Company Registration No. 05154021

F.R.F. (ACCIDENT REPAIR CENTRE) LIMITED

Report and Financial Statements

31 December 2012

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REPORT AND FINANCIAL STATEMENTS 2012

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J S Radcliffe
J E Radcliffe
D M Radcliffe
S H Tooth

SECRETARY

J S Radcliffe

REGISTERED OFFICE

Toyota Dealership
Neath Road
Morriston
Swansea
SA6 8HF

BANKERS

Barclays Bank plc
Swansea

SOLICITORS

Morgan Cole LLP
Swansea

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of the maintenance and repair of motor vehicles

During the current year total company turnover decreased from £2,434,558 to £2,217,158 (2011 – decreased from £2,523,049 to £2,434,558)

The company overall gross profit decreased from £985,224 to £877,593 (2011 – increased from £947,658 to £985,224)

GOING CONCERN

There have been no significant changes during the year and the company continues to develop its core activities The company has traded profitably and is expected to continue to do so in the foreseeable future The directors are satisfied with the performance of the business The company is part of a group which has significant financial resources, limited borrowings and a group overdraft facility with no expiry date As such, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future and, accordingly, adopt the going concern basis in preparing the annual report and financial statements

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements

RESULTS AND DIVIDENDS

The profit for the year, before taxation, amounted to £78,646 (2011 – profit of £191,488) The directors have not recommended the payment of a dividend (2011 - £nil)

DIRECTORS

The directors of the company, who served throughout the financial year, are as shown on page 1

Approved by the Board of Directors
and signed on behalf of the Board

J S Radcliffe
Company Secretary

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual 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 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

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2012

	Note	2012 £	2011 £
TURNOVER		2,217,158	2,434,558
Cost of sales		(1,339,565)	(1,449,334)
GROSS PROFIT		877,593	985,224
Administrative expenses		(798,947)	(791,987)
OPERATING PROFIT	2	78,646	193,237
Interest payable and similar charges		-	(1,749)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78,646	191,488
Tax on profit on ordinary activities	4	(14,387)	(47,442)
PROFIT FOR THE FINANCIAL YEAR	12	64,259	144,046

All of the activities of the company are classed as continuing

There have been no recognised gains and losses for the current or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of total recognised gains and losses is presented

BALANCE SHEET
As at 31 December 2012

	Note	2012 £	£	2011 £	£
FIXED ASSETS					
Tangible assets	5		160,629		172,765
CURRENT ASSETS					
Stocks	6	9,473		7,472	
Debtors	7	463,479		385,416	
Cash at bank and in hand		-		13,752	
		472,952		406,640	
CREDITORS: amounts falling due within one year	8	(341,108)		(351,191)	
NET CURRENT ASSETS			131,844		55,449
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS			292,473		228,214
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account	12		292,471		228,212
SHAREHOLDERS' FUNDS	12		292,473		228,214

For the year ended 31 December 2012 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of F R F (Accident Repair Centre) Limited, registered number 05154021, were approved by the Board of Directors and authorised for issue on 26 July 2013

Signed on behalf of the Board of Directors

D M Radcliffe
Director

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below

Accounting convention

The financial statements are prepared under the historical cost convention

Going concern

During the current year total company turnover decreased from £2,434,558 to £2,217,158 (2011 – decreased from £2,523,049 to £2,434,558)

The company overall gross profit decreased from £985,224 to £877,593 (2011 – increased from £947,658 to £985,224)

There have been no significant changes during the year and the company continues to develop its core activities The company has therefore traded profitably and is expected to continue to do so in the foreseeable future The directors are satisfied with the performance of the business The company is part of a group which has significant financial resources, limited borrowings and a group overdraft facility with no expiry date As such, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future and, accordingly, adopt the going concern basis in preparing the annual report and financial statements

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers earned as a result of the company's activities in the UK Turnover from the sale of goods is recognised when the goods are physically delivered to the customer Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due

