

Registration number 3215313

MoTeC (Europe) Limited

Directors' Report and Financial Statements

for the Year Ended 30 June 2011

Critchleys LLP
Registered Auditors
Greyfriars Court
Paradise Square
Oxford
OX1 1BE



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MoTeC (Europe) Limited
Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditors' Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 12

The following pages do not form part of the statutory financial statements

Detailed Profit and Loss Account	13 to 16
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MoTeC (Europe) Limited
Company Information

Directors	J R Bendell A Hines A Whitfort P Morriss
Company secretary	T C Elkins
Registered office	MoTeC Europe Limited Unit 12 - 14 Twyford Mill Industrial Estate Oxford Road Adderbury OXON OX17 3SX
Bankers	HSBC 17 Market Place Banbury Oxfordshire OX16 5ED
Auditors	Critchleys LLP Registered Auditors Greyfriars Court Paradise Square Oxford OX1 1BE

MoTeC (Europe) Limited
Directors' Report for the Year Ended 30 June 2011

The directors present their report and the financial statements for the year ended 30 June 2011

Directors of the company

The directors who held office during the year were as follows

J R Bendell

A Hines

A Whitfort

P Mornss

Principal activity

The principal activity of the company is the importation and sale of electronic engine management systems.

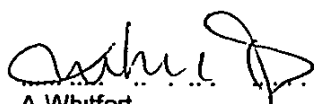
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 28 March 2012 and signed on its behalf by



A Whitfort
Director

MoTeC (Europe) Limited
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 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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Independent Auditor's Report to the Members of MoTeC (Europe) Limited

We have audited the financial statements of MoTeC (Europe) Limited for the year ended 30 June 2011, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, 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.

**Independent Auditor's Report to the Members of
MoTeC (Europe) Limited**

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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, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime

Mark Risher

Mark Risher (Senior Statutory Auditor)
For and on behalf of Critchleys LLP, Statutory Auditor

Greyfriars Court
Paradise Square
Oxford
OX1 1BE

29 March 2012

MoTeC (Europe) Limited
Profit and Loss Account for the Year Ended 30 June 2011

	Note	2011 £	2010 £
Turnover		2,876,247	2,442,404
Cost of sales		<u>(2,198,816)</u>	<u>(1,885,969)</u>
Gross profit		677,431	556,435
Administrative expenses		<u>(721,776)</u>	<u>(789,938)</u>
Operating loss	2	(44,345)	(233,503)
Other interest receivable and similar income		<u>304</u>	<u>286</u>
Loss on ordinary activities before taxation		(44,041)	(233,217)
Tax on loss on ordinary activities	3	<u>7,268</u>	<u>15,908</u>
Loss for the financial year	8	<u><u>(36,773)</u></u>	<u><u>(217,309)</u></u>

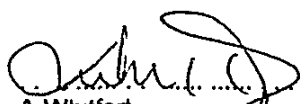
The notes on pages 8 to 12 form an integral part of these financial statements
Page 6

MoTeC (Europe) Limited
(Registration number: 3215313)
Balance Sheet at 30 June 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible fixed assets	4	<u>11,977</u>	<u>16,048</u>
Current assets			
Stocks		223,966	211,553
Debtors	5	386,739	351,696
Cash at bank and in hand		<u>104,350</u>	<u>74,082</u>
		715,055	637,331
Creditors Amounts falling due within one year	6	<u>(385,376)</u>	<u>(274,951)</u>
Net current assets		<u>329,679</u>	<u>362,380</u>
Net assets		<u>341,656</u>	<u>378,428</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	<u>341,556</u>	<u>378,328</u>
Shareholders' funds		<u>341,656</u>	<u>378,428</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

Approved by the Board on 28 March 2012 and signed on its behalf by.


A Whitfort
Director

MoTeC (Europe) Limited
Notes to the Financial Statements for the Year Ended 30 June 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Plant and machinery	33 1/3 straight line basis
Leasehold properties	Straight line over the life of the lease
Motor Vehicles	25 % reducing balance

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme

MoTeC (Europe) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

2 Operating loss

Operating loss is stated after charging

	2011 £	2010 £
Auditor's remuneration - The audit of the company's annual accounts	7,904	7,765
Foreign currency losses	40,507	89,677
Depreciation of tangible fixed assets	<u>6,017</u>	<u>5,351</u>

3 Taxation

Tax on loss on ordinary activities

	2011 £	2010 £
Current tax		
Adjustments in respect of previous years	<u>(7,268)</u>	<u>(15,908)</u>

4 Tangible fixed assets

	Short leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2010	62,519	128,090	19,300	209,909
Additions	<u>-</u>	<u>1,944</u>	<u>-</u>	<u>1,944</u>
At 30 June 2011	<u>62,519</u>	<u>130,034</u>	<u>19,300</u>	<u>211,853</u>
Depreciation				
At 1 July 2010	61,864	122,104	9,891	193,859
Charge for the year	<u>66</u>	<u>3,599</u>	<u>2,352</u>	<u>6,017</u>
At 30 June 2011	<u>61,930</u>	<u>125,703</u>	<u>12,243</u>	<u>199,876</u>
Net book value				
At 30 June 2011	<u>589</u>	<u>4,331</u>	<u>7,057</u>	<u>11,977</u>
At 30 June 2010	<u>655</u>	<u>5,986</u>	<u>9,409</u>	<u>16,050</u>

MoTeC (Europe) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

..... *continued*

5 Debtors

	2011	2010
	£	£
Trade debtors	341,640	281,926
Other debtors	45,099	69,770
	<u>386,739</u>	<u>351,696</u>

Debtors includes £nil (2010 - £nil) receivable after more than one year

6 Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	21,043	15,826
Bank loans and overdrafts	-	2,413
Amounts owed to group undertakings and undertakings in which the company has a participating interest	323,393	235,955
Other creditors	40,940	20,757
	<u>385,376</u>	<u>274,951</u>

7 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No.	£	No.	£
Ordinary of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8 Reserves

	Profit and loss account £	Total £
At 1 July 2010	378,329	378,329
Loss for the year	<u>(36,773)</u>	<u>(36,773)</u>
At 30 June 2011	<u>341,556</u>	<u>341,556</u>

MoTeC (Europe) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

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9 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £8,549 (2010 - £7,326)

Contributions totalling £nil (2010 - £nil) were payable to the scheme at the end of the year and are included in creditors

10 Commitments

Operating lease commitments

As at 30 June 2011 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2011 £	2010 £
Land and buildings		
Within one year	23,368	-
Other		
Within one year	7,142	-
Within two and five years	6,830	19,738
	13,972	19,738

11 Related party transactions

Other related party transactions

During the year the company made the following related party transactions

Motec Pty Ltd

(Ultimate Parent Undertaking)

During the year, MoteC Pty Ltd sold goods at a rate commercial rate to MoteC (Europe) Ltd for £2,100,644 (2010, £2,153,160). A management charge for marketing of £172,575 (2010, £146,545) was also charged in the year to MoTeC (Europe) Ltd by MoTeC Pty Ltd. At the balance sheet date the amount due from Motec Pty Ltd was £323,393 (2010 - £235,955)

MoTeC (Europe) Limited

Notes to the Financial Statements for the Year Ended 30 June 2011

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12 Control

The company is controlled by MoTeC Holdings Pty Ltd which is the ultimate parent undertaking
MoTeC Holdings Pty Ltd is incorporated in Australia