

Registered Number 00534618

Lancaster Luxury Vehicles Limited

Annual report and financial statements
for the year ended 31 December 2013



Lancaster Luxury Vehicles Limited

Annual report and financial statements for the year ended 31 December 2013

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Lancaster Luxury Vehicles Limited

Directors and advisors for the year ended 31 December 2013

Directors

M P Herbert

G Banham

S C Everett (resigned 31 December 2013)

C A Beattie (appointed 8 April 2013)

Company secretary

R MacNamara (resigned 14 January 2013)

M Finch (appointed 14 January 2013)

Registered office

770 The Crescent

Colchester Business Park

Colchester

CO4 9YQ

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

Solicitors

Eversheds LLP

Kett House

Station Road

Cambridge

CB1 2JY

Bankers

HSBC Bank plc

Midland House

26 North Station Road

Colchester

CO1 1SY

Lloyds Bank plc

25 Gresham Street

London

EC2V 7HN

Lancaster Luxury Vehicles Limited

Strategic report for the year ended 31 December 2013

The directors present their strategic report on the company for the year ended 31 December 2013

Principal activity

The company's principal activity is the retail distribution of motor vehicles and related activities in the motor trade. The company operates Mercedes-Benz and smart dealerships in Essex and Suffolk.

Review of the business

All areas of the business experienced good growth in the year with improved volumes, turnover and margins. The improved performance has been aided by growth in the sale of Mercedes-Benz passenger car units in the UK, which were 19.2% higher than the prior year.

This has resulted in a return to profitability of the company in 2013.

During the year the company ceased its Chrysler Jeep sales business that operated from its Mercedes-Benz facility in Southend.

Future developments

The company remains focused on improving the profitability of its dealerships and meeting the growth ambitions of Mercedes-Benz UK.


Key Performance Indicators (KPIs)

The directors manage the group's risks and those of its fellow subsidiaries at a group level. Furthermore, they monitor the group's performance on a dealership basis rather than at a statutory company level.

For these reasons the company's directors do not believe that a discussion of the principal risks facing the company or the use of KPIs to analyse its performance are appropriate for an understanding of its development, performance or financial position.

The KPIs used by the group and the principal business risks it faces, are discussed in the directors' report of Jardine Motors Group UK Limited annual report which does not form part of this report.

By order of the Board



M Finch
Company secretary
24 June 2014

Lancaster Luxury Vehicles Limited

Directors' report for the year ended 31 December 2013

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2013

Principal activity

The principal activity of the business was discussed in the Strategic Report on page 2

Review of the business and future developments

The review of the business was discussed in the Strategic Report on page 2

Principal risks and uncertainties

The company is part of the Jardine Motors Group UK Limited group of companies (referred to as 'the group')
The directors manage the company's risks and those of its fellow subsidiaries on a group basis

a) Funding and liquidity risk

The group's policy is to ensure that the funding requirements forecast by the group can be met within available committed facilities

The wider group operates comfortably within its available facilities and its forecasts for the forthcoming year show this position continuing

b) Interest rate risk

The group's interest rate policy is to manage the risk of interest rate fluctuations on the cash flows payable on the group's debt

c) Credit risk

An external credit risk company is used to check the credit ratings of counterparties and limit the group's exposure to credit risk. Credit ratings are updated both throughout the year and also upon credit alerts received from the credit risk company

Results and dividends

The results for the year are set out in the profit and loss account on page 8

The directors do not recommend the payment of a final dividend (2012 £nil)

Directors

The directors who held office during the year and to the date of this report are given below

M P Herbert

G Banham

S C Everett (resigned 31 December 2013)

C A Beattie (appointed 8 April 2013)

Lancaster Luxury Vehicles Limited

Directors' report for the year ended 31 December 2013 (continued)

Employees and equal opportunities

The company is committed to an active equal opportunities policy from recruitment and selection, through training and development, appraisal and promotion to retirement

It is the company's policy to promote an environment free from discrimination, harassment and victimisation, where everyone will receive equal treatment regardless of gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion. All decisions relating to employment practices are objective, free from bias and based solely upon work criteria and individual merit

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through internal newsletters, briefing groups, electronic communications and the group's internal divisional periodical 'Torque'

Community

During the year the company supported a range of charities and BEN (Motor and Allied Trades Benevolent Fund) and made charitable donations totalling £6,307 (2012 £1,647)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

Lancaster Luxury Vehicles Limited

Directors' report for the year ended 31 December 2013 (continued)

Statement of directors' responsibilities (continued)

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.

Disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Each director has taken the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The company has passed an elective resolution under section 487 of the Companies Act 2006 to dispense with the formal requirement to reappoint auditors annually.

In the absence of notice proposing that the appointment be terminated, PricewaterhouseCoopers LLP will remain in office for the next financial year.

By order of the Board



M Finch

Company secretary

24 June 2014

Lancaster Luxury Vehicles Limited

Independent auditors' report to the members of Lancaster Luxury Vehicles Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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

This opinion is to be read in the context of what we say in the remainder of this report

What we have audited

The financial statements, which are prepared by Lancaster Luxury Vehicles Limited, comprise

- the balance sheet as at 31 December 2013,
- the profit and loss account for the year then ended,
- the accounting policies, and
- the notes to the financial statements, which include other explanatory information

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)

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") 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

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Lancaster Luxury Vehicles Limited

Independent auditors' report to the members of Lancaster Luxury Vehicles Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion

- we have not received all the information and explanations we require for our audit, or
- 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

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 and 5, 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 and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Richard Bunter (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

24 June 2014

Lancaster Luxury Vehicles Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Turnover	1	128,453	114,410
Cost of sales		(117,453)	(105,027)
Gross profit		11,000	9,383
Selling and distribution costs		(6,996)	(6,843)
Administrative expenses		(3,006)	(3,028)
Operating profit/(loss)	1	998	(488)
Interest receivable and similar income	4	63	44
Interest payable and similar charges	4	(419)	(513)
Profit/(loss) on ordinary activities before taxation		642	(957)
Tax (charge)/credit on profit/(loss) on ordinary activities	5	(54)	397
Profit/(loss) for the financial year	12	588	(560)

All amounts relate to continuing activities

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial years stated above and their historic cost equivalents

Lancaster Luxury Vehicles Limited

Balance sheet as at 31 December 2013

	Note	2013 £'000	2012 £'000
Fixed assets			
Intangible assets	6	-	26
Tangible assets	7	895	701
		895	727
Current assets			
Stocks	8	21,955	22,635
Debtors	9	10,168	11,001
Cash at bank and in hand		1,669	4
		33,792	33,640
Creditors - amounts falling due within one year	10	(19,205)	(19,473)
Net current assets		14,587	14,167
Total assets less current liabilities		15,482	14,894
Net assets		15,482	14,894
Capital and reserves			
Called up share capital	12	1,500	1,500
Profit and loss account	12	13,982	13,394
Total shareholders' funds	12	15,482	14,894

The financial statements on pages 8 to 21 were approved by the board of directors on 24 June 2014 and were signed on its behalf by



C A Beattie
Director

Lancaster Luxury Vehicles Limited
Registered Number 00534618

Lancaster Luxury Vehicles Limited

Statement of accounting policies

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

The principal accounting policies have been applied consistently throughout the year and are set out below

Goodwill

Goodwill arising on acquisition, being the difference between the fair value of net assets acquired and the consideration paid, is recognised in the balance sheet as an intangible fixed asset and amortised through the profit and loss account over the directors' estimate of its useful life, which is usually ten years

On a subsequent disposal or termination of a previously acquired business, the profit or loss on disposal or termination is calculated after charging the amount of any related goodwill not written off through the profit and loss account, including any previously taken directly to reserves

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on tangible fixed assets in equal annual instalments over their expected useful lives as follows

Short leasehold land and buildings	-	over term of lease
Plant and machinery	-	10% - 33% per annum
Computer equipment	-	20% - 33% per annum
Furniture, equipment and motor vehicles	-	10% - 33% per annum

Impairment

In accordance with FRS 11 'Impairment of Fixed Assets and Goodwill', the company performs impairment reviews using the forecast net future cash flows of the businesses affected discounted to net present value using the company's cost of capital. Any impairment provision is offset directly against the underlying assets of the business deemed to have suffered the impairment

