

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

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SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

COMPANY INFORMATION

Directors	C B Willoughby S W Willoughby
Company secretary	C B Willoughby
Company number	856474
Registered office	85 High Road Chilwell Beeston Nottingham NG9 4AJ
Auditors	Cooper Parry LLP Chartered Accountants & Statutory Auditor 14 Park Row Nottingham NG1 6GR

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Consolidated profit and loss account	5
Consolidated balance sheet	6
Company balance sheet	7
Consolidated cash flow statement	8
Notes to the financial statements	9 - 20

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and the financial statements for the year ended 31 March 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the group during the year was that of the sale of new and used motor vehicles and associated activities. The group also receives rental income on investment properties.

Business review

Following the closure of the Peugeot business in the prior year and the transfer of all group trading activities into one company at the start of this financial year, real progress has been seen in the year to 31 March 2010 with like for like sales growing by 7%. Total turnover for the group for the year ended 31 March 2010 amounted to £6.95m as shown in the profit and loss account on page 5.

This is all the more encouraging considering the prevailing economic climate and the challenges this posed throughout the year. The Government's scrappage scheme helped support new car sale demand, whilst the return of stability of used car values after the turbulence seen in the previous year contributed towards the strong improvement in margin, which has increased from 3% in 2009 to 7% in 2010 and resulted in the company making a profit before taxation of £71,377.

Our strong positive cashflow position has served us well over the last year and is likely to do so through 2011 enabling us to consider and take advantage of opportunities if and when they arise. At 31 March 2010, the group had a net asset position of £2.69m, as shown on the balance sheet on page 6.

Principal risks and uncertainties

However, the uncertainty in the economy is expected to have an ongoing impact on consumer demand for both sales and service through 2010.

Measures have been taken to ensure that we are well placed to see the recession through the recovery and take advantage of the upturn when it arrives by reducing the cost base as far as possible whilst leaving sufficient spare capacity to enable us to react quickly to any upturn.

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

Results and dividends

The loss for the year, after taxation, amounted to £28,890 (2009 loss £551,254)

Dividends for the year of £101,100 (2009 £Nil) have been paid

Directors

The directors who served during the year were

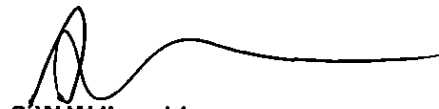
C B Willoughby
S W Willoughby

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information

This report was approved by the board and signed on its behalf



S W Willoughby
Director

Date 20 July 2010

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

We have audited the group and parent company financial statements (the "financial statements") of Sandwood Securities Limited T/A Willoughby Group for the year ended 31 March 2010, set out on pages 5 to 20. 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 Statement of directors' responsibilities, 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 group's and the parent 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 group's and the parent company's affairs as at 31 March 2010 and of the group's 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.

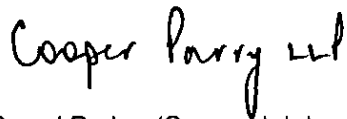
SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SANDWOOD SECURITIES LIMITED
T/A WILLOUGHBY GROUP**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Daniel Parker (Senior statutory auditor)

for and on behalf of
Cooper Parry LLP

Chartered Accountants
Statutory Auditor

Nottingham

Date 26 / 7 / 10

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
Turnover	1,2		
Continuing operations		6,951,942	6,485,638
Discontinued operations		-	5,185,070
		<u>6,951,942</u>	<u>11,670,708</u>
Cost of sales	3	<u>(6,449,322)</u>	<u>(11,279,570)</u>
Gross profit		502,620	391,138
Administrative expenses	3	<u>(437,173)</u>	<u>(939,331)</u>
Operating profit/(loss)	4		
Continuing operations		65,447	(465,722)
Discontinued operations		-	(82,471)
		65,447	(548,193)
Interest receivable		14,120	1,264
Interest payable	7	<u>(8,190)</u>	<u>(4,325)</u>
Profit/(loss) on ordinary activities before taxation		71,377	(551,254)
Tax on profit/(loss) on ordinary activities	8	<u>(100,267)</u>	<u>-</u>
Loss for the financial year	18	<u><u>(28,890)</u></u>	<u><u>(551,254)</u></u>

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 9 to 20 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP
REGISTERED NUMBER: 856474

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Intangible fixed assets	9		514,595		585,287
Tangible fixed assets	10		609,903		496,469
Investment property	11		1,198,390		1,198,390
			<u>2,322,888</u>		<u>2,280,146</u>
Current assets					
Stocks	14	875,116		771,127	
Debtors	15	190,563		344,863	
Cash at bank		742,439		1,104,010	
		<u>1,808,118</u>		<u>2,220,000</u>	
Creditors amounts falling due within one year	16	(1,436,258)		(1,675,408)	
Net current assets			<u>371,860</u>		<u>544,592</u>
Total assets less current liabilities			<u>2,694,748</u>		<u>2,824,738</u>
Capital and reserves					
Called up share capital	17		33,193		33,193
Profit and loss account	18		2,661,555		2,791,545
Shareholders' funds	19		<u>2,694,748</u>		<u>2,824,738</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


