

Registration number: 06257211

**Inchcape (Singapore) Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2019**



Registered Office  
22a St James's Square  
London  
SW1Y 5LP  
United Kingdom

# **Inchcape (Singapore) Limited**

## **Company Information**

### **Directors**

Michael Bowers  
Jonathan Greenwood  
Bertrand Mallet  
Kathryn Mecklenburgh  
Tamsin Waterhouse

### **Company secretary**

Inchcape Corporate Services Limited

### **Registered office**

22a St James's Square  
London  
SW1Y 5LP  
United Kingdom

### **Independent Auditor**

Deloitte LLP  
Birmingham  
United Kingdom

## **Inchcape (Singapore) Limited**

### **Strategic Report for the Year Ended 31 December 2019**

The Directors present their strategic report for the year ended 31 December 2019.

#### **Fair review of the business**

The results for the Company show a loss for the financial year of £66,000 (2018: profit of £1,104,000). The Company had net assets at the end of the year of £27,122,000 (2018: £27,188,000).

The Company's principal activity during the year was to hold intercompany balances on which it earns interest and remains unchanged since prior years.

#### **Key performance indicators (KPIs)**

No KPIs are relevant to this entity. The Company is part of the Inchcape Group. The development, performance and position of the Central segment which comprises the Group's head office function and associated costs, and which includes this Company, is discussed in the Group's Annual Report and Accounts 2019 which does not form part of this report.

#### **Principal risks and uncertainties**

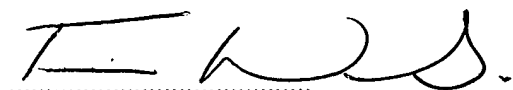
The management of the business and the execution of the Company's strategy are subject to a number of risks.

The Company is a wholly owned subsidiary of Inchcape plc. The Directors of Inchcape plc manage the Group's risks at a Group level rather than at an individual business unit level. For this reason, the Company's Directors believe that disclosure of the Company's risks would not be appropriate for an understanding of the development, performance or position of Inchcape (Singapore) Limited.

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and subsequently declared a pandemic by the World Health Organisation. During the first quarter of 2020, it has spread from China to a significant number of countries in which the Inchcape Group operates. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. As the Company is a wholly owned subsidiary within the Inchcape Group, the impact of the risks associated with COVID-19 on the Company and the mitigating actions are managed by the Directors of Inchcape plc. To date, the actions taken by the Group to mitigate the impact of COVID-19 have included a reduction in discretionary costs and capex (benefiting from the flexibility of our Distribution model), a 20% reduction in fees / salary during the second quarter by the Directors of Inchcape plc and senior management, the cancellation of a share buyback programme and the cancellation of the final dividend for the year ending 31 December 2019. The Group has also established a Commercial Paper Programme allowing access to the Covid Corporate Financing Facility provided by HM Treasury and the Bank of England.

Further discussion of the risks and uncertainties of the Inchcape Group as a whole, is provided in the Group's 2019 Annual Report and Accounts which does not form part of this report.

Approved by the Board on 8 October 2020 and signed by order of the Board by:



Inchcape Corporate Services Limited  
Company secretary

## **Inchcape (Singapore) Limited**

### **Directors' Report for the Year Ended 31 December 2019**

The Directors present their report and the audited financial statements for the year ended 31 December 2019.

#### **Incorporation and Domicile**

The Company is limited by share capital and is incorporated in the United Kingdom. It is also domiciled in the United Kingdom, (registration number 06257211). The registered office address is 22a St James's Square, London, SW1Y 5LP, United Kingdom.

#### **Directors of the Company**

The Directors who held office during the year and up to the date of signing were as follows:

Michael Bowers

Jonathan Greenwood

Bertrand Mallet

Kathryn Mecklenburgh

Tamsin Waterhouse

#### **Transactions with Directors**

No transaction, arrangement or agreement required to be disclosed under the terms of the Companies Act 2006 was outstanding at 31 December 2019, or occurred during the year for any Director or connected person (2018: none).

#### **Dividends**

The Directors do not recommend the payment of a final dividend (2018: £nil).

No dividends were paid during the year (2018: £nil).

#### **Future developments**

The Directors do not foresee any significant changes in the Company or its activities in 2020.