Tangible fixed assets

All fixed assets are recorded at cost less accumulated depreciation

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold property	-	1% per annum straight-line
Plant and machinery	-	25% per annum straight-line
Fixtures and fittings	-	25% per annum straight-line
Motor vehicles	-	25% per annum straight-line
Computer equipment	-	25% per annum straight-line

Pension costs

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The annual contributions payable are charged to the profit and loss account No pension contributions were outstanding at the year-end (2011 - £nil)

Cash flow statement

The company has taken advantage of the exemption under FRS1 (revised) from preparing a cash flow statement, being a wholly-owned subsidiary undertaking of a company preparing consolidated financial statements which are publicly available

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

1. ACCOUNTING POLICIES (continued)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 not discounted

Stocks

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

2. OPERATING PROFIT

	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation of owned fixed assets	20,439	21,318
Auditor's fees	4,438	4,500

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2012	2011
	No	No
The average number of staff employed by the company during the financial year amounted to		
Directors	4	4
Other	36	37
	40	41
	£	£
Aggregate payroll costs of the above were		
Wages and salaries	338,351	357,041
Social security costs	64,144	68,712
Other pension costs	2,741	482
Directors' pension costs	1,660	1,168
	406,896	427,403
	£	£
Directors' aggregate emoluments in respect of qualifying services were		
Total aggregate emoluments	101,755	101,701
Contribution to money purchase pension scheme in the year	1,660	1,168

The emoluments of D M Radcliffe were paid by F R F (South Wales) Limited and the emoluments of J E Radcliffe and J S Radcliffe were paid by F R F South Wales (Holdings) Limited The directors provide services to the group as a whole and it is not practicable to allocate their remuneration to individual companies within the group Additionally, S Rees is a director of F R F South Wales (Holdings) Limited with 25% of his emoluments cross-charged to F R F (Accident Repair Centre) Limited These amounts are included in the amounts disclosed above in respect of director emoluments

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2012 £	2011 £
Current taxation		
United Kingdom corporation tax		
Current tax on income for the year at 20% (2011 – 26 5%)	18,221	47,094
Adjustment in respect of previous periods	(1,279)	-
	16,942	47,094
Deferred taxation		
Origination and reversal of timing differences	(1,745)	348
Effect of change of tax rates	(810)	-
	(2,555)	348
	14,387	47,442

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	£	£
Profit on ordinary activities before tax	78,646	191,488
Tax on profit on ordinary activities before tax at 20% (2011 – 26 5%)	15,729	50,744
Factors affecting charge for the year		
Expenses not deductible for tax purposes	747	1,982
Differences between depreciation and capital allowances	1,745	(880)
Adjustments to tax in respect of previous periods	(1,279)	-
Marginal relief	-	(4,752)
Current tax charge for the year	16,942	47,094

The forthcoming change in the corporation tax rate to 20% in future years will not materially affect the future tax charge

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost						
At 1 January 2012	152,795	170,198	25,249	18,380	7,091	373,713
Additions	-	5,164	1,775	736	628	8,303
Disposals	-	(25,326)	-	-	-	(25,326)
At 31 December 2012	152,795	150,036	27,024	19,116	7,719	356,690
Depreciation						
At 1 January 2012	20,434	150,123	11,512	17,303	1,576	200,948
Charge for the year	2,971	8,527	6,536	598	1,807	20,439
Disposals	-	(25,326)	-	-	-	(25,326)
At 31 December 2012	23,405	133,324	18,048	17,901	3,383	196,061
Net book value						
At 31 December 2012	129,390	16,712	8,976	1,215	4,336	160,629
At 31 December 2011	132,361	20,075	13,737	1,077	5,515	172,765

F R F (Accident Repair Centre) Limited used assets during the year owned by its immediate parent company, F R F South Wales (Holdings) Limited As a result, depreciation of those assets totalling £14,357 has been recharged from F R F South Wales (Holdings) Limited to F R F (Accident Repair Centre) Limited The amount is shown as a cost of sale in the profit and loss account but is not reflected in the above depreciation charge as the assets are not owned by the company