Stock

Stock is valued at the lower of cost and net realisable value. Cost is actual purchase price, excluding value added tax. Stock includes interest bearing consignment stock, the corresponding liabilities of which are included in creditors. Consignment stock that is non-interest bearing is not considered an asset of the company and is excluded. Net realisable value is based on estimated selling price less further costs to be incurred to completion and disposal. Provision is made where necessary for obsolete, slow moving and defective stocks

Taxation

Corporation tax payable is provided on taxable profits at the rate prevailing during the year

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

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Statement of accounting policies (continued)

Taxation (continued)

Deferred tax assets relating to carry forward of unused tax losses are recognised to the extent that it can be regarded as more likely than not that future taxable profit will be available against which the unused tax losses can be utilised

Deferred tax is measured at the average 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 substantially enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis

Trade and other debtors

Trade debtors are recognised and measured at their original invoiced amount less provision for any uncollectable amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off to the profit and loss account when they are identified

Provisions

In accordance with FRS12 "Provisions, Contingent Liabilities and Contingent Assets", the company provides in full for liabilities where it has a legal or constructive obligation arising from a past event

Turnover

Turnover comprises the value of sales of motor vehicles and parts, income from financing agreements and income from servicing, repairing and hiring of vehicles. Value added tax is excluded

Turnover from the sale of goods is recognised upon transfer to a third party of economic benefits arising from the use of an asset or service. In practice this means that turnover is recognised when vehicles are invoiced and physically dispatched or when the service has been undertaken

Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

Pensions

The ultimate United Kingdom parent undertaking, Jardine Motors Group UK Limited, operates one principal hybrid scheme, which is in part defined benefit and in part defined contribution, and one principal defined contribution pension scheme that the company participates in. Trustees administer all of these schemes and their funds are independent of the group's assets. The principal hybrid scheme closed to future accrual on 1 December 2009, at which point all remaining members were able to join the defined contribution scheme

Contributions made to the defined contribution scheme are charged to the profit and loss account as incurred

Given that the company's share of the assets and liabilities within the group defined benefit scheme cannot be separately identified, the contributions paid by the company to the scheme are accounted for as though to a defined contribution scheme. Full details of the scheme are given in the financial statements of the ultimate United Kingdom parent undertaking, Jardine Motors Group UK Limited

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Notes to the financial statements for the year ended 31 December 2013

1 Turnover and operating profit/(loss)

All turnover, profit/(loss) before taxation and net assets are derived from retail and commercial motor trade activities transacted from dealerships within the United Kingdom

	2013 £'000	2012 £'000
Operating profit/(loss) is stated after charging/(crediting):		
Management charge payable to fellow subsidiary undertaking	631	633
Amortisation of goodwill (note 6)	26	62
Depreciation of tangible fixed assets (note 7)	289	269
(Profit)/loss on disposal of fixed assets	(2)	6
Services provided by the company's auditor		
- fees payable for the audit	28	30
Operating lease rentals - plant and machinery	92	47

2 Employees

The average monthly number employed by the company within each category of persons was

	2013 Number	2012 Number
Sales	65	56
Aftersales	140	137
Administration	64	59
	269	252

The costs incurred in respect of these employees were

	2013 £'000	2012 £'000
Wages and salaries	8,108	7,808
Social security costs	946	931
Other pensions costs (note 16)	101	89
	9,155	8,828

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3 Directors

No emoluments or fees were paid to directors during the year (2012 £nil) in respect of their services to the company. The emoluments paid to M P Herbert and C A Beattie are shown in the financial statements of Jardine Motors Group UK Limited. The emoluments paid to G Banham and S C Everett were made by Lancaster plc during the year.

