

Registered number
SC57921

Cameron Motors (Perth) Limited

Financial statements

31 May 2008

THURSDAY



SR5H14Z9

SCT 20/11/2008 891

COMPANIES HOUSE

Cameron Motors (Perth) Limited
Financial statements - 31 May 2008

Contents

	Pages
Directors' report	1 2
Independent auditors' report	3 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 13

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 2008

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

Review of the business and future developments

The directors are pleased to report another successful trading year

Challenging trading conditions during the year were reflected in a 4 per cent reduction in turnover, but the company was able to increase both its operating profit and net profit and has remained cash generative

Overall operating profit increased to £249,599 from £123,356 and profit before taxation has risen to £225,642
The profit after taxation was £190,758 (2007 £75,838)

There has been a substantial net cash inflow from operating activities with an increase in cash of £56,658 in the year

The business environment will remain competitive and challenging in the future. However, the directors are satisfied that the company is in a strong position to meet all 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

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

Directors

The directors who held office during the year were as follows

I D Cameron (Chairman)
W D Anderson
P Stewart

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 which 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.

Statement as to disclosure of information to auditors

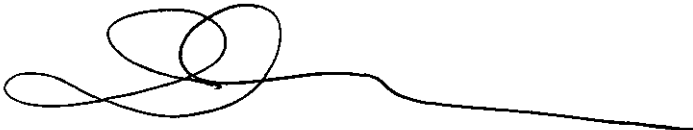
So far as the directors are aware there is no relevant audit information of which the company's auditors are unaware and they have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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 4 November 2008.

Signed on behalf of the directors

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke 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 for the year ended 31 May 2008 which comprise the profit and loss account, the balance sheet and the related notes as set out on pages 7 to 13. These financial statements have been prepared under the accounting policies set out therein.

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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on pages 1 and 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 May 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Friend LLP

Chartered Accountants and Registered Auditors

Quayside
252 260 Broad Street
Birmingham
B1 2HF

4 November 2008

Cameron Motors (Perth) Limited

Profit and loss account - for the year ended 31 May 2008

	<u>Notes</u>	<u>2008</u> £	<u>2007</u> £
Turnover	1	13,898,868	14,495,104
Cost of sales		(12,430,569)	(13,073,541)
Gross profit		1,468,299	1,421,563
Other income		608,056	703,602
Administrative expenses		(1,826,756)	(2,001,809)
Operating profit		249,599	123,356
Interest receivable	2	25,672	16,449
Interest payable	2	(49,629)	(42,927)
Profit on ordinary activities before taxation	2	225,642	96,878
Tax on profit on ordinary activities	4	(34,884)	(21,040)
Profit on ordinary activities after taxation	12,13	<u>£190,758</u>	<u>£75,838</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 for the above two financial years

The notes on pages 7 to 13 form part of these financial statements

Cameron Motors (Perth) Limited

Balance sheet at 31 May 2008

	<u>Notes</u>	£	<u>2008</u> £	<u>2007</u> £
Fixed assets				
Tangible assets	6		536,589	530,995
Current assets				
Stocks held for resale	7	2,262,776		2,786,651
Debtors	8	1,646,507		1,860,902
Cash at bank and in hand		746,584		689,926
		<u>4,655,867</u>		<u>5,337,479</u>
Creditors amounts falling due within one year	9	(2,045,970)		(2,886,467)
Net current assets			<u>2,609,897</u>	<u>2,451,012</u>
Total assets less current liabilities			<u>3,146,486</u>	<u>2,982,007</u>
Provisions for liabilities and charges				
Deferred taxation	10		(32,300)	(58,579)
Net assets			<u><u>£3,114,186</u></u>	<u><u>£2,923,428</u></u>
Capital and reserves				
Called up share capital	11	20,000		20,000
Profit and loss account	12	3,094,186		2,903,428
Equity shareholder's funds	13		<u><u>£3,114,186</u></u>	<u><u>£2,923,428</u></u>

These financial statements were approved by the board of directors on 4 November 2008 and signed on its behalf



I D Cameron
Director

The notes on pages 7 to 13 form part of these financial statements

Cameron Motors (Perth) Limited

Notes to the financial statements - 31 May 2008

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 company has taken advantage of the exemption allowed under FRS1 from the requirements to prepare a cashflow statement as it is a wholly owned subsidiary. The company is consolidated within the financial statements of Cameron Motors (Scotland) Limited

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 tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date

A deferred tax asset is regarded as recoverable and is therefore recognised only when, and to the extent that, on the basis of all available evidence it can be regarded as more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

e) Pensions

The company operates pension schemes providing benefits based on defined contributions. The assets of the schemes are held separately from those of the company, being invested with insurance companies. Contributions to the schemes 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>2008</u> £	<u>2007</u> £
Depreciation of tangible fixed assets	45,819	43,681
Auditors' remuneration	11,375	11,375
Other interest payable	49,629	42,927
Bank interest receivable	(25,672)	(16,449)
Profit on disposal of tangible fixed assets	(150)	(1,492)
	<u> </u>	<u> </u>

3. Directors and employees

	<u>2008</u> £	<u>2007</u> £
Directors' remuneration		
Emoluments	201,181	433,429
Contributions to money purchase pension schemes	32,535	30,795
	<u> </u>	<u> </u>
	<u>£233,716</u>	<u>£464,224</u>

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

	<u>2008</u> £	<u>2007</u> £
Emoluments	105,000	316,000
Contributions to money purchase pension schemes		
	<u> </u>	<u> </u>
	<u>£105,000</u>	<u>£316,000</u>

