWARD</b>		256,619	186,027

The company's turnover and expenses all relate to continuing operations

There are no recognised gains or losses other than the profit for the financial year shown above

The annexed notes form part of these abbreviated accounts

**MATADOR (UK) LIMITED**

**ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2006**

	Note	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	8	31,395	40,448
<b>CURRENT ASSETS</b>			
Debtors	9	1,153,789	1,260,923
Cash at bank and in hand		608,050	477,267
		<u>1,761,839</u>	<u>1,738,190</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	1,536,750	1,589,935
<b>NET CURRENT ASSETS</b>		<u>225,089</u>	<u>148,255</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>256,484</u>	<u>188,703</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	-	(2,086)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	12	1,135	410
<b>NET ASSETS</b>		<u><u>257,619</u></u>	<u><u>187,027</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	1,000	1,000
Profit and loss account		256,619	186,027
<b>SHAREHOLDERS' FUNDS</b>	14	<u><u>257,619</u></u>	<u><u>187,027</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985

These financial statements were approved by the director

J MARECEK ESC - DIRECTOR

Date 23/2/2007

The annexed notes form part of these financial statements

**MATADOR (UK) LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	2006 £	2005 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	15	225,899	251,586
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		9,588	5,588
		<u>9,588</u>	<u>5,588</u>
<b>TAXATION</b>		(40,804)	(5,151)
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire fixed assets		(4,038)	(6,885)
Receipts from sales of fixed assets		1,830	-
		<u>(2,208)</u>	<u>(6,885)</u>
<b>DIVIDENDS PAID</b>		(57,000)	-
		<u>135,475</u>	<u>245,138</u>
<b>FINANCING</b>			
Issue of shares		-	999
Capital element of finance lease repayments		(3,575)	(3,575)
		<u>(3,575)</u>	<u>(2,576)</u>
<b>INCREASE IN CASH</b>	16	<u>131,900</u>	<u>242,562</u>

The annexed notes form part of these financial statements



## **MATADOR (UK) LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006**

#### **1 ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts

##### **Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention

##### **Depreciation**

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates

Furniture and equipment	- 25% per annum on reducing balance basis
Office equipment	- 25% per annum on reducing balance basis
Computers	- 33% per annum on straight line basis
Motor vehicles	- 25% per annum on reducing balance basis

##### **Intangible Fixed Assets**

Formation expenses are amortised through the profit and loss account during the period in which the expense occurred

##### **Deferred Taxation**

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise

##### **Foreign Exchange**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date

##### **Leasing**

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**2 NET OPERATING EXPENSES**

	2006 £	2005 £
Administrative expenses	333,138	301,845
Other operating income	(250)	-
	<u>332,888</u>	<u>301,845</u>

**3 OPERATING PROFIT**

Operating profit is stated after charging

	2006 £	2005 £
Directors' emoluments	29,918	28,023
Rent	9,000	9,000
Depreciation	8,036	10,050
Depreciation of assets held under finance leases and hire purchase	2,682	3,576
Loss on disposal of fixed assets	543	-
Amortisation of formation costs	-	2,565
Auditors' remuneration	3,500	3,000
Auditors' remuneration - non-audit services	9,880	9,515

# MATADOR (UK) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

### 4 STAFF COSTS

The aggregate payroll costs were as follows

	2006 £	2005 £
Wages and salaries	66,863	60,847
Social security	6,636	5,934
	<u>73,499</u>	<u>66,781</u>

### 5 TAXATION

	2006 £	2005 £
Current year		
Corporation tax at 19% (2005 19%)	30,795	40,804
Deferred tax	(725)	(1,401)
	<u>30,070</u>	<u>39,403</u>

### 6 DIVIDENDS

	2006 £	2005 £
On ordinary shares		
Final dividend paid at 5,700 pence per share	57,000	-

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**7 INTANGIBLE FIXED ASSETS**

	<b>Formation costs £</b>
<b>Cost</b>	
At 1 January 2006	3,665
Additions	-
Revaluations	-
Intra-group transfers	-
Disposals	-
At 31 December 2006	<u>3,665</u>
<b>Amortisation</b>	
At 1 January 2006	3,665
Charge for the year	-
Revaluations	-
Intra-group transfers	-
Eliminated on disposals	-
At 31 December 2006	<u>3,665</u>
<b>Net book value</b>	
At 31 December 2006	<u>-</u>
<i>At 31 December 2005</i>	<u>-</u>

