

Registered number:
SC215539

Cameron Motors (Scotland) Limited

Financial statements

31 May 2012

SATURDAY



S1NCXFTC
SCT 08/12/2012 #379
COMPANIES HOUSE

Cameron Motors (Scotland) Limited
Financial statements - 31 May 2012

Contents

	Pages
Directors' report	1 - 2
Independent auditors' report	3 - 4
Group profit and loss account	5
Balance sheets	6
Group cash flow statement	7
Notes to the financial statements	8 - 15

Cameron Motors (Scotland) Limited

Directors' report

The directors present their report together with the audited financial statements of the group and the company for the year ended 31 May 2012.

Principal activity

The principal activity of the company is that of a holding company. The principal activities of its subsidiary 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 group profit for the year after taxation was £203,757 (2011 - £259,733).

The review of the business and future developments is included within the financial statements of the trading subsidiary Cameron Motors (Perth) Limited.

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

Directors

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

I D Cameron (Chairman)
J M Cameron
W D Anderson

Directors' responsibilities

The directors are responsible for preparing the directors' report and 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. 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 group and company and of the profit or loss of the group for that year. 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.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and of the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cameron Motors (Scotland) Limited

Directors' report (continued)

Donations

During the year the group made charitable donations of £4,000.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the group'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 19 November 2012.

Signed on behalf of the directors:



I D Cameron
Chairman

Independent auditors' report to the shareholders of Cameron Motors (Scotland) Limited

We have audited the financial statements of Cameron Motors (Scotland) Limited for the year ended 31 May 2012 which comprise the group profit and loss account, the group and parent company balance sheets, the group cash flow statement and the related notes as set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for preparing the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit 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 became aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 2012 and of the group and company's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 auditors' report to the shareholders of Cameron Motors (Scotland) Limited (continued)

Matters by 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.

M. D. Friend

**M D Friend (Senior Statutory Auditor)
For and on behalf of Friend LLP, Statutory Auditor**

Chartered Accountants

Eleven Brindleyplace
2 Brunswick Square
Birmingham
B1 2LP

19 November 2012

Cameron Motors (Scotland) Limited

Group profit and loss account - for the year ended 31 May 2012

	<u>Notes</u>	<u>2012</u> £	<u>2011</u> £
Turnover	1	12,710,116	12,818,647
Cost of sales		<u>(11,254,331)</u>	<u>(11,324,918)</u>
Gross profit		1,455,785	1,493,729
Other income		581,996	585,048
Administrative expenses		<u>(1,741,464)</u>	<u>(1,714,473)</u>
Operating profit		296,317	364,304
Interest receivable	2	7,852	20,543
Interest payable	2	<u>(30,378)</u>	<u>(24,686)</u>
Profit on ordinary activities before taxation	2	273,791	360,161
Tax on profit on ordinary activities	4	<u>(70,034)</u>	<u>(100,428)</u>
Profit on ordinary activities after taxation	13,14	<u>£203,757</u>	<u>£259,733</u>

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

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

The notes on pages 8 to 15 form part of these financial statements.

Cameron Motors (Scotland) Limited

Balance sheets at 31 May 2012

	Notes	<u>Group</u>		<u>Company</u>	
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		£	£	£	£
Fixed assets					
Tangible assets	6	1,035,771	432,991	-	-
Investments	7	-	-	3,024,000	3,024,000
		<u>1,035,771</u>	<u>432,991</u>	<u>3,024,000</u>	<u>3,024,000</u>
Current assets					
Stocks held for resale	8	2,359,890	2,941,127	-	-
Debtors	9	787,242	1,041,205	-	-
Cash at bank and in hand		1,350,261	1,888,682	-	-
		<u>4,497,393</u>	<u>5,871,014</u>	<u>-</u>	<u>-</u>
Creditors: amounts falling due within one year	10	(1,399,541)	(2,371,867)	-	-
Net current assets		<u>3,097,852</u>	<u>3,499,147</u>	<u>-</u>	<u>-</u>
Total assets less current liabilities		<u>4,133,623</u>	<u>3,932,138</u>	<u>3,024,000</u>	<u>3,024,000</u>
Provisions for liabilities and charges					
Deferred taxation	11	(18,182)	(20,454)	-	-
Net assets		<u>£4,115,441</u>	<u>£3,911,684</u>	<u>£3,024,000</u>	<u>£3,024,000</u>
Capital and reserves					
Called up share capital	12	3,024,000	3,024,000	3,024,000	3,024,000
Profit and loss account	13	1,091,441	887,684	-	-
Equity shareholders' funds	14	<u>£4,115,441</u>	<u>£3,911,684</u>	<u>£3,024,000</u>	<u>£3,024,000</u>

These financial statements were approved by the board of directors on 19 November 2012 and signed on its behalf.