	<u>2008</u> Number	<u>2007</u> Number
During the year the following number of directors accrued benefits under money purchase pension schemes	2	2
	<u> </u>	<u> </u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

3. Directors and employees (continued)

	<u>2008</u> £	<u>2007</u> £
Staff costs comprise		
Wages and salaries	1,189,202	1,416,231
Social security costs	118,936	150,388
Other pension costs	44,708	56,816
	<u>£1,352,846</u>	<u>£1,623,435</u>

The average number of employees (including directors) during the year was 54 (2007 54)

4. Tax on profit on ordinary activities

	<u>2008</u> £	<u>2007</u> £
Corporation tax payable based on the results for the year at 26.8% (2007 – 19.2%)	61,163	19,154
Current tax charge		19,154
Deferred taxation (released)/provided	(26,279)	1,886
	<u>£34,884</u>	<u>£21,040</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>2008</u> £	<u>2007</u> £
Profit on ordinary activities before taxation	225,642	96,878
Profit on ordinary activities multiplied by the applicable standard rate of corporation tax at 29.7% (2007 30%)	66,940	29,063
Expenses not deductible for tax purposes (mainly entertaining)	279	789
Depreciation on items not qualifying for capital allowances	2,533	2,012
Capital allowances in excess of depreciation on qualifying items	(1,053)	(1,886)
Industrial buildings allowances	(1,075)	
Small companies' relief	(6,461)	(10,824)
Current tax charge for the year	<u>£61,163</u>	<u>£19,154</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

5. Dividend

	<u>2007</u>	<u>2007</u>
	£	£
Dividend of £nil per share paid in the year (2007 £nil per share)	<u> </u>	<u> </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 2007	538,006	323,583	247,475	38,136	1,147,200
Additions	14,786	32,454	326	3,847	51,413
Disposals					
At 31 May 2008	552,792	356,037	247,801	41,983	1,198,613
Accumulated depreciation					
At 1 June 2007	194,592	218,035	179,405	24,173	616,205
Charge for the year	10,823	21,083	7,626	6,287	45,819
Eliminated on disposals					
At 31 May 2008	205,415	239,118	187,031	30,460	662,024
Net book value					
At 31 May 2008	£347,377	£116,919	£60,770	£11,523	£536,589
At 31 May 2007	£343,414	£105,548	£68,070	£13,963	£530,995

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

7. Stocks

	<u>2008</u> £	<u>2007</u> £
New vehicles	225,690	142,983
Used vehicles	1,311,026	1,705,709
Parts	91,218	92,911
Paint, consumables and work in progress	17,721	21,363
Consignment vehicles	617,121	823,685
	<u>£2,262,776</u>	<u>£2,786,651</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

8. Debtors

	<u>2008</u> £	<u>2007</u> £
Amounts falling due within one year		
Trade debtors	268,439	262,599
Other debtors (amounts owed by related companies see note 15)	1,257,982	1,457,733
Prepayments and accrued income	120,086	140,570
	<u>£1,646,507</u>	<u>£1,860,902</u>

9 Creditors amounts falling due within one year

	<u>2008</u> £	<u>2007</u> £
Trade creditors	611,188	1,371,936
Other creditors (amounts owed to related companies see note 15)	140,943	142,240
Corporation tax	61,163	19,154
Other taxes and social security	174,938	90,473
Directors' current accounts	268,300	101,860
Accruals	172,317	337,119
Consignment stock creditor	617,121	823,685
	<u>£2,045,970</u>	<u>£2,886,467</u>

10 Deferred taxation

Full provision has been made at 28% (2007 30%) for the potential taxation arising in respect of

	<u>2008</u>	<u>2007</u>
Capital allowances in excess of depreciation	<u>£32,300</u>	<u>£58,579</u>
Movement in provision during the year		£
At 1 June 2007		58,579
Movement during the year		
Release of provision industrial buildings allowances made permanent		(25,599)
change of rate of corporation tax		(2,574)
Provided in respect of timing differences in the year		1,894
At 31 May 2008		<u>£32,300</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

11 Share capital

	<u>2008</u>	<u>2007</u>
Ordinary shares of £1 each		
Authorised, issued and fully paid	<u>£20,000</u>	<u>£20,000</u>

12 Profit and loss account

	£
At 1 June 2007	2,903,428
Retained profit for the year	190,758
	<u>£3,094,186</u>
At 31 May 2008	

13. Reconciliation of movements in equity shareholder's funds

	<u>2008</u> £	<u>2007</u> £
Profit on ordinary activities after taxation	190,758	75,838
Dividend paid		
	<u>190,758</u>	<u>75,838</u>
Increase in shareholder's funds	190,758	75,838
Opening shareholder's funds	2,923,428	2,847,590
	<u>£3,114,186</u>	<u>£2,923,428</u>

14. 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 £44,708 (2007 £56,816). At 31 May 2008 there were no amounts payable to the funds (2007 £nil).

15 Related companies

Amount owed by company under common control

	<u>2008</u>	<u>2007</u>
Douglas Cameron (Perth) Limited	<u>£1,257,982</u>	<u>£1,457,733</u>

Cameron Motors (Perth) Limited **Notes to the financial statements (continued)**

15 Related companies (continued)

Amounts owed to companies under common control

	<u>2008</u> £	<u>2007</u> £
Douglas Cameron (Perth) Limited	581	1,878
Ian H Cameron Limited	140,362	140,362
	<u>£140,943</u>	<u>£142,240</u>

16 Parent company

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