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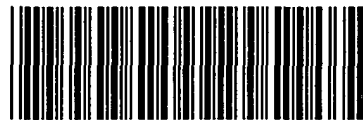
Financial Statements

Lind AG Limited

For the year ended 31 December 2014

Registered number: 02727708

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Company Information

Directors	G M Dacre R B Dacre D A Stuart (appointed 29 April 2014)
Company secretary	G M Dacre
Registered number	02727708
Registered office	Brook Farm Five Oak Green Road Tonbridge Kent TN11 0QN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Kingfisher House 1 Gilders Way St James Place Norwich Norfolk NR3 1UB
Bankers	Bank of Scotland 3 Queen Street Norwich NR2 4SG

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Directors' Report

For the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Principal activity

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

Results

The profit for the year, after taxation, amounted to £156,915 (2013 - £39,030).

Directors

The directors who served during the year were:

G M Dacre
R B Dacre
D A Stuart (appointed 29 April 2014)

Matters covered in the Strategic report

The following sections which have previously been included within the Directors' report are now included within the Strategic report:

- Business review, key performance indicators and future developments
- Principal risks and uncertainties
- Financial risk management objectives and policies

Directors' responsibilities statement

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

Directors' Report

For the year ended 31 December 2014

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 auditor

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's auditor is 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 relevant audit information and to establish that the company's auditor is aware of that information.

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



R B Dacre
Director

Date: 28.08.2015

Strategic Report

For the year ended 31 December 2014

The directors present their Strategic Report for the year ended 31 December 2014.

Business review, key performance indicators and future developments

The business retails new and used Porsche cars, parts and other service from its dealership in Tonbridge, Kent. Throughout 2014 the business enjoyed trading in more buoyant market conditions in line with the expanding UK economic climate. The total sales increased over the prior year by 3.9%, gross margins also improved throughout the period by 9%, and with the business maintaining the cost base profitability grew dramatically. Encouragingly the momentum from 2014 has continued into 2015.

The Porsche model range has never been stronger and demand for many models outstrips the supply. The new Macan in particular has been a welcome addition to the 5 Porsche car model range, and the lead times on this model have extended greater than 12 months. Porsche UK registrations are expected to be more than 12,000 units in 2015.

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 performance indicators are those that communicate the financial performance of the business as a whole and are as follows:

	2014	2013
Turnover (£)	26,208,624	25,216,875
Gross profit (£)	3,416,535	2,999,753
Operating profit (£)	343,793	148,029

Principal risks and uncertainties

Business risks

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.

General economy

The company is not immune to the general economic conditions. The possibility of inflation, growing unemployment, interest rate rises and exchange rate fluctuations could have a negative impact on the business.

Franchise agreements

The company operates a vehicle manufacturer franchise; the loss of which would have a significant impact on the business. The Group's strategy is to maintain close links with the company's brand partner and continue to perform at the highest levels to mitigate these risks.

Competition

The company operates in the mature and highly competitive UK car markets. Both sales and aftersales profitability could be impacted in the future by the development of the internet and/or by potential new market entrants. The company aims to minimise this risk by ensuring it offers competitively priced products and delivering high levels of customer satisfaction.

Strategic Report (continued)

For the year ended 31 December 2014

Regulatory Compliance Risk

The company is subject to regulatory compliance risk by failing to comply with laws, regulations or codes as set by the Health and Safety Executive, Financial Conduct Authority and local authorities. Non-compliance can lead to fines, public reprimand and suspension from selling general insurance products.

Management

The company is dependent on members of its senior management team and the loss of such individuals could have an adverse effect on the business. Further, failure to attract, develop and retain staff of sufficient calibre could also affect the ability of the business to grow.

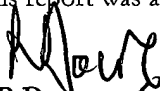
Information risk

The company is dependent on the continuous operation of its information technology and computer systems which are vulnerable to damage, failure and sabotage. Whilst insurance cover is in place, such a disaster could have a detrimental effect on the business.

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.

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


R B Dacre
Director

Date: 28.08.2015

Independent Auditor's Report to the Member of Lind AG Limited

We have audited the financial statements of Lind AG Limited for the year ended 31 December 2014, 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 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 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 auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2014 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.

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.



Independent Auditor's Report to the Member of Lind AG Limited

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.

A handwritten signature in black ink, appearing to read "Anders Rasmussen".