S W Willoughby
 Director

Date 20 July 2010

The notes on pages 9 to 20 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP
REGISTERED NUMBER: 856474

COMPANY BALANCE SHEET
AS AT 31 MARCH 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible fixed assets	10		609,903		-
Investment property	11		1,198,390		-
Fixed asset investments	12		573,145		1,748,807
			<u>2,381,438</u>		<u>1,748,807</u>
Current assets					
Stocks	14	875,116		-	
Debtors	15	190,132		1,100,121	
Cash at bank		742,439		-	
		<u>1,807,687</u>		<u>1,100,121</u>	
Creditors amounts falling due within one year	16	(1,436,258)		(1,100,050)	
Net current assets			<u>371,429</u>		<u>71</u>
Total assets less current liabilities			<u>2,752,867</u>		<u>1,748,878</u>
Creditors: amounts falling due after more than one year			(574,623)		-
Net assets			<u><u>2,178,244</u></u>		<u><u>1,748,878</u></u>
Capital and reserves					
Called up share capital	17		33,193		33,193
Profit and loss account	18		2,145,051		1,715,685
Shareholders' funds	19		<u><u>2,178,244</u></u>		<u><u>1,748,878</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



S W Willoughby
Director

Date 20 July 2010

The notes on pages 9 to 20 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
Net cash flow from operating activities	21	(39,090)	195,726
Returns on investments and servicing of finance	22	5,930	(3,061)
Taxation		10,865	-
Capital expenditure and financial investment	22	(138,176)	(79,759)
Acquisitions and disposals	22	-	736,311
Equity dividends paid		(101,100)	-
Cash (outflow)/inflow before financing		(261,571)	849,217
Financing	22	(100,000)	-
(Decrease)/Increase in cash in the year		(361,571)	849,217

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £	2009 £
(Decrease)/Increase in cash in the year	(361,571)	849,217
Cash outflow from decrease in debt and lease financing	100,000	-
Movement in net debt in the year	(261,571)	849,217
Net funds/(debt) at 1 April 2009	4,010	(845,207)
Net (debt)/funds at 31 March 2010	(257,561)	4,010

The notes on pages 9 to 20 form part of these financial statements

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of Sandwood Securities Limited T/A Willoughby Group and all of its subsidiary undertakings ('subsidiaries')

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates

Goodwill	-	10% Straight line
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1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Leasehold alterations	-	Over the period of the lease
Plant & machinery	-	20% to 50% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	20% to 50% straight line

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.7 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

1. Accounting Policies (continued)

1.8 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

Rentals received under operating leases are included in the financial statements on a straight line basis over the lease term

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks

Consignment stock is included in the balance sheet only where in substance it is an asset of the company such that the company has access to the benefits of holding stock and exposure to the risks and rewards of ownership as if it were owned outright

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2 Turnover

All turnover arose in the United Kingdom

The whole of turnover and profit before taxation from continuing activities is attributable to the principal activity. The turnover and profit before taxation from discontinued activities arose from the Peugeot business, which was sold in the year ended 31 March 2009

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

3 Cost of sales and expenses

	2010		2009
	Continuing	Discontinued	Continuing
	£	£	£
Cost of sales	6,449,322	-	6,233,133
Administrative expenses	437,173	-	718,227
	<u>6,886,495</u>	<u>-</u>	<u>6,951,360</u>

4 Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2010	2009
	£	£
Amortisation - intangible fixed assets	70,692	70,692
Depreciation of tangible fixed assets		
- owned by the group	24,742	37,239
Auditors' remuneration	12,145	11,000
Operating lease rentals		
- plant and machinery	-	4,683
- other operating leases	-	28,371
	<u>107,579</u>	<u>140,985</u>

5 Staff costs

Staff costs, including directors' remuneration, were as follows

	2010	2009
	£	£
Wages and salaries	348,184	759,339
Social security costs	30,682	67,468
Other pension costs	27,470	48,715
	<u>406,336</u>	<u>875,522</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010	2009
	No.	No.
Workshop and Parts	11	23
Sales	9	52
General	3	-
	<u>23</u>	<u>75</u>

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

6. Directors' remuneration

	2010	2009
	£	£
Emoluments	11,333	68,001
Company pension contributions to money purchase pension schemes	13,500	12,830

During the year retirement benefits were accruing to 2 directors (2009 - 2) in respect of money purchase pension schemes

