

**LIND AG LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2009**

TUESDAY



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COMPANIES HOUSE

Company no 2727708

**LIND AG LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended 31 July 2009**

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Company no: 2727708

Registered office: Tithe Barn  
Attlebridge  
Norwich  
Norfolk  
NR9 5AA

Directors: G M Dacre  
R B Dacre

Secretary: G M Dacre

Bankers: Bank of Scotland  
3 Queen Street  
Norwich  
NR2 4SG

Auditor: Grant Thornton UK LLP  
Registered Auditor  
Chartered Accountants  
Kingfisher House  
1 Gilders Way  
St James Place  
Norwich  
NR3 1UB

# **LIND AG LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 31 July 2009

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# LIND AG LIMITED

## REPORT OF THE DIRECTORS

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The directors present their report together with the audited financial statements for the year ended 31 July 2009.

### Principal activity

The principal activity of the company continued to be that of operating motor dealerships.

### Business review and key performance indicators

The company uses a range of performance measures to monitor business performance. The directors consider that, consistent with the size and non-complex nature of the business, the key indicators are those that communicate the financial performance of the business as a whole and are as follows:

|                    | 2009       | 2008       |
|--------------------|------------|------------|
| Turnover (£)       | 23,653,399 | 29,524,278 |
| Gross profit (£)   | 3,209,092  | 3,528,271  |
| Operating loss (£) | (755,929)  | (841,490)  |

During the year, the company operated in two geographic areas, Norwich and Tonbridge. Towards the end of the year, the directors took the decision to close the company's Norwich operations. These are shown separately within the profit and loss account as 'discontinued operations' and include significant asset write downs and other closure costs.

The Tonbridge business continued to be adversely impacted by the economic recession in the UK that had begun the previous year, but trading conditions and profitability improved noticeably over the final six months of the year.

### Future developments

The improved trading conditions seen over the latter half of the 2009 financial year have extended into the new financial year, encouraging confidence that general economic conditions are improving. Whilst conditions are likely to remain challenging in the near term, the directors anticipate that the company is well placed to take full advantage when the economy returns to sustained growth.

### Financial risk management objectives and policies

In common with other businesses, the company aims to minimise financial risk. The measures used by the directors to manage this risk include the preparation of profit forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate financing facilities are in place to meet the requirements of the business. Trade debtors are closely monitored to keep the risk of bad debts to a minimum level. Levels of stock are also regularly scrutinised to reduce the risk of slow moving stocks being held.

### Principal risks and uncertainties

The company operates within a niche area of the mature, and highly-competitive, UK car market. As with many retail businesses, the company's performance is sensitive to consumers' spending patterns, their overall level of disposable income and, more recently, the general tightening of credit facilities within the economy. In the longer term, the impact of consumer trends towards products they perceive as more environmentally friendly may also be an important consideration. On the supply side, the volume of sales can be affected by the availability of new vehicles from the manufacturer, along with the timing of new model launches.

### Directors

The directors who served during the year were as follows:

G M Dacre

R B Dacre

# LIND AG LIMITED

## REPORT OF THE DIRECTORS

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### Statement of directors' responsibilities

The directors are responsible for preparing the report of the directors 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and 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
- 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 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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD



R B Dacre  
Director

8 December 2009

## **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBER OF LIND AG LIMITED**

We have audited the financial statements of Lind AG Limited for the year ended 31 July 2009 which comprise the profit and loss account, the balance sheet and the related notes. 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 member in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

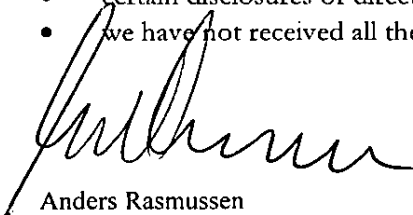
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Anders Rasmussen  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
NORWICH

8/12/2009

# **LIND AG LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The financial statements are prepared on the going concern basis which is reliant upon the continuing support of the company's parent undertaking which is in turn reliant on the support of the group's owner G M Dacre. G M Dacre has confirmed that he will not seek repayment of the amounts which are currently owed to him by Lind Group Holding Company Limited, the company's parent undertaking, until such time as it is in a position to make such payments without adversely impacting working capital requirements of the group. G M Dacre has further confirmed that he will provide any additional financial support that the group may require to enable it to continue trading for at least twelve months from the date of the approval of these financial statements.

