

Registered number:
SC57921

Cameron Motors (Perth) Limited

Financial statements

31 May 2004



Cameron Motors (Perth) Limited
Financial statements - 31 May 2004

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Cameron Motors (Perth) Limited

Directors' report

The directors present their report together with the audited financial statements of the company for the year ended 31 May 2004.

Principal activities

The principal activities of the company continued to be the buying and selling of new and used motor vehicles, the supply of spare parts and vehicle servicing associated with its Volkswagen franchise.

Trading results, review of the business and future developments

The profit for the year after taxation was £65,062 (2003 - £57,067). The directors propose the payment of a final dividend of £150,000 (2003 final dividend of £100,000) and, accordingly, £84,938 (2003 - £42,933) has been deducted from reserves.

The trading performance of the company has continued to be strong over the year achieving sales growth of 13 per cent. Gross profit has improved to £1.173 million resulting in a profit before taxation for the company of £84,250. The directors consider the company to be in a strong position to meet the challenges currently facing the retail motor industry and accordingly do not propose any significant changes in its operations.

The directors are pleased to report that the Cameron Group won the prestigious Scottish Enterprise Award for Customer Service Excellence during the year.

There have been no events since the balance sheet date which materially affect the position of the company.

Directors and their interests

The directors who held office throughout the year were as follows:

I D Cameron
C A Stewart
W D Anderson

None of the directors held any interests in the shares of the company during the year.

The interests of the directors in the shares of the parent company, Cameron Motors (Scotland) Limited, are shown in the financial statements of that company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Cameron Motors (Perth) Limited

Directors' report (continued)

Directors' responsibilities (continued)

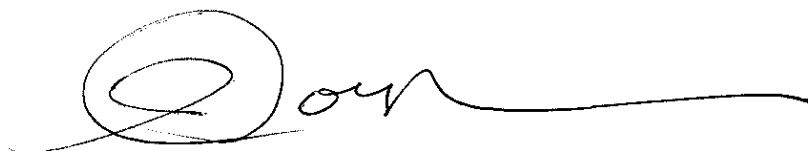
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Friend LLP as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 3 November 2004.

Signed on behalf of the directors:

A handwritten signature in black ink, appearing to read 'I D Cameron', with a long horizontal flourish extending to the right.

I D Cameron
Chairman

Independent auditors' report to the shareholder of Cameron Motors (Perth) Limited

We have audited the financial statements of Cameron Motors (Perth) Limited set out on pages 4 to 11 which have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on pages 1 and 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

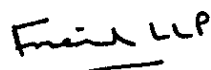
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Friend LLP
Chartered Accountants and Registered Auditors

Neville House
42-46 Hagley Road
Edgbaston
Birmingham
B16 8PE

3 November 2004

Cameron Motors (Perth) Limited

Profit and loss account - for the year ended 31 May 2004

	<u>Notes</u>	<u>2004</u> £	<u>2003</u> £
Turnover	1	12,202,532	10,831,031
Cost of sales		(11,029,373)	(9,788,903)
Gross profit		<u>1,173,159</u>	<u>1,042,128</u>
Other income		531,654	523,973
Administrative expenses		(1,652,914)	(1,533,676)
Operating profit		<u>51,899</u>	<u>32,425</u>
Interest receivable		42,601	48,347
Interest payable	2	(10,250)	(8,330)
Profit on ordinary activities before taxation	2	<u>84,250</u>	<u>72,442</u>
Tax charge	4	(19,188)	(15,375)
Profit on ordinary activities after taxation	12	<u>65,062</u>	<u>57,067</u>
Dividend	5, 12	(150,000)	(100,000)
Loss for the financial year	12	<u>(84,938)</u>	<u>(42,933)</u>
Balance brought forward		<u>2,851,580</u>	<u>2,894,513</u>
Balance carried forward		<u><u>£2,766,642</u></u>	<u><u>£2,851,580</u></u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 11 form part of these financial statements.