#### **Events after the balance sheet date**

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and subsequently declared a pandemic by the World Health Organisation. During the first quarter of 2020, it has spread from China to a significant number of countries in which the Inchcape Group operates. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

#### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence based on its net assets and forecast performance and financial position including as assessment of the effect of the worldwide pandemic of Covid-19. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **Financial risk management**

The Directors consider that the Company's key financial instruments are intercompany loans. Financial exposures exist to the extent that a change in the underlying base rate of interest will affect the level of income received or paid on the intercompany loans. Financial exposures also exist due to currency risk on balances denominated in a currency other than sterling. This risk is managed in the context of the Inchcape Group as a whole. The risk is not considered material and the Company does not employ the use of hedging instruments.

## **Inchcape (Singapore) Limited**

### **Directors' Report for the Year Ended 31 December 2019**

#### **Directors' indemnity**

A Qualifying Third Party Indemnity (QTPI), as permitted by the Company's Articles of Association and section 234 of the Companies Act 2006, has been granted by the Company to each of the Directors of the Company. Under the provisions of the QTPI, the Company undertakes to indemnify each Director against liability to third parties (excluding criminal and regulatory penalties) and to pay the Directors' costs as incurred, provided that they are reimbursed to the Company if the Director is found guilty or, in an action brought by the Company, judgement is given against the Director. A QTPI was in force throughout the financial year and also at the date of approval of these financial statements.

#### **Statement of disclosure of information to the auditors**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware. This information is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

#### **Independent auditors**

Deloitte have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board 8 October 2020 and signed by order of the Board by:



.....  
Inchcape Corporate Services Limited  
Company secretary

## **Inchcape (Singapore) Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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), including FRS 101 "Reduced Disclosure Framework". 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 the 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 United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

The Directors 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.

# **Independent auditors' report to the members of Inchcape (Singapore) Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Inchcape (Singapore) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

## **Independent auditors' report to the members of Inchcape (Singapore) Limited (continued)**

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of Directors**

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Independent auditors' report to the members of Inchcape (Singapore) Limited (continued)**

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

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 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.

*Manmeet Kalsi*

Manmeet Kalsi (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Birmingham  
United Kingdom  
8 October 2020

## **Inchcape (Singapore) Limited**

### **Profit and Loss Account for the Year Ended 31 December 2019**

	<b>Note</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
Interest receivable and similar income	5	<b>548</b>	1,363
Interest payable and similar charges	6	<b>(630)</b>	-
(Loss) / profit before taxation		<b>(82)</b>	1,363
Tax on (loss) / profit	7	<b>16</b>	(259)
(Loss) / profit for the financial year		<b>(66)</b>	1,104

The notes on pages 12 to 16 are an integral part of these financial statements

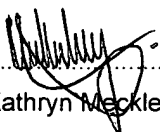
The above results were derived from continuing operations.

There is no other comprehensive income / (expense) for the year (2018: £nil).

**Inchcape (Singapore) Limited**  
**Balance Sheet as at 31 December 2019**

	Note	2019 £'000	2018 £'000
<b>Non-current assets</b>			
Debtors: Amounts falling due after more than one year	8	27,369	27,447
		27,369	27,447
Creditors: Amounts falling due within one year	9	(247)	(259)
<b>Net current liabilities</b>		<b>(247)</b>	<b>(259)</b>
<b>Total assets less current liabilities</b>		<b>27,122</b>	<b>27,188</b>
<b>Net assets</b>		<b>27,122</b>	<b>27,188</b>
 <b>Capital and reserves</b>			
Share capital	10	20,000	20,000
Profit and loss account		7,122	7,188
<b>Total shareholders' funds</b>		<b>27,122</b>	<b>27,188</b>

The financial statements on pages 9 to 16 were approved by the Board on 8 October 2020 and signed on its behalf by:

  
 Kathryn Mecklenburgh

Director  
 Inchcape (Singapore) Limited  
 Registered company number 06257211

# Inchcape (Singapore) Limited

## Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 January 2019	20,000	7,188	27,188
Loss for the financial year	—	(66)	(66)
Total comprehensive expense	—	(66)	(66)
<b>At 31 December 2019</b>	<b>20,000</b>	<b>7,122</b>	<b>27,122</b>

	Share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 January 2018	20,000	6,084	26,084
Profit for the financial year	—	1,104	1,104
Total comprehensive income	—	1,104	1,104
<b>At 31 December 2018</b>	<b>20,000</b>	<b>7,188</b>	<b>27,188</b>

# **Inchcape (Singapore) Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **1 Accounting policies**

#### **General information**

These financial statements are prepared for Inchcape (Singapore) Limited (the Company) for the year ended 31 December 2019.