The results of the two dealerships which were closed down during the year are presented under discontinued activities.

### **CASH FLOW STATEMENT**

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a UK parent company and its results are included in the consolidated financial statements of that company, which are publicly available.

### **TURNOVER**

Turnover is attributable to the sale and repair of motor vehicles and other ancillary services, excluding Value Added Tax and trade discounts. Vehicle sales are normally recognised on delivery to customer and other sales are recognised when the right to consideration has been earned on completion of the work (parts and services). Manufacturer bonuses and related income are recognised in the period to which they relate providing they can be estimated with reasonable certainty.

### **DEPRECIATION**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset, on a straight line basis over their expected useful lives. The expected useful lives generally applicable are:

|                                  |                 |
|----------------------------------|-----------------|
| Freehold land                    | not depreciated |
| Freehold buildings               | 50 years        |
| Leasehold property               | 10 years        |
| Plant and machinery              | 5-10 years      |
| Fixtures, fittings and equipment | 3-5 years       |
| Motor vehicles                   | 3-5 years       |

### **LEASED ASSETS**

Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

### **STOCKS**

Stocks are valued at the lower of cost and net realisable value.

Under supply agreements with Porsche, the company has access to "consignment stock". Where the nature of these supply agreements transfer the risks and rewards to the company, which in substance gives the company control over the stock during the consignment period and liabilities in respect of holding costs, the company recognises these stocks in the balance sheet together with the equivalent liability.

**FINANCIAL INSTRUMENTS**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**PENSIONS**

The company contributes to a group personal pension plan for individuals and the contributions are accounted for in the period to which they relate.

**TAXATION**

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19, provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised when it is more likely than not that the deferred tax asset will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. Deferred tax balances are not discounted.

**LIND AG LIMITED****PROFIT AND LOSS ACCOUNT**

For the year ended 31 July 2009

|                                                  | Note | 2009<br>£           | 2008<br>£           |
|--------------------------------------------------|------|---------------------|---------------------|
| <b>Turnover</b>                                  |      |                     |                     |
| Continuing operations                            |      | 17,723,107          | 22,975,300          |
| Discontinued operations                          |      | 5,930,292           | 6,548,978           |
|                                                  |      | <u>23,653,399</u>   | <u>29,524,278</u>   |
| <b>Cost of sales</b>                             |      |                     |                     |
| Continuing operations                            |      | (15,122,698)        | (19,769,887)        |
| Discontinued operations                          |      | (5,321,609)         | (6,226,120)         |
|                                                  |      | <u>(20,444,307)</u> | <u>(25,996,007)</u> |
| <b>Gross profit</b>                              |      |                     |                     |
| Continuing operations                            |      | 2,600,409           | 3,205,413           |
| Discontinued operations                          |      | 608,683             | 322,858             |
|                                                  |      | <u>3,209,092</u>    | <u>3,528,271</u>    |
| <b>Administrative expenses</b>                   |      |                     |                     |
| Continuing operations                            |      | (2,367,483)         | (2,890,915)         |
| Discontinued operations                          |      | (1,597,538)         | (1,478,846)         |
|                                                  |      | <u>(3,965,021)</u>  | <u>(4,369,761)</u>  |
| <b>Operating loss</b>                            | 1    |                     |                     |
| Continuing operations                            |      | 232,926             | 314,498             |
| Discontinued operations                          |      | (988,855)           | (1,155,988)         |
|                                                  |      | <u>(755,929)</u>    | <u>(841,490)</u>    |
| <b>Interest receivable and similar income</b>    | 2    | 12,228              | 15,999              |
| <b>Interest payable and similar charges</b>      | 3    | (327,145)           | (589,931)           |
|                                                  |      | <u>(1,070,846)</u>  | <u>(1,415,422)</u>  |
| <b>Loss on ordinary activity before taxation</b> |      |                     |                     |
| Tax on loss on ordinary activity                 | 5    | 30,732              | 270,984             |
|                                                  |      | <u>30,732</u>       | <u>270,984</u>      |
| <b>Loss for the financial year</b>               | 12   | <u>(1,040,114)</u>  | <u>(1,144,438)</u>  |