6 STOCKS

	2012 £	2011 £
Work in progress	9,473	7,472

7 DEBTORS

	2012 £	2011 £
Trade debtors	335,826	273,164
Amounts owed by group undertakings	80,726	54,744
Other debtors	46,927	57,508
	463,479	385,416

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

8. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Overdrafts	65,427	-
Trade creditors	133,425	147,580
Amounts owed to group undertakings	29,261	38 839
Corporation tax	18,221	47,094
Deferred tax liability	4,301	6,856
Other taxation and social security	51,157	48,340
Other creditors	159	11,734
Accruals and deferred income	39,157	50,748
	341,108	351,191

9. CONTINGENCIES

Under the provisions of a group registration for Value Added Tax, the company, its fellow subsidiaries and the holding company are jointly liable for the indebtedness of each other As at 31 December 2012 the overall commitment was £164,268 (2011 - £nil)

The group has an arrangement of unlimited cross-guarantees whereby the banking liabilities of F R F South Wales (Holdings) Limited, F R F (Accident Repair Centre) Limited, F R F (South Wales) Limited and Bassetts (Swansea) Limited amounting to £803,201 (2011 - £965,856) are secured by the assets of the group

10. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2012 £	2011 £
Deferred tax liability brought forward	6,856	6,508
(Credit)/charge to profit and loss account	(2,555)	348
Deferred tax liability carried forward	4,301	6,856

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	£	£
Capital allowances in excess of depreciation	4,301	6,856

11. CALLED UP SHARE CAPITAL

	2012 £	2011 £
Authorised, allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2012

12 COMBINED STATEMENT OF MOVEMENTS ON RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share capital £	Profit and loss account £	Total 2012 £	Total 2011 £
At the beginning of the financial year	2	228,212	228,214	84,168
Profit for the financial year	-	64,259	64,259	144,046
At the end of the financial year	2	292,471	292,473	228,214

13 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption granted within FRS 8 ("Related party transactions") which does not require disclosure of transactions between a subsidiary undertaking and other group undertakings, as 100% of the company's voting rights are controlled within the group and the consolidated financial statements of the ultimate parent company are publicly available

The company has made full provision for the balance owed by Arthur Bassett & Co Limited of £250,000 (2011 - £250,000) Arthur Bassett & Co Limited is a company in which Mr H Francis is a director Mr H Francis is the brother of Mr G J Francis, who was a director of F R F South Wales (Holdings) Limited the parent company of F R F (Accident Repair Centre) Limited

There was no amount owing at either year-end

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company is F R F South Wales (Holdings) Limited, a company registered in England and Wales The financial statements of F RF South Wales (Holdings) Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ F R F South Wales (Holdings) Limited is the largest and smallest group, which includes the company, for which group financial statements are prepared

The parent company is owned by J S Radcliffe, who is considered to be the ultimate controlling party

FRF (ACCIDENT REPAIR CENTRE) LTD

UNIT 5, BEAUFORT ROAD, MORRISTON, SWANSEA, SA6 8HQ
Direct Lines (01792) 701302 Accounts (01792) 310200
24 Hour Breakdown Service (01792) 701302
Fax (01792) 793699

Bassetts (Swansea) Limited	**Company number:**	**02596357**
FRF (South Wales) Limited	**Company number:**	**04791372**
FRF (Accident Repair Centre) Limited	**Company number:**	**05154021**

We, FRF South Wales (Holdings) Limited, the sole member and parent company of all of the above companies hereby consent to the following

In accordance with s479A Companies Act 2006, we hereby agree to the exemption from audit of individual accounts of each of the above companies for the financial year ended 31 December 2012

Signed

J S Radcliffe _____ 24/7/13
Director and authorised representative of F R F South Wales (Holdings) Limited Date

D M Radcliffe D M Radcliffe 24/7/13
Director and authorised representative of F R F South Wales (Holdings) Limited Date

J E Radcliffe J Radcliffe 24/7/13
Director and authorised representative of F R F South Wales (Holdings) Limited Date

S Rees S Rees 24/7/13
Director and authorised representative of F R F South Wales (Holdings) Limited Date

F.R.F South Wales (Holdings) Limited
Company number: 06793412