Inchcape (Singapore) Limited (hereafter 'the Company') is a private company limited by shares, and incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of its registered office is 22a St James Square, London SW1Y 5LP.

The principal activity of the Company during the financial year was to hold intercompany balances within the Inchcape Group (the Group). The functional currency of the Company is Pound Sterling.

#### **Basis of preparation**

These financial statements were prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies have been applied consistently.

As a qualifying entity the following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise of share options, and how the fair value of goods and services received was determined);
- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

#### **Impact of new International Financial Reporting Standards**

IFRS 16 'Leases' was issued by the IASB in January 2016 and replaced IAS 17 'Leases'. The company adopted IFRS 16 from 1 January 2019 and has applied the new standard in accordance with the transition provisions. The company identified no changes in accounting policies as a result of implementing the new standard.

## **Inchcape (Singapore) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **1 Accounting policies (continued)**

##### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. This assessment is based on the Company's net assets and forecast performance. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the annual report and financial statements.

##### **Finance income and costs policy**

Interest is included in the profit and loss account on an accruals basis.

##### **Foreign currency transactions and balances**

Transactions in overseas currencies have been translated into Sterling at the rate ruling at the date of the transaction. Assets and liabilities are translated into Sterling at the rate ruling at the balance sheet date. Gains are presented in the Interest receivable and similar income line and losses are presented in the Interest payable and similar charges line in the profit and loss account.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full (without discounting) based on current tax rates and law, on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax in the future. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding commitment to sell the asset.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## Inchcape (Singapore) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2019

#### 2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with the generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The Directors do not consider that there are any critical accounting judgements or key sources of estimation uncertainty.

#### 3 Operating result

Auditors' remuneration has been borne by a fellow subsidiary undertaking. Of this remuneration £3,000 (2018: £3,000) is deemed to be attributable to the Company.

#### 4 Directors' remuneration

The Company has no employees except the Directors (2018: none) and hence no salary, social security or pension costs (2018: £nil).

No emoluments (2018: £nil) were paid to the Directors of the Company whose services are provided to a number of Group companies. The proportion of their emoluments attributable to the Company cannot be reasonably estimated and these costs are borne entirely within the Inchcape Group.

#### 5 Interest receivable and similar income

	2019 £ 000	2018 £ 000
Interest receivable from group undertakings	548	325
Foreign exchange gains	-	1,038
	<b>548</b>	<b>1,363</b>

#### 6 Interest payable and similar charges

	2019 £ 000	2018 £ 000
Foreign exchange losses	630	-

#### 7 Tax on (loss) / profit

Tax credited / (charged) in the profit and loss account:

	2019 £ 000	2018 £ 000
<b>Current taxation</b>		
UK corporation tax on (loss) / profit for the year	16	(259)

## Inchcape (Singapore) Limited

### Notes to the Financial Statements for the Year Ended 31 December 2019

#### 7 Tax on (loss)/profit on ordinary activities (continued)

The tax credit / (charge) assessed for the period is at the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £ 000	2018 £ 000
(Loss) / profit before taxation	(82)	1,363
Corporation tax at standard rate	16	(259)
Total tax credit / (charge)	16	(259)

#### Factors that may affect future tax charges

Finance Act 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020.

However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%. As substantive enactment is after the balance sheet date, deferred tax balances as at 31 December 2019 continue to be measured at a rate of 17%.

#### 8 Debtors: amounts falling due after more than one year

	2019 £ 000	2018 £ 000
Amounts owed by group undertakings	27,369	27,447

Amounts owed by group undertakings are unsecured, bear interest at rates linked to LIBOR and are due for repayment after more than one year.

#### 9 Creditors: amounts falling due within one year

	2019 £ 000	2018 £ 000
Amounts owed to group undertakings	247	259

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 10 Share capital

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

	No. 000	2019 £ 000	No. 000	2018 £ 000
Ordinary shares of £1 each	20,000	20,000	20,000	20,000



## **Inchcape (Singapore) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **11 Parent and ultimate parent undertaking**

The Company's immediate parent is Inchcape Motors Private Limited, a company registered in Singapore.

The Directors regard the ultimate parent undertaking and controlling party to be Inchcape plc, a company registered in England and Wales.

Both the smallest and the largest group of which the Company is a member and for which Group financial statements are drawn up is that of Inchcape plc. Copies of the Annual Report and Accounts for that company are available from its registered address:

The Company Secretary  
Inchcape plc  
22a St James's Square  
London  
SW1Y 5LP  
United Kingdom