7 Interest payable

	2010	2009
	£	£
On bank loans and overdrafts	-	4,325
Other interest	8,190	-
	8,190	4,325

8 Taxation

	2010	2009
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on profit/loss for the year	2,965	-
Adjustments in respect of prior periods	97,302	-
Tax on profit/loss on ordinary activities	100,267	-

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

8 Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK (21%) The differences are explained below

	2010 £	2009 £
Profit/loss on ordinary activities before tax	<u>71,377</u>	<u>(551,254)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2009 - 21%)	14,989	(115,763)
Effects of:		
Expenses not deductible for tax purposes	17,343	23,447
Capital allowances for year in excess of depreciation	6,562	961
Utilisation of tax losses	(35,929)	-
Losses carried back	-	55,516
Losses carried forwards	-	35,027
Adjustments to tax charge in respect of prior periods	97,302	-
Marginal rate adjustment	-	812
Current tax charge for the year (see note above)	<u><u>100,267</u></u>	<u><u>-</u></u>

The adjustments in respect of prior years relate to the settlement of a tax enquiry in respect of a March 1982 valuation of a property used in a capital gains calculation

Factors that may affect future tax charges

At the balance sheet date, the group has losses of approximately £185,000 to carry forward against future trading profits

9. Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 April 2009 and 31 March 2010	<u>706,916</u>
Amortisation	
At 1 April 2009	121,629
Charge for the year	<u>70,692</u>
At 31 March 2010	<u>192,321</u>
Net book value	
At 31 March 2010	<u><u>514,595</u></u>
At 31 March 2009	<u><u>585,287</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

10 Tangible fixed assets

Group	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost				
At 1 April 2009	568,851	364,618	121,019	1,054,488
Additions	139,000	-	-	139,000
Disposals	-	-	(824)	(824)
At 31 March 2010	707,851	364,618	120,195	1,192,664
Depreciation				
At 1 April 2009	117,838	344,491	95,690	558,019
Charge for the year	6,376	6,489	11,877	24,742
At 31 March 2010	124,214	350,980	107,567	582,761
Net book value				
At 31 March 2010	583,637	13,638	12,628	609,903
At 31 March 2009	451,013	20,127	25,329	496,469

Included in land and buildings is land amounting to £250,000 (2009 £250,000) which is not depreciated

Company	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost				
At 1 April 2009	-	-	-	-
Additions	139,000	-	-	139,000
Transfers from subsidiary companies	451,013	20,127	25,329	496,469
Disposals	-	-	(824)	(824)
At 31 March 2010	590,013	20,127	24,505	634,645
Depreciation				
At 1 April 2009	-	-	-	-
Charge for the year	6,376	6,489	11,877	24,742
At 31 March 2010	6,376	6,489	11,877	24,742
Net book value				
At 31 March 2010	583,637	13,638	12,628	609,903
At 31 March 2009	-	-	-	-

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

11. Investment property

	Freehold property £
Group	
Cost and valuation	
At 1 April 2009 and 31 March 2010	1,198,390
	<u><u> </u></u>

The 2010 valuations were made by the directors on an open market value for existing use basis

	Freehold property £
Company	
Cost and valuation	
At 1 April 2009	-
Transfers from subsidiary companies	1,198,390
	<u> </u>
At 31 March 2010	1,198,390
	<u><u> </u></u>

12. Fixed asset investments

	Shares in group undertakings £
Company	
Cost or valuation	
At 1 April 2009 and 31 March 2010	1,748,807
	<u> </u>
Impairment	
At 1 April 2009	-
Charge for the year	1,175,662
	<u> </u>
At 31 March 2010	1,175,662
	<u> </u>
Net book value	
At 31 March 2010	573,145
	<u><u> </u></u>
At 31 March 2009	1,748,807
	<u><u> </u></u>

13. Principal subsidiaries

Company name	Country	Percentage shareholding	Description
Willoughby Garages Nottm Limited	England and Wales	100%	Dormant
Flightcroft Limited	England and Wales	100%	Dormant
F Nicholson Limited	England and Wales	100%	Dormant

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

14. Stocks

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Goods for resale	875,116	771,127	875,116	-

The total value of consignment stock not recognised on the balance sheet is £550,836 (2009 £255,477)

15. Debtors

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	121,679	231,390	121,679	-
Amounts owed by group undertakings	-	-	-	1,100,121
Other debtors	60,260	83,544	59,829	-
Prepayments and accrued income	8,624	29,929	8,624	-
	<u>190,563</u>	<u>344,863</u>	<u>190,132</u>	<u>1,100,121</u>