I D Cameron
 Director

Registered No. SC215539

The notes on pages 8 to 15 form part of these financial statements.

Cameron Motors (Scotland) Limited

Group cash flow statement - for the year ended 31 May 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		£	£
Net cash inflow from operating activities	15	239,513	143,850
Returns on investments and servicing of finance			
Interest received		7,852	20,543
Interest paid		(30,378)	(24,686)
Net cash outflow from returns on investments and servicing of finance		(22,526)	(4,143)
Taxation			
UK corporation tax paid		(103,855)	(136,493)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(651,553)	(19,755)
Receipt from sale of tangible fixed assets		-	1,046
Net cash outflow from investing activities		(651,553)	(18,709)
Decrease in cash in the year		<u>£(538,421)</u>	<u>£(15,495)</u>

Reconciliation of net cash flow to movement in net funds - for the year ended 31 May 2012

	<u>2012</u>	<u>2011</u>
	£	£
Decrease in cash in the year	(538,421)	(15,495)
Net funds at 1 June 2011	1,888,682	1,904,177
Net funds at 31 May 2012	<u>£1,350,261</u>	<u>£1,888,682</u>

The notes on pages 8 to 15 form part of these financial statements.

Cameron Motors (Scotland) Limited

Notes to the financial statements - 31 May 2012

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 2006 and applicable accounting standards.

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

a) Consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertaking for the year ended 31 May 2012.

b) Turnover

Turnover comprises income from sales and work done, excluding value added tax. All turnover is derived from the group's principal activities and is wholly within the United Kingdom.

c) 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:

Freehold land	Nil
Buildings and property improvements	2% straight line
Plant and equipment	15 - 25% reducing balance
Fixtures and fittings	10 - 25% reducing balance and 25% straight line
Computer equipment	25% straight line

d) 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.

e) 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.

f) Pensions

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

Cameron Motors (Scotland) 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>2012</u> £	<u>2011</u> £
Depreciation of tangible fixed assets	48,773	47,160
Amortisation of goodwill	-	8,149
Auditors' remuneration	11,875	11,875
Other interest payable	30,378	24,686
Bank interest receivable	(7,852)	(20,543)
Profit on disposal of tangible fixed assets	-	(607)
	<u> </u>	<u> </u>

3. Directors and employees

	<u>2012</u> £	<u>2011</u> £
Directors' remuneration:		
Emoluments	34,787	34,457
Contributions to money purchase pension schemes	26,912	26,857
	<u> </u>	<u> </u>

<u>£61,699</u>	<u>£61,314</u>
----------------	----------------

	<u>2012</u> Number	<u>2011</u> Number
During the year the following number of directors accrued benefits under money purchase pension schemes	1	1
	<u> </u>	<u> </u>

	<u>2012</u> £	<u>2011</u> £
Staff costs comprise:		
Wages and salaries	1,186,192	1,123,683
Social security costs	111,102	103,584
Other pension costs	49,210	41,226
	<u> </u>	<u> </u>
	<u>£1,346,504</u>	<u>£1,268,493</u>

The average number of employees (including directors) during the year was 57 (2011 - 57).

Cameron Motors (Scotland) Limited

Notes to the financial statements (continued)

4. Tax on profit on ordinary activities

	<u>2012</u> £	<u>2011</u> £
Corporation tax payable based on the results for the year at 26.4% (2011 – 27.1%)	<u>72,306</u>	<u>103,855</u>
Current tax charge	72,306	103,855
Deferred taxation released	<u>(2,272)</u>	<u>(3,427)</u>
	<u>£70,034</u>	<u>£100,428</u>

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

	<u>2012</u> £	<u>2011</u> £
Profit on ordinary activities before taxation	<u>273,791</u>	<u>360,161</u>
Profit on ordinary activities multiplied by the applicable standard rate of corporation tax at 25.67% (2011 – 27.67%)	70,273	99,656
Expenses not deductible for corporation tax purposes	313	-
Depreciation on items not qualifying for capital allowances	4,009	4,589
Capital allowances in excess of depreciation on qualifying items	878	1,832
Small companies' relief	(3,167)	(2,005)
Industrial buildings allowances	-	(217)
Current tax charge for the year	<u>£72,306</u>	<u>£103,855</u>

5. Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit after taxation for the financial year ended 31 May 2012 was £nil (2011 - £nil).