There are no recognised gains and losses other than those passing through the profit and loss account.

The accompanying accounting policies and notes form an integral part of these financial statements.

**LIND AG LIMITED - COMPANY NO. 2727708**

**BALANCE SHEET AT 31 JULY 2009**

|                                                                | Note | 2009<br>£          | 2008<br>£          |
|----------------------------------------------------------------|------|--------------------|--------------------|
| <b>Fixed assets</b>                                            |      |                    |                    |
| Tangible assets                                                | 6    | 4,416,508          | 5,183,989          |
| <b>Current assets</b>                                          |      |                    |                    |
| Stocks                                                         | 7    | 3,002,440          | 6,483,641          |
| Debtors                                                        | 8    | 657,452            | 1,238,120          |
| Cash at bank and in hand                                       |      | 871,460            | 1,860              |
|                                                                |      | <u>4,531,352</u>   | <u>7,723,621</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 9    | <u>(2,294,641)</u> | <u>(5,906,395)</u> |
| <b>Net current assets</b>                                      |      | <u>2,236,711</u>   | <u>1,817,226</u>   |
| <b>Total assets less current liabilities</b>                   |      | <u>6,653,219</u>   | <u>7,001,215</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 10   | <u>(6,442,692)</u> | <u>(5,750,574)</u> |
| <b>Net assets</b>                                              |      | <u>210,527</u>     | <u>1,250,641</u>   |
| <b>Capital and reserves</b>                                    |      |                    |                    |
| Called up equity share capital                                 | 11   | 2                  | 2                  |
| Profit and loss account                                        | 12   | 210,525            | 1,250,639          |
| <b>Equity shareholder's funds</b>                              | 13   | <u>210,527</u>     | <u>1,250,641</u>   |

The financial statements were approved by the board of directors and authorised for issue on 8 December 2009, and are signed on their behalf by:



R B Dacre Director

The accompanying accounting policies and notes form an integral part of these financial statements.

**LIND AG LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2009

**1 OPERATING LOSS**

Operating loss is stated after charging:

|                                               | 2009<br>£ | 2008<br>£ |
|-----------------------------------------------|-----------|-----------|
| Auditor's remuneration – audit services       | 10,000    | 17,000    |
| Auditor's remuneration – taxation services    | 3,500     | 2,500     |
| Depreciation                                  | 345,794   | 298,555   |
| Loss on sale of fixed assets                  | 155,387   | -         |
| Operating lease rentals – land and buildings  | 48,957    | 114,925   |
| Operating lease rentals – plant and machinery | 14,814    | 13,274    |

The directors propose that the company enter into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 July 2009. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and will be proposed for approval on 8 December 2009.