**16 Creditors.
Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2010	2009	2010	2009
	£	£	£	£
Other loans	1,000,000	1,100,000	1,000,000	1,100,000
Trade creditors	290,203	465,001	290,203	-
Corporation tax	90,465	-	90,465	-
Social security and other taxes	4,468	17,472	4,468	-
Other creditors	-	2,555	-	50
Accruals and deferred income	51,122	90,380	51,122	-
	<u>1,436,258</u>	<u>1,675,408</u>	<u>1,436,258</u>	<u>1,100,050</u>

17 Share capital

	2010	2009
	£	£
Allotted, called up and fully paid		
33,193 Ordinary shares of £1 each	<u>33,193</u>	<u>33,193</u>

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

18 Reserves

	Profit and loss account £
Group	
At 1 April 2009	2,791,545
Loss for the year	(28,890)
Dividends Equity capital	(101,100)
At 31 March 2010	2,661,555
	Profit and loss account £
Company	
At 1 April 2009	1,715,685
Profit for the year	530,466
Dividends Equity capital	(101,100)
At 31 March 2010	2,145,051

19 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Group		
Opening shareholders' funds	2,824,738	3,375,992
Loss for the year	(28,890)	(551,254)
Dividends (Note 20)	(101,100)	-
Closing shareholders' funds	2,694,748	2,824,738
	2010 £	2009 £
Company		
Opening shareholders' funds	1,748,878	1,748,878
Profit for the year	530,466	-
Dividends (Note 20)	(101,100)	-
Closing shareholders' funds	2,178,244	1,748,878

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

The profit for the year dealt with in the accounts of the company was £530,466 (2009 £NIL)

20. Dividends

	2010 £	2009 £
Dividends paid on equity capital	101,100	-

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

21. Net cash flow from operating activities

	2010	2009
	£	£
Operating profit/(loss)	65,447	(548,193)
Amortisation of intangible fixed assets	70,692	70,692
Depreciation of tangible fixed assets	24,742	37,239
Loss on disposal of tangible fixed assets	-	5,040
(Increase)/decrease in stocks	(103,989)	1,129,075
Decrease in debtors	133,637	791,589
Decrease in creditors	(229,619)	(1,307,203)
Loss on sale of Peugeot trade	-	17,487
Net cash (outflow)/inflow from operating activities	(39,090)	195,726

22. Analysis of cash flows for headings netted in cash flow statement

	2010	2009
	£	£
Returns on investments and servicing of finance		
Interest received	14,120	1,264
Interest paid	(8,190)	(4,325)
Net cash inflow/(outflow) from returns on investments and servicing of finance	5,930	(3,061)

	2010	2009
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(139,000)	(79,759)
Sale of tangible fixed assets	824	-
Net cash outflow from capital expenditure	(138,176)	(79,759)

	2010	2009
	£	£
Acquisitions and disposals		
Sale of Peugeot trade (see note 24)	-	736,311

	2010	2009
	£	£
Financing		
Repayment of other loans	(100,000)	-

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

23. Analysis of changes in net debt

	1 April 2009 £	Cash flow £	31 March 2010 £
Cash at bank and in hand	1,104,010	(361,571)	742,439
Debt			
Debts due within one year	(1,100,000)	100,000	(1,000,000)
Net funds/(debt)	<u>4,010</u>	<u>(261,571)</u>	<u>(257,561)</u>

24. Sale of business

	2009 £
Fixed assets	40,854
Stock	712,944
	<u>753,798</u>
Loss on disposal	(17,487)
	<u>736,311</u>
Satisfied by	
Cash (see note 22)	<u>736,311</u>

During the prior year the company sold the trade and assets in relation to the Mansfield Road site for a cash consideration as shown above

SANDWOOD SECURITIES LIMITED T/A WILLOUGHBY GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

25. Pension commitments

The company operates a defined contribution pension scheme. The funds of the scheme are administered by trustees and are held separately from the company. Contributions to the scheme of £19,640 (2009 £19,647) were charged to the profit and loss account in the year.

The company also made contributions to personal pension schemes of employees totalling £13,500 (2009 £12,830).

26. Related party transactions

The following directors received the following dividends in the year

	2010 £	2009 £
C B Willoughby	64,431	-
S W Willoughby	36,669	-
	<u>101,100</u>	<u>-</u>

The following loans from shareholders (included within other loans) are outstanding at 31 March 2010

	2010 £	2009 £
C B Willoughby	250,000	275,000
S W Willoughby	250,000	275,000
S C Clarke	250,000	275,000
J H Howarth	250,000	275,000
	<u>1,000,000</u>	<u>1,100,000</u>

During the year a repayment of £25,000 was made to each shareholder.

In accordance with Financial Reporting Standard 8 the group claims exemption from the disclosure of related party transactions between group companies on the basis that these are fully excluded on consolidation.

27. Controlling party

The shareholders of Sandwood Securities Limited are also the directors of this company.