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**8 TANGIBLE FIXED ASSETS**

	<b>Furniture and equipment £</b>	<b>Office equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2006	3,154	7,241	47,087	57,482
Additions	783	755	2,500	4,038
Disposals	-	(390)	(3 000)	(3,390)
At 31 December 2006	<u>3,937</u>	<u>7,606</u>	<u>46,587</u>	<u>58,130</u>
<b>Depreciation</b>				
At 1 January 2006	788	2,424	13,822	17,034
Charge for the year	788	1,527	8,403	10,718
Elimination on disposals	-	(173)	(844)	(1,017)
At 31 December 2006	<u>1,576</u>	<u>3,778</u>	<u>21,381</u>	<u>26,735</u>
<b>Net book value</b>				
At 31 December 2006	<u>2,361</u>	<u>3,828</u>	<u>25,206</u>	<u>31,395</u>
At 31 December 2005	<u>2,366</u>	<u>4,817</u>	<u>33,265</u>	<u>40,448</u>

Included in the total net book value of tangible fixed assets held at 31 December 2006 was £8,046 in respect of assets held under finance leases and hire purchase contracts (2005 - £10,728)

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**9 DEBTORS**

**Receivable within one year**

	2006 £	2005 £
Trade debtors	1,140,014	1,028,224
Other debtors	270	270
Prepayments and accrued income	13,505	232,429
	<u>1,153,789</u>	<u>1,260,923</u>

**10 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR**

	2006 £	2005 £
Obligations under finance leases and hire purchase contracts	2,086	3,575
Trade creditors	1,065,484	869,560
Social security and other taxes	433,048	453,819
Credit card	374	1,844
Corporation tax payable	30,796	40,804
Accruals and deferred income	4,962	220,333
	<u>1,536,750</u>	<u>1,589,935</u>

Obligations under finance leases and hire purchase contracts are secured by related assets

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**11 CREDITORS - AMOUNTS DUE AFTER ONE YEAR**

	2006 £	2005 £
Obligations under finance leases and hire purchase contracts	-	2,086
	<u>          </u>	<u>          </u>

**Obligations under finance leases and hire purchase contracts**

	2006 £	2005 £
Amounts payable		
Within one to five years	-	2,086
After five years	-	-
	<u>          </u>	<u>          </u>
	-	2 086
	<u>          </u>	<u>          </u>

**12 PROVISIONS FOR LIABILITIES AND CHARGES**

	Deferred taxation £
Balance at 1 January 2006	(410)
Utilised during the year	-
Provided for the year	(725)
Other movements	-
	<u>          </u>
Balance at 31 December 2006	(1,135)
	<u>          </u>

**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**13 SHARE CAPITAL**

	2006 £	2005 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>

**14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2006 £	2005 £
Profit for the financial year	127,592	163,798
Dividends	(57,000)	-
	<u>          </u>	<u>          </u>
	70,592	163,798
New share capital subscribed	-	999
	<u>          </u>	<u>          </u>
Net addition to shareholders' funds	70,592	164,797
Opening shareholders' funds	187,027	22,230
	<u>          </u>	<u>          </u>
Closing shareholders' funds	257,619	187,027
	<u>          </u>	<u>          </u>



**MATADOR (UK) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

**15 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM  
OPERATING ACTIVITIES**

	2006 £	2005 £
Operating profit	148,617	197,613
Depreciation charge	10,718	16,191
Translation difference	1,118	120
Decrease/(increase) in debtors	107,134	(980,219)
(Decrease)/increase in creditors	(41,688)	1,017,881
Net cash inflow/outflow from operating activities	<u>225,899</u>	<u>251,586</u>

**16 ANALYSIS OF NET FUNDS**

	2005 £	Cash flow £	Rounding £	Exchange Movement £	2006 £
Cash at bank and in hand	477,267	131,901	-	(1,118)	608,050
Finance leases	(5,661)	3,575	-	-	(2,086)
Total	<u>471,606</u>	<u>135,475</u>	<u>-</u>	<u>(1,118)</u>	<u>605,964</u>

## **MATADOR (UK) LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)**

#### **17 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>2006 £</b>	<b>2005 £</b>
Increase in cash in the year	131,900	242,562
Rounding adjustment	-	1
Cash outflow from decrease in lease financing	3,575	3,575
Translation difference	(1,118)	(120)
Movement in net funds in the year	<u>134,358</u>	<u>246,017</u>
Net funds at 1 January 2006	471,606	225,589
Net funds at 31 December 2006	<u><u>605,964</u></u>	<u><u>471,606</u></u>

#### **18 PARENT UNDERTAKINGS**

The ultimate parent company is Matador a s , a company incorporated in Slovakia

During the year Matador (UK) Limited has traded with Matador a s as follows

Goods and services from Matador a s £ 10,855,803

These transactions were undertaken as part of the companies normal business activities and at arms length prices