

Registered number:
SC57921

Cameron Motors (Perth) Limited

Financial statements

31 May 2005



Cameron Motors (Perth) Limited
Financial statements - 31 May 2005

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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 2005.

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 £50,471 (2004 - £65,062). The directors propose the payment of a final dividend of £50,000 (2004 - £150,000) and, accordingly, £471 has been transferred to reserves (2004 - £84,938 deducted from reserves).

The trading performance of the company has continued to be strong over the year, achieving year-on-year sales growth of 11 per cent. The directors consider the company to be in a strong position to meet future developments in the retail motor sector.

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.

All of the directors were also directors of the company's parent company, Cameron Motors (Scotland) Limited, at 31 May 2005. Their interests in the share capital of that company are shown in its financial statements.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 May 2005. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, which 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 1985. They are also responsible for taking reasonable steps to safeguard the assets of the company, and to prevent and detect fraud and other irregularities.

Cameron Motors (Perth) Limited

Directors' report (continued)

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 19 January 2006.

Signed on behalf of the directors:



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 historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 1, 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.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

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 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 2005 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

Quayside
252-260 Broad Street
Birmingham
B1 2HF

19 January 2006

Cameron Motors (Perth) Limited

Profit and loss account - for the year ended 31 May 2005

	<u>Notes</u>	<u>2005</u> £	<u>2004</u> £
Turnover	1	13,509,259	12,202,532
Cost of sales		(12,217,125)	(11,029,373)
Gross profit		1,292,134	1,173,159
Other income		575,439	531,654
Administrative expenses		(1,858,385)	(1,652,914)
Operating profit		9,188	51,899
Interest receivable	2	79,561	42,601
Interest payable	2	(25,448)	(10,250)
Profit on ordinary activities before taxation	2	63,301	84,250
Tax on profit on ordinary activities	4	(12,830)	(19,188)
Profit on ordinary activities after taxation		50,471	65,062
Dividend	5, 12	(50,000)	(150,000)
Retained profit/(loss) for the financial year	12	471	(84,938)
Balance brought forward		2,766,642	2,851,580
Balance carried forward		<u>£2,767,113</u>	<u>£2,766,642</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 2005

	<u>Notes</u>	<u>£</u>	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
Fixed assets				
Tangible assets	6		554,360	552,305
Current assets				
Stocks held for resale	7	2,127,976		2,215,815
Debtors	8	1,261,783		981,113
Cash at bank and in hand		627,689		962,645
		<u>4,017,448</u>		<u>4,159,573</u>
Creditors: amounts falling due within one year	9	(1,732,333)		(1,871,401)
Net current assets			<u>2,285,115</u>	<u>2,288,172</u>
Total assets less current liabilities			<u>2,839,475</u>	<u>2,840,477</u>
Provisions for liabilities and charges				
Deferred taxation	10		(52,362)	(53,835)
Net assets			<u><u>£2,787,113</u></u>	<u><u>£2,786,642</u></u>
Capital and reserves				
Called up share capital	11		20,000	20,000
Profit and loss account			<u>2,767,113</u>	<u>2,766,642</u>
Equity shareholder's funds	12		<u><u>£2,787,113</u></u>	<u><u>£2,786,642</u></u>

These financial statements were approved by the board of directors on 19 January 2006 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 2005

1. Accounting policies

The financial statements are prepared under the historical cost convention, on a going concern basis, and in accordance with the Companies Act 1985 and 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. All turnover is derived from the company's principal activities and is wholly 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/(crediting):

	<u>2005</u> £	<u>2004</u> £
Depreciation of tangible fixed assets	45,540	41,476
Auditors' remuneration	11,375	10,375
Other interest payable	25,448	10,250
Bank interest receivable	(39,280)	(42,601)
Other interest receivable	(40,281)	-
	<u> </u>	<u> </u>

3. Directors and employees

	<u>2005</u> £	<u>2004</u> £
Directors' remuneration:		
Emoluments	43,465	21,027
Contributions to money purchase pension schemes	518,396	396,716
	<u> </u>	<u> </u>
	<u>£561,861</u>	<u>£417,743</u>

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

	<u>2005</u> £	<u>2004</u> £
Emoluments	15,000	-
Contributions to money purchase pension schemes	472,000	310,000
	<u> </u>	<u> </u>
	<u>£487,000</u>	<u>£310,000</u>

	<u>2005</u> <u>Number</u>	<u>2004</u> <u>Number</u>
During the year the following number of directors accrued benefits under money purchase pension schemes	<u>2</u>	<u>2</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

3. Directors and employees (continued)

	<u>2005</u> £	<u>2004</u> £
Staff costs comprise:		
Wages and salaries	939,708	870,239
Social security costs	91,648	81,105
Other pension costs	533,663	414,110
	<u>£1,565,019</u>	<u>£1,365,454</u>

The average number of employees (including directors) during the year was 51 (2004 - 53).