**2 INTEREST RECEIVABLE AND SIMILAR INCOME**

|                          | 2009<br>£ | 2008<br>£ |
|--------------------------|-----------|-----------|
| Bank interest receivable | 12,228    | 15,999    |

**3 INTEREST PAYABLE AND SIMILAR CHARGES**

|                                                  | 2009<br>£ | 2008<br>£ |
|--------------------------------------------------|-----------|-----------|
| Bank interest payable                            | 41,085    | 85,356    |
| Interest payable on loan from director (note 17) | -         | 213,576   |
| Interest payable on loan from holding company    | 223,001   | 136,710   |
| Other interest and charges                       | 63,059    | 154,289   |
|                                                  | 327,145   | 589,931   |

**4 DIRECTORS AND EMPLOYEES**

Staff costs during the year were as follows:

|                         | 2009<br>£ | 2008<br>£ |
|-------------------------|-----------|-----------|
| Wages and salaries      | 1,442,096 | 1,750,075 |
| Social security costs   | 153,120   | 198,873   |
| Pension costs (note 14) | 33,836    | 35,464    |
|                         | 1,629,052 | 1,984,412 |

# LIND AG LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

### DIRECTORS AND EMPLOYEES (CONTINUED)

The average number of employees (including directors) during the year was:

|                        | 2009<br>Number | 2008<br>Number |
|------------------------|----------------|----------------|
| Mechanical             | 11             | 11             |
| Sales and distribution | 16             | 26             |
| Administration         | 28             | 29             |
| Directors              | 2              | 3              |
|                        | <u>57</u>      | <u>69</u>      |

The directors received emoluments of £nil during the year (2008: £15,262). No contributions (2008: £nil) were made to the pension scheme in respect of the directors.

### 5 TAX ON LOSS ON ORDINARY ACTIVITY

(a) The taxation credit for the year is made up as follows:

|                                         | 2009<br>£       | 2008<br>£        |
|-----------------------------------------|-----------------|------------------|
| <b>Corporation tax</b>                  |                 |                  |
| UK corporation tax (at 28% (2008: 30%)) | -               | -                |
| Over provision in previous periods      | (30,732)        | (270,984)        |
|                                         | <u>(30,732)</u> | <u>(270,984)</u> |
| Tax on loss on ordinary activity        | <u>(30,732)</u> | <u>(270,984)</u> |

**LIND AG LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2009

**TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)**

**(b) Factors affecting the tax credit for the year:**

|                                                                                                                         | 2009<br>£   | 2008<br>£   |
|-------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Loss on ordinary activity before tax                                                                                    | (1,070,846) | (1,415,422) |
| Loss on ordinary activity multiplied by standard rate of corporation tax in the UK of 28% (2008: 30%) - expected credit | (299,837)   | (424,627)   |
| Effects of:                                                                                                             |             |             |
| Expenses not deductible for tax purposes                                                                                | 504         | 2,820       |
| Depreciation in excess of capital allowances                                                                            | 50,861      | -           |
| Capital allowances in excess of depreciation                                                                            | -           | (8,726)     |
| Other timing differences                                                                                                | (45)        | (3,982)     |
| Trading losses carried back against previous periods                                                                    | 14,000      | 256,336     |
| Trading losses carried forward                                                                                          | 234,517     | 178,179     |
| Adjustment to tax charge in respect of previous periods                                                                 | (30,732)    | (270,984)   |
| Current tax credit for year (note 5(a))                                                                                 | (30,732)    | (270,984)   |

**(c) Unprovided deferred tax:**

At 31 July 2009, there was an unprovided deferred tax asset, calculated at 28%, amounting to approximately £458,000 (2008: £178,000). The unprovided deferred tax asset comprises £391,000 (2008: £178,000) in respect of trading losses carried forward and £67,000 (2008: £nil) in respect of depreciation in excess of capital allowances. This asset is not included in the financial statements due to uncertainty concerning the timing of the future recovery.