4 Interest

	2013 £'000	2012 £'000
Interest receivable and similar income		
Bank interest receivable	63	44
	2013 £'000	2012 £'000
Interest payable and similar charges		
Stocking loan interest	419	513

5 Tax on profit/(loss) on ordinary activities

(a) Analysis of tax charge/(credit) in the year

	2013 £'000	2012 £'000
Current tax		
UK corporation tax at 23.25% (2012: 24.5%)	-	(308)
Adjustments in respect of previous years	-	(136)
Total current tax	-	(444)
Deferred tax		
Origination and reversal of timing differences	25	26
Change in rate of tax	29	21
Total deferred tax (note 11)	54	47
Tax charge/(credit) on profit/(loss) on ordinary activities	54	(397)

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5 Tax on profit/(loss) on ordinary activities (continued)

(b) Factors affecting corporation tax charge/(credit) for the year

The tax assessed for the year is lower (2012 lower) than the effective standard rate of corporation tax in the UK 23.25% (2012 24.5%) The differences are explained below

	2013 £'000	2012 £'000
Profit/(loss) on ordinary activities before tax	642	(957)
Profit/(loss) on ordinary activities multiplied by effective standard corporation tax rate in the UK at 23.25% (2012 24.5%)	149	(234)
Effects of		
Adjustment to taxable profit - group recharges	(1)	(65)
Accelerated capital allowances	(4)	(21)
Expenses not deductible for tax purposes	17	12
Utilisation of unrecognised losses	(161)	-
Adjustments in respect of previous years	-	(136)
Current tax charge/(credit) for the year	-	(444)

(c) Other factors affecting current and future tax charge

During the year, as a result of the change in the UK main corporation tax rate from 23% to 21% from 1 April 2014, with a further reduction to 20% from 1 April 2015, that was substantively enacted on 2 July 2013, the relevant deferred tax balances have been remeasured. No further reductions to the UK corporation tax rate have been announced since July 2013. In any event any rate changes that are not substantively enacted at the balance sheet date are not recognised in these financial statements.

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6 Intangible assets

	Goodwill £'000
Cost	
At 1 January and 31 December 2013	1,703
Accumulated amortisation	
At 1 January 2013	1,677
Charge for the year	26
At 31 December 2013	1,703
Net book amount	
At 31 December 2013	-
At 31 December 2012	26

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7 Tangible assets

	Short leasehold land and buildings £'000	Plant and machinery £'000	Computer equipment £'000	Furniture, equipment and motor vehicles £'000	Total £'000
Cost					
At 1 January 2013	-	1,735	581	1,884	4,200
Additions	-	28	53	6	87
Disposals	-	(23)	(26)	(2)	(51)
Reclassification	-	-	(18)	18	-
Group transfers	623	-	9	-	632
At 31 December 2013	623	1,740	599	1,906	4,868
Accumulated depreciation					
At 1 January 2013	-	1,553	488	1,458	3,499
Charge for the year	30	71	49	139	289
Disposals	-	(23)	(26)	(2)	(51)
Reclassification	-	-	(10)	10	-
Group transfers	234	-	2	-	236
At 31 December 2013	264	1,601	503	1,605	3,973
Net book amount					
At 31 December 2013	359	139	96	301	895
At 31 December 2012	-	182	93	426	701

On 1 January 2013, fellow subsidiary undertakings transferred capitalised leasehold improvements to the company at net book value. These relate solely to leasehold premises occupied by dealerships of the company.

Lancaster Luxury Vehicles Limited

8 Stocks

	2013 £'000	2012 £'000
Consignment vehicles	10,197	9,562
Motor vehicles	10,932	12,159
Parts and other stocks	826	914
	21,955	22,635

Stock held on consignment includes interest-bearing stock, which has a corresponding liability included in trade creditors. Vehicles adopted out of consignment stock are generally invoiced at the price ruling at the date of adoption.

9 Debtors

	2013 £'000	2012 £'000
Trade debtors	1,271	1,080
Amounts owed by group undertakings	6,374	6,784
Deferred tax asset (note 11)	870	924
Corporation tax	-	308
Other taxation and social security	76	416
Other debtors	1,250	1,259
Prepayments and accrued income	327	230
	10,168	11,001

The amounts owed by group undertakings are unsecured, interest free and have no fixed repayment terms.