Anders Rasmussen
(Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Norwich
Date: 14/3/2011

Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1	26,208,624	25,216,875
Cost of sales		<u>(22,792,089)</u>	<u>(22,217,122)</u>
Gross profit		3,416,535	2,999,753
Administrative expenses		<u>(3,072,742)</u>	<u>(2,851,724)</u>
Operating profit	2	343,793	148,029
Interest payable and similar charges	3	<u>(110,172)</u>	<u>(94,195)</u>
Profit on ordinary activities before taxation		233,621	53,834
Tax on profit on ordinary activities	5	<u>(76,706)</u>	<u>(14,804)</u>
Profit for the financial year	12	<u>156,915</u>	<u>39,030</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

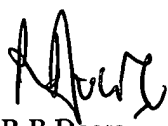
The notes on pages 9 to 17 form part of these financial statements.

Balance Sheet

As at 31 December 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	6		111,034		86,529
Current assets					
Stocks	7	3,846,020		2,963,219	
Debtors (includes £1,875,000 (2013 - £1,260,000) due after more than one year)	8	2,515,003		2,348,942	
Cash at bank and in hand		97,413		346,788	
		<u>6,458,436</u>		<u>5,658,949</u>	
Creditors: amounts falling due within one year	9	<u>(4,949,912)</u>		<u>(4,282,835)</u>	
Net current assets			<u>1,508,524</u>		<u>1,376,114</u>
Net assets			<u><u>1,619,558</u></u>		<u><u>1,462,643</u></u>
Capital and reserves					
Called up share capital	11		200,000		200,000
Profit and loss account	12		<u>1,419,558</u>		<u>1,262,643</u>
Shareholders' funds	13		<u><u>1,619,558</u></u>		<u><u>1,462,643</u></u>

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



R B Dacre
Director

Date: 28.08.2015

The notes on pages 9 to 17 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

1.2 Going concern

The company has traded through difficult trading conditions and has managed its cash to ensure that the business can continue to operate with optimum levels of stock and working capital. Forecasts indicate that the group of which this company is part has sufficient working capital for at least the next twelve months from signing these financial statements. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 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 the 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.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	5-10 years straight line
Motor vehicles	-	3-5 years straight line
Fixtures, fittings and equipment (included in plant and machinery)	-	3-5 years straight line

1.6 Operating leases

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

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.7 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.

1.8 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.

1.9 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.

1.10 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.

Notes to the Financial Statements

For the year ended 31 December 2014

2. Operating profit

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	52,802	69,365
- held under finance leases	1,579	5,123
Auditor's remuneration	8,740	8,050
Auditor's remuneration - non-audit	1,951	2,217
Operating lease rentals:		
- land and buildings	250,000	250,000
Profit on disposal of fixed assets	(16,951)	(4,264)
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2013 - £NIL) from this company.

3. Interest payable

	2014 £	2013 £
Stocking loan interest	110,172	94,195
	<u> </u>	<u> </u>

4. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	1,337,688	1,235,282
Social security costs	148,734	139,935
Other pension costs	34,719	32,082
	<u> </u>	<u> </u>
	1,521,141	1,407,299
	<u> </u>	<u> </u>

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

	2014 No.	2013 No.
Mechanical	9	9
Sales and distribution	8	8
Administration	23	23
Directors	3	2
	<u> </u>	<u> </u>
	43	42
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 31 December 2014

5. Taxation

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	-	-
Deferred tax		
Origination and reversal of timing differences	76,706	2,453
Unrelieved tax losses carried forward to future years	-	12,351
Total deferred tax (see note 10)	<u>76,706</u>	<u>14,804</u>
Tax on profit on ordinary activities	<u>76,706</u>	<u>14,804</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the average rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activity before tax	<u>233,621</u>	<u>53,834</u>
Profit on ordinary activities multiplied by average rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	50,229	12,516
Effects of:		
Expenses not deductible for tax purposes	237	1,793
Utilisation of tax losses	(58,747)	(14,309)
Other differences	8,281	-
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Legislation to reduce the main rate of corporation tax from 23% to 20% by 1 April 2015, was included in the Finance Act 2013 which has since become substantively enacted. Deferred tax has been provided at 20% as this was the rate which was substantively enacted at the balance sheet date.

Notes to the Financial Statements

For the year ended 31 December 2014

6. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Total £
Cost			
At 1 January 2014	722,311	111,012	833,323
Additions	64,554	18,672	83,226
Disposals	-	(68,107)	(68,107)
At 31 December 2014	786,865	61,577	848,442
Depreciation			
At 1 January 2014	662,468	84,326	746,794
Charge for the year	34,879	19,502	54,381
On disposals	-	(63,767)	(63,767)
At 31 December 2014	697,347	40,061	737,408
Net book value			
At 31 December 2014	89,518	21,516	111,034
At 31 December 2013	59,843	26,686	86,529

Included within the net book value above is £Nil (2013: £5,919) relating to assets held under finance leases. The depreciation charged to the financial statements in the year in respect of such assets amounted to £1,579 (2013: £5,123).