# LIND AG LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

### 6 TANGIBLE FIXED ASSETS

|                                | Freehold<br>property<br>£ | Leasehold<br>property<br>£ | Plant,<br>equipment,<br>fixtures and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|--------------------------------|---------------------------|----------------------------|-------------------------------------------------------|------------------------|------------|
| Cost                           |                           |                            |                                                       |                        |            |
| At 1 August 2008               | 4,365,536                 | 52,297                     | 1,150,098                                             | 326,895                | 5,894,826  |
| Additions                      | 2,932                     | 3,172                      | 47,309                                                | 221,696                | 275,109    |
| Disposals                      | -                         | (55,469)                   | (581,810)                                             | (358,165)              | (995,444)  |
| At 31 July 2009                | 4,368,468                 | -                          | 615,597                                               | 190,426                | 5,174,491  |
| Depreciation                   |                           |                            |                                                       |                        |            |
| At 1 August 2008               | 155,459                   | 3,885                      | 505,154                                               | 46,339                 | 710,837    |
| Charge for the year            | 60,002                    | 4,570                      | 168,532                                               | 112,690                | 345,794    |
| Disposals                      | -                         | (8,455)                    | (184,811)                                             | (105,382)              | (298,648)  |
| At 31 July 2009                | 215,461                   | -                          | 488,875                                               | 53,647                 | 757,983    |
| Net book value at 31 July 2009 | 4,153,007                 | -                          | 126,722                                               | 136,779                | 4,416,508  |
| Net book value at 31 July 2008 | 4,210,077                 | 48,412                     | 644,944                                               | 280,556                | 5,183,989  |

Included within freehold property is land at a cost of £1,400,000 (2008: £1,400,000) which is not depreciated.

### 7 STOCKS

|                                         | 2009<br>£ | 2008<br>£ |
|-----------------------------------------|-----------|-----------|
| Vehicle and parts stock held for resale | 3,002,440 | 6,483,641 |

Included within the total stock figure is £1,080,691 (2008: £1,845,239) of consignment stock.

### 8 DEBTORS

|                                 | 2009<br>£ | 2008<br>£ |
|---------------------------------|-----------|-----------|
| Trade debtors                   | 383,987   | 325,348   |
| Other debtors                   | 35,336    | 150,861   |
| Corporation tax recoverable     | 15,000    | 272,415   |
| Other taxation recoverable      | 47,640    | 58,259    |
| Amounts due from parent company | -         | 71,834    |
| Prepayments and accrued income  | 175,489   | 359,403   |
|                                 | 657,452   | 1,238,120 |

# LIND AG LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

### 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                      | 2009<br>£        | 2008<br>£        |
|--------------------------------------|------------------|------------------|
| Bank overdraft                       | -                | 1,816,239        |
| Current instalments due on bank loan | -                | 25,000           |
| Loan from parent company (note 10)   | -                | 500,000          |
| Payments received on account         | 365,242          | 284,778          |
| Trade creditors                      | 251,023          | 482,040          |
| Consignment stock                    | 1,080,691        | 1,845,239        |
| Other creditors                      | -                | 26,683           |
| Other taxes and social security      | 335,663          | 88,605           |
| Accruals and deferred income         | 262,022          | 837,811          |
|                                      | <u>2,294,641</u> | <u>5,906,395</u> |

The consignment stock finance creditor is secured against the relevant vehicle stocks.

### 10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|                          | 2009<br>£        | 2008<br>£        |
|--------------------------|------------------|------------------|
| Loan from parent company | 6,442,692        | 5,546,407        |
| Bank loan                | -                | 204,167          |
|                          | <u>6,442,692</u> | <u>5,750,574</u> |

Interest was payable on the loan from the parent company at a rate equivalent to 1.25% above base rate. No formal agreement is in place, but the directors do not anticipate repayment within 5 years.