4. Tax on profit on ordinary activities

	<u>2005</u> £	<u>2004</u> £
Corporation tax payable based on the results for the year at 19.0% (2004 - 19.8%)	14,303	15,853
Current tax charge	14,303	15,853
Deferred taxation (released)/provided	(1,473)	3,335
	<u>£12,830</u>	<u>£19,188</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>2005</u> £	<u>2004</u> £
Profit on ordinary activities before taxation	63,301	84,250
Profit on ordinary activities multiplied by the applicable standard rate of corporation tax at 30% (2004 - 30%)	18,990	25,275
Expenses not deductible for tax purposes (mainly professional fees)	36	-
Depreciation on items not qualifying for capital allowances	2,048	1,982
Capital allowances in excess of depreciation on qualifying items	(2,113)	(3,288)
Other timing differences	3,587	-
Small companies' relief	(8,245)	(8,116)
Current tax charge for the year	<u>£14,303</u>	<u>£15,853</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

5. Dividend

	<u>2005</u>	<u>2004</u>
A final dividend of £2.50 per share is proposed on ordinary shares (2004 - £7.50 per share)	<u>£50,000</u>	<u>£150,000</u>

6. Tangible fixed assets

	<u>Property improvements</u> £	<u>Plant and equipment</u> £	<u>Fixtures and fittings</u> £	<u>Computer equipment</u> £	<u>Total</u> £
Cost					
At 1 June 2004	529,177	257,927	238,847	87,886	1,113,837
Additions	8,829	28,915	6,454	5,220	49,418
Disposals	-	(6,351)	-	-	(6,351)
At 31 May 2005	<u>538,006</u>	<u>280,491</u>	<u>245,301</u>	<u>93,106</u>	<u>1,156,904</u>
Accumulated depreciation					
At 1 June 2004	162,439	169,599	149,599	79,895	561,532
Charge for the year	10,633	19,578	11,246	4,083	45,540
Eliminated on disposals	-	(4,528)	-	-	(4,528)
At 31 May 2005	<u>173,072</u>	<u>184,649</u>	<u>160,845</u>	<u>83,978</u>	<u>602,544</u>
Net book value					
At 31 May 2005	<u>£364,934</u>	<u>£95,842</u>	<u>£84,456</u>	<u>£9,128</u>	<u>£554,360</u>
At 31 May 2004	<u>£366,738</u>	<u>£88,328</u>	<u>£89,248</u>	<u>£7,991</u>	<u>£552,305</u>

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

7. Stocks

	<u>2005</u> £	<u>2004</u> £
New vehicles	480,599	273,693
Used vehicles	1,147,294	1,186,611
Parts	72,681	78,124
Paint, consumables and work in progress	14,538	13,538
Consignment vehicles	412,864	663,849
	<u>£2,127,976</u>	<u>£2,215,815</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

8. Debtors

	<u>2005</u> £	<u>2004</u> £
Amounts falling due within one year:		
Trade debtors	264,037	180,804
Other debtors (amounts owed by related companies - see note 14)	884,261	716,555
Prepayments and accrued income	113,485	83,754
	<u>£1,261,783</u>	<u>£981,113</u>

9. Creditors: amounts falling due within one year

	<u>2005</u> £	<u>2004</u> £
Trade creditors	798,001	590,018
Other creditors (amounts owed to related companies - see note 14)	233,957	239,091
Corporation tax	14,303	15,853
Other taxes and social security	123,353	112,113
Directors' current accounts	4,021	39,620
Accruals	95,834	60,857
Consignment stock creditor	412,864	663,849
Dividend payable	50,000	150,000
	<u>£1,732,333</u>	<u>£1,871,401</u>

10. Deferred taxation

Full provision has been made at 30% (2004 - 30%) for the potential taxation arising in respect of:

	<u>2005</u> £	<u>2004</u> £
Capital allowances in excess of depreciation	55,949	53,835
Other timing differences	(3,587)	-
	<u>£52,362</u>	<u>£53,835</u>
Movement in provision during the year:		£
At 1 June 2004		53,835
Released during the year		(1,473)
At 31 May 2005		<u>£52,362</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

11. Share capital

	<u>2005</u>	<u>2004</u>
Ordinary shares of £1 each:		
Authorised, issued and fully paid	<u>£20,000</u>	<u>£20,000</u>

12. Reconciliation of movements in equity shareholder's funds

	<u>2005</u> £	<u>2004</u> £
Profit on ordinary activities after taxation	50,471	65,062
Dividend	(50,000)	(150,000)
	<u>471</u>	<u>(84,938)</u>
Increase/(decrease) in shareholder's funds		
Opening shareholder's funds	2,786,642	2,871,580
	<u>£2,787,113</u>	<u>£2,786,642</u>

13. Pension costs

The company operates a number of defined contribution pension 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 £533,663 (2004 - £414,110). At 31 May 2005 £11,960 (2004 - £nil) was payable to the funds.

14. Related companies

Amount owed by company under common control:

	<u>2005</u>	<u>2004</u>
Douglas Cameron (Perth) Limited	<u>£884,261</u>	<u>£716,555</u>

Amounts owed to companies under common control:

	<u>2005</u> £	<u>2004</u> £
Douglas Cameron (Perth) Limited	1,215	6,349
Inveralmond Motors Limited	93,208	93,208
Ian H Cameron Limited	139,534	139,534
	<u>£233,957</u>	<u>£239,091</u>

15. Parent company

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