7. Stocks

	2014 £	2013 £
Vehicles and part stocks	3,846,020	2,963,219

Included within the total stock figure is £1,459,552 (2013 - £858,321) of consignment stock.

Also included within the total stock figure are demonstrator vehicles amounting to £1,036,826 (2013 - £842,798) and used vehicles amounting to £1,207,440 (2013 - £1,225,868) which are secured against the relevant vehicle creditors included within note 9.

Notes to the Financial Statements

For the year ended 31 December 2014

8. Debtors

	2014 £	2013 £
Due after more than one year		
Amounts owed by group undertakings	1,875,000	1,260,000
Due within one year		
Trade debtors	132,384	524,585
Other debtors	130,410	89,019
Prepayments and accrued income	363,457	384,880
Deferred tax asset (see note 10)	13,752	90,458
	<u>2,515,003</u>	<u>2,348,942</u>

9. Creditors:**Amounts falling due within one year**

	2014 £	2013 £
Payments received on account	451,211	522,890
Trade creditors	2,552,121	2,442,593
Other taxation and social security	164,615	213,001
Consignment stock creditor	1,459,552	858,321
Accruals and deferred income	322,413	246,030
	<u>4,949,912</u>	<u>4,282,835</u>

The consignment stock creditor is secured against the relevant stock items (note 7).

Included within trade creditors is a demonstrator vehicle funding creditor amounting to £1,036,826 (2013 - £842,798) and a used vehicle funding creditor amounting to £1,207,440 (2013 - £1,225,868) which is secured against the relevant vehicle stocks to which it relates.

10. Deferred tax asset

	2014 £	2013 £
At beginning of year	90,458	105,262
Profit and loss account movement	(76,706)	(14,804)
At end of year	<u>13,752</u>	<u>90,458</u>

Notes to the Financial Statements

For the year ended 31 December 2014

10. Deferred tax asset (continued)

The deferred tax asset is made up as follows:

	2014	2013
	£	£
Differences between depreciation and capital allowances	9,233	21,331
Tax losses carried forward	4,519	69,127
	<u>13,752</u>	<u>90,458</u>

11. Share capital

	2014	2013
	£	£
Authorised		
10,000,000 Ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
Allotted, called up and fully paid		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

12. Reserves

	Profit and loss account £
At 1 January 2014	1,262,643
Profit for the year	156,915
At 31 December 2014	<u>1,419,558</u>

13. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Opening shareholders' funds	1,462,643	1,423,613
Profit for the financial year	156,915	39,030
Closing shareholders' funds	<u>1,619,558</u>	<u>1,462,643</u>

Notes to the Financial Statements

For the year ended 31 December 2014

14. Pension commitments

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 £34,719 (2013 - £32,082). At 31 December 2014 the company had outstanding contributions of £NIL (2013 - £NIL) and prepaid pension contributions of £8,120 (2013 - £NIL).

15. Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within 1 year	-	-	3,189	13,660
Between 2 and 5 years	-	-	-	12,758
After more than 5 years	250,000	250,000	-	-
	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>

16. Related party transactions

During the year, the company rented premises from G M Dacre under a formal lease agreement and rent totalling £250,000 (2013 - £250,000) was charged. There were no rental amounts payable to G M Dacre at balance sheet date.

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.

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

	2014	2014	2013	2013
	Sales	Purchases	Sales	Purchases
	£	£	£	£
G M Dacre	203,531	123,444	211,124	62,736
R B Dacre	-	-	8,600	7,000
	<u>-</u>	<u>-</u>	<u>8,600</u>	<u>7,000</u>

During the year, the company made advances to R B Dacre, a director of the company, totalling £21,114 (2013 - £NIL) of which £21,114 (2013 - £NIL) remained outstanding as at the year end.

Notes to the Financial Statements

For the year ended 31 December 2014

17. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of the company is Lind Group Holding Company Limited, a company registered in England and Wales by virtue of its holding of 100% of the issued equity share capital of Lind AG Limited. 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, CF14 3UZ.

The company is under the control of the G M Dacre and R B Dacre by virtue of their joint controlling interest in the share capital in the ultimate parent undertaking, Lind Group Holding Company Limited.