The bank loan was repaid in full during the year having previously been repayable in equal monthly instalments over 10 years with a maturity profile as follows:

|                                                           | 2009<br>£ | 2008<br>£      |
|-----------------------------------------------------------|-----------|----------------|
| Due after more than one year, but not more than two years | -         | 25,000         |
| Due in more than two years, but not more than five years  | -         | 75,000         |
| Due after more than five years                            | -         | 104,167        |
|                                                           | <u>-</u>  | <u>204,167</u> |
| Total due after more than one year                        | -         | 204,167        |
| Due within one year                                       | -         | 25,000         |
|                                                           | <u>-</u>  | <u>229,167</u> |

**LIND AG LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2009

**11 CALLED UP EQUITY SHARE CAPITAL**

|                                                                    | 2009<br>£ | 2008<br>£ |
|--------------------------------------------------------------------|-----------|-----------|
| Authorised<br>100 ordinary shares of £1 each                       | 100       | 100       |
| Allotted, called up and fully paid<br>2 ordinary shares of £1 each | 2         | 2         |

**12 RESERVES**

|                             | Profit and<br>loss account<br>£ |
|-----------------------------|---------------------------------|
| Balance at 1 August 2008    | 1,250,639                       |
| Loss for the financial year | (1,040,114)                     |
| Balance at 31 July 2009     | 210,525                         |

**13 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDER'S FUNDS**

|                                    | 2009<br>£   | 2008<br>£   |
|------------------------------------|-------------|-------------|
| Loss for the financial year        | (1,040,114) | (1,144,438) |
| Opening equity shareholder's funds | 1,250,641   | 2,395,079   |
| Closing equity shareholder's funds | 210,527     | 1,250,641   |

**14 PENSION COSTS**

The company contributes to a group personal pension plan for individuals. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge for the year was £33,836 (2008: £35,464). At 31 July 2009, the company had no outstanding (2008: £Nil) or prepaid (2008: £Nil) pension contributions.

**15 LEASING COMMITMENTS**

The annual commitments under non-cancellable operating leases comprise liabilities in respect of leasing expiring:

|                            | 2009<br>£ | 2008<br>£ |
|----------------------------|-----------|-----------|
| <b>Plant and machinery</b> |           |           |
| Within one year            | 14,814    | -         |
| Between one and two years  | -         | 14,814    |
|                            | 14,814    | 14,814    |

# LIND AG LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2009

### 16 ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking of the company is Lind Group Holding Company Limited, a company registered in England and Wales. Lind Group Holding Company Limited prepares consolidated financial statements in which the results of Lind AG Limited are included. These consolidated financial statements are available from Companies House, Cardiff, CF4 3UZ.

The company is under the control of G M Dacre by virtue of him holding 100% of the share capital in the ultimate parent undertaking Lind Group Holding Company Limited.

### 17 RELATED PARTY TRANSACTIONS AND BALANCES

During the year, the company purchased from, or sold vehicles to, the following directors:

|           | 2009       |                | 2008       |                |
|-----------|------------|----------------|------------|----------------|
|           | Sales<br>£ | Purchases<br>£ | Sales<br>£ | Purchases<br>£ |
| G M Dacre | 88,900     | 139,887        | 370,962    | 306,971        |
| R B Dacre | 16,900     | 11,495         | 111,254    | 108,086        |

On 1 April 2008, a loan of £4,150,000 from G M Dacre was replaced by an identical loan from Lind Group Holding Company Limited, the company's parent company. The loan attracted interest at 1.25% over base rate and £213,576 was charged to the company in the year ended 31 July 2008. At 31 July 2008, loan interest of £379,492 due to G M Dacre remained outstanding. This was paid in the year ended 31 July 2009.

During the year, the company rented premises from G M Dacre. The charge in the accounts for rent paid for these premises was £41,682 (2008: £104,633). There were no rental amounts payable to G M Dacre at balance sheet date (2008: £nil), and there is no formal lease agreement presently in place.

During the year, tangible fixed assets were transferred to G M Dacre at their net book value of £125,495.

During the year, tangible fixed assets with a net book value of £109,053 were transferred to The Lind Trust, a charity of which G M Dacre is a trustee, for a consideration of £nil.

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 (revised) whereby wholly owned subsidiary undertakings do not have to disclose transactions with other wholly owned members of that group.