Cameron Motors (Perth) Limited

Balance sheet at 31 May 2004

	<u>Notes</u>	<u>£</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Fixed assets				
Tangible assets	6		552,305	552,413
Current assets				
Stocks held for resale	7	2,215,815		2,096,957
Debtors	8	981,113		792,154
Cash at bank and in hand		962,645		1,256,591
		<u>4,159,573</u>		<u>4,145,702</u>
Creditors: amounts falling due within one year	9	<u>(1,871,401)</u>		<u>(1,776,035)</u>
Net current assets			<u>2,288,172</u>	<u>2,369,667</u>
Total assets less current liabilities			<u>2,840,477</u>	<u>2,922,080</u>
Provisions for liabilities and charges				
Deferred taxation	10		<u>(53,835)</u>	<u>(50,500)</u>
Net assets			<u><u>£2,786,642</u></u>	<u><u>£2,871,580</u></u>
Capital and reserves				
Called up share capital	11		20,000	20,000
Profit and loss account			<u>2,766,642</u>	<u>2,851,580</u>
Equity shareholder's funds	12		<u><u>£2,786,642</u></u>	<u><u>£2,871,580</u></u>

These financial statements were approved by the board of directors on 3 November 2004 and signed on its behalf.



I D Cameron
Director

The notes on pages 6 to 11 form part of these financial statements.

Cameron Motors (Perth) Limited

Notes to the financial statements - 31 May 2004

1. Accounting policies

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

The principal accounting policies of the company, which remain unchanged from the previous year, are set out below.

a) Turnover

Turnover comprises income from sales and work done, excluding value added tax, and is all within the United Kingdom.

b) Tangible fixed assets

Depreciation is calculated, on an annual basis, so as to write off the cost of tangible fixed assets over their expected useful lives, as follows:

Property improvements	2% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	10% reducing balance
Computer equipment	25% straight line.

c) Stocks

Stocks are stated at the lower of cost and net realisable value. In accordance with Financial Reporting Standard No 5 stocks include vehicles on consignment from the manufacturer.

d) Deferred taxation

Deferred taxation is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse.

e) Pensions

The company operates a pension scheme providing benefits based on defined contributions. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account as incurred.

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	<u>2004</u> £	<u>2003</u> £
Depreciation of tangible fixed assets	41,476	44,999
Auditors' remuneration	10,375	10,375
Other interest payable	<u>10,250</u>	<u>8,330</u>

3. Directors and employees

Directors' remuneration:

	<u>2004</u> £	<u>2003</u> £
Emoluments	21,027	193,657
Contributions to money purchase pension schemes	396,716	169,636
	<u>£417,743</u>	<u>£363,293</u>

The emoluments of directors disclosed above include the following amounts paid in respect of the highest paid director:

	<u>2004</u> £	<u>2003</u> £
Emoluments	-	171,000
Contributions to money purchase pension schemes	310,000	133,000
	<u>£310,000</u>	<u>£304,000</u>

During the year the number of directors who accrued benefits under a money purchase pension scheme was 2 (2003 - 2).

	<u>2004</u> £	<u>2003</u> £
Staff costs comprise:		
Wages and salaries	870,239	991,948
Social security costs	81,105	91,658
Other pension costs	414,110	187,450
	<u>£1,365,454</u>	<u>£1,271,056</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

3. Directors and employees (continued)

The average weekly number of employees (including directors) during the year was 53 (2003 - 51).

4. Tax on profit on ordinary activities

	<u>2004</u>	<u>2003</u>
	£	£
Corporation tax based on the profit for the year at 19.8% (2003 - 19.4%)	15,853	15,027
Adjustment to prior year	-	(2,052)
Current tax charge	15,853	12,975
Deferred taxation charge	3,335	2,400
	<u>£19,188</u>	<u>£15,375</u>

The current tax charge for the year is at a different rate from the standard rate of corporation tax in the UK for companies of this size. The difference is explained below:

	<u>2004</u>	<u>2003</u>
	£	£
Profit on ordinary activities before taxation	84,250	72,442
Profit on ordinary activities multiplied by the applicable standard rate of corporation tax at 30% (2003 - 30%)	25,275	21,733
Expenses not deductible for tax purposes (mainly entertaining)	-	119
Depreciation on items not qualifying for capital allowances	1,982	1,963
Capital allowances in excess of depreciation on qualifying items	(3,288)	(603)
Small companies' relief	(8,116)	(8,185)
Adjustments to tax in respect of prior year	-	(2,052)
Current tax charge for the year	<u>£15,853</u>	<u>£12,975</u>

5. Dividend

	<u>2004</u>	<u>2003</u>
Final dividend proposed on ordinary shares at £7.50 per share (2003 - £5 per share)	<u>£150,000</u>	<u>£100,000</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

6. Tangible fixed assets

	<u>Property improve- ments</u> £	<u>Plant and equipment</u> £	<u>Fixtures and fittings</u> £	<u>Computer equipment</u> £	<u>Total</u> £
Cost					
At 1 June 2003	527,035	221,963	238,847	84,624	1,072,469
Additions	2,142	35,964	-	3,262	41,368
At 31 May 2004	529,177	257,927	238,847	87,886	1,113,837
Accumulated depreciation					
At 1 June 2003	151,855	155,944	136,921	75,336	520,056
Charge for the year	10,584	13,655	12,678	4,559	41,476
At 31 May 2004	162,439	169,599	149,599	79,895	561,532
Net book value					
At 31 May 2004	£366,738	£88,328	£89,248	£7,991	£552,305
At 31 May 2003	£375,180	£66,019	£101,926	£9,288	£552,413

The property improvements relate to buildings erected on land owned by an associated company, Ian H Cameron Limited.

7. Stocks

	<u>2004</u> £	<u>2003</u> £
New vehicles	273,693	135,964
Used vehicles	1,186,611	1,117,189
Parts	78,124	97,974
Paint, consumables and work in progress	13,538	15,111
Consignment vehicles	663,849	730,719
	£2,215,815	£2,096,957

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

8. Debtors

	<u>2004</u>	<u>2003</u>
	£	£
Amounts falling due within one year:		
Trade debtors	180,804	180,221
Amounts owed by associated undertaking	716,555	553,360
Prepayments and accrued income	83,754	58,573
	<u>£981,113</u>	<u>£792,154</u>

9. Creditors: amounts falling due within one year

	<u>2004</u>	<u>2003</u>
	£	£
Trade creditors	590,018	361,839
Amounts owed to associated undertakings	239,091	232,742
Corporation tax	15,853	15,027
Other taxes and social security	112,113	105,884
Directors' current accounts	39,620	114,057
Accruals	60,857	115,767
Dividend payable	150,000	100,000
Consignment stock creditor	663,849	730,719
	<u>£1,871,401</u>	<u>£1,776,035</u>

10. Deferred taxation

Full provision has been made at 30% (2003 - 30%) for the potential taxation arising in respect of:

	<u>2004</u>	<u>2003</u>
Capital allowances in excess of depreciation	<u>£53,835</u>	<u>£50,500</u>
Movement in provision during the year:		£
At 1 June 2003		50,500
Provided in the year		3,335
		<u>£53,835</u>
At 31 May 2004		

11. Called up share capital

	<u>2004</u>	<u>2003</u>
Ordinary shares of £1 each:		
Authorised, issued and fully paid	<u>£20,000</u>	<u>£20,000</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

12. Reconciliation of movements in shareholder's funds

	<u>2004</u> £	<u>2003</u> £
Profit for the financial year	65,062	57,067
Dividend	(150,000)	(100,000)
Decrease in shareholder's funds	(84,938)	(42,933)
Opening shareholder's funds	2,871,580	2,914,513
Closing shareholder's funds	<u>£2,786,642</u>	<u>£2,871,580</u>

13. Pension costs

The company operates a number of defined contribution schemes. The assets are held separately from those of the company in both independently and self administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £414,110 (2003 - £187,450). No amounts were payable at the year end.

14. Parent company

The company is a wholly owned subsidiary of Cameron Motors (Scotland) Limited, a company registered in Scotland.