Lancaster Luxury Vehicles Limited

10 Creditors - amounts falling due within one year

	2013 £'000	2012 £'000
Bank overdrafts	-	248
Trade creditors	15,338	16,734
Other taxation and social security	117	106
Other creditors	3,142	1,952
Accruals and deferred income	608	433
	19,205	19,473

Interest was charged on the bank overdrafts at rates linked to bank base rate

Trade creditors includes amounts due arising from the purchase of stocks from suppliers. Under the terms of trade, ownership thereof does not pass to the company until sums due to those suppliers are settled

11 Deferred tax

Deferred tax asset comprises	Provided		Unprovided	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Accelerated capital allowances	165	219	357	-
Tax losses and Advance Corporation Tax	705	705	2,990	3,735
Deferred tax asset (note 9)	870	924	3,347	3,735
Movements during the year are as follows:	2013 £'000	2012 £'000	2013 £'000	2012 £'000
At 1 January	924	971	3,735	3,735
Amount charged to profit and loss (note 5(a))	(54)	(47)	-	-
Movement due to rate change	-	-	(249)	-
Loss utilised	-	-	(139)	-
At 31 December	870	924	3,347	3,735

The deferred tax asset provided in respect of trading losses has been computed at 30% on the basis that this is the rate at which the losses are expected to crystallise. In the event that it becomes certain that losses will not crystallise at this rate, the extent to which it is reasonable to recognise the deferred tax asset on these losses will be reviewed and adjusted where appropriate.

Lancaster Luxury Vehicles Limited

12 Reconciliation of movements in shareholders' funds

	Called up share capital £'000	Profit and loss account £'000	Total 2013 £'000	Total 2012 £'000
Profit/(loss) for the financial year	-	588	588	(560)
Opening shareholders' funds	1,500	13,394	14,894	15,454
Closing shareholders' funds	1,500	13,982	15,482	14,894

The company has 1,500,000 (2012 1,500,000) allotted and fully paid ordinary shares of £1 each. There were no movements in share capital during the year.

13 Cash flow statement

The company is a wholly owned subsidiary of Jardine Motors Group UK Limited and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'Cash Flow Statements'.

14 Related party transactions

The company is exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities that are part of the group as the company is a wholly owned subsidiary of Jardine Motors Group UK Limited.

15 Financial commitments

(a) Future capital expenditure

	2013 £'000	2012 £'000
Contracted for but not provided	12	-

Lancaster Luxury Vehicles Limited

15 Financial commitments (continued)

(b) Operating leases

At 31 December the company had annual commitments under non-cancellable operating leases, which expire as follows

	2013 Other £'000	2012 Other £'000
Within one year	89	69
Within two to five years	37	-
After five years	-	2
	126	71

16 Pension schemes

The ultimate United Kingdom parent undertaking, Jardine Motors Group UK Limited, operates one principal hybrid scheme, which is in part defined benefit and in part defined contribution, and one principal defined contribution pension scheme that the company participates in. The principal hybrid scheme closed to future accrual on 1 December 2009, at which point all remaining members were able to join the defined contribution scheme.

For the purposes of FRS 17 'Retirement Benefits' the contributions paid by the company to the defined benefit scheme will be accounted for as though to a defined contribution scheme. This arises since the share of assets and liabilities relating to the company cannot be separately identified. Full details of the scheme are given in the financial statements of the ultimate United Kingdom parent undertaking, Jardine Motors Group UK Limited.

During the year the company has contributed £nil (2012: £nil) to the defined benefit scheme, £84,000 (2012: £89,000) to the defined contribution scheme and £17,000 (2012: £nil) to auto-enrolment.

17 Contingent liabilities

The company is subject to cross guarantees covering overdrafts in Jardine Motors Group UK Limited and fellow subsidiaries. These overdrafts amounted to £nil at 31 December 2013 (2012: £nil).

Lancaster Luxury Vehicles Limited

18 Ultimate parent undertaking

The immediate parent undertaking is Lancaster plc

The ultimate parent undertaking and controlling party is Jardine Matheson Holdings Limited, a company incorporated in Bermuda

Jardine Matheson Holdings Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements

Lancaster plc is the parent undertaking of the smallest group of undertakings to consolidate these financial statements

The consolidated financial statements of Jardine Motors Group UK Limited and Jardine Matheson Holdings Limited can be obtained from the address below

M Finch
Jardine Motors Group UK Limited
770 The Crescent
Colchester Business Park
Colchester
CO4 9YQ