Cameron Motors (Scotland) Limited

Notes to the financial statements (continued)

6. Tangible fixed assets

<u>Group</u>	<u>Freehold land, buildings and property improvements</u>	<u>Plant and equipment</u>	<u>Fixtures and fittings</u>	<u>Computer equipment</u>	<u>Total</u>
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 1 June 2011	557,027	364,125	248,586	51,737	1,221,475
Additions	631,009	14,912	4,672	960	651,553
Disposals	-	-	-	(3,425)	(3,425)
At 31 May 2012	1,188,036	379,037	253,258	49,272	1,869,603
Accumulated depreciation					
At 1 June 2011	238,785	287,251	232,392	30,056	788,484
Charge for the year	18,282	15,224	8,347	6,920	48,773
Eliminated on disposal	-	-	-	(3,425)	(3,425)
At 31 May 2012	257,067	302,475	240,739	33,551	833,832
Net book value					
At 31 May 2012	£930,969	£76,562	£12,519	£15,721	£1,035,771
At 31 May 2011	£318,242	£76,874	£16,194	£21,681	£432,991

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

7. Fixed asset investments

	<u>2012</u>	<u>2011</u>
Shares in subsidiary company, at cost	<u>£3,024,000</u>	<u>£3,024,000</u>

The company owns the entire issued share capital of Cameron Motors (Perth) Limited, a company registered in Scotland. The principal activities of Cameron Motors (Perth) Limited are the buying and selling of new and used motor vehicles, the supply of spare parts and the servicing of vehicles associated with its Volkswagen franchise.

Cameron Motors (Scotland) Limited
Notes to the financial statements (continued)

8. Stocks

	<u>Group</u>		<u>Company</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	£	£	£	£
New vehicles	379,388	264,466	-	-
Used vehicles	1,503,125	1,527,929	-	-
Parts	90,950	76,933	-	-
Paint, consumables and work in progress	23,179	17,410	-	-
Consignment vehicles	363,248	1,054,389	-	-
	<u>£2,359,890</u>	<u>£2,941,127</u>	<u>£ -</u>	<u>£ -</u>

9. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	341,233	348,880	-	-
Other debtors (amount owed by related company - see note 17)	345,152	577,733	-	-
Prepayments and accrued income	100,857	114,592	-	-
	<u>£787,242</u>	<u>£1,041,205</u>	<u>£ -</u>	<u>£ -</u>

10. Creditors: amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	£	£	£	£
Trade creditors	774,457	1,007,096	-	-
Corporation tax	72,306	103,855	-	-
Other taxes and social security	124,541	78,121	-	-
Accruals	64,989	128,406	-	-
Consignment stock creditor	363,248	1,054,389	-	-
	<u>£1,399,541</u>	<u>£2,371,867</u>	<u>£ -</u>	<u>£ -</u>

Cameron Motors (Scotland) Limited

Notes to the financial statements (continued)

11. Deferred taxation

Full provision has been made at 24% (2011 – 25.8%) for the potential taxation arising in respect of:

	<u>Group</u>		<u>Company</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Capital allowances in excess of depreciation	<u>£18,182</u>	<u>£20,454</u>	<u>£ -</u>	<u>£ -</u>
				<u>Group</u>
Movement in provision during the year:				<u>£</u>
At 1 June 2011				20,454
Movement in the year				
Provided in respect of - originating and reversing timing difference in the year				(883)
- change in rate of tax				(1,389)
				<u>£18,182</u>
At 31 May 2012				<u>£18,182</u>

12. Share capital

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Allotted, issued and fully paid		
2,419,200 ordinary shares of £1 each	2,419,200	2,419,200
604,800 ordinary 'A' shares of £1 each	604,800	604,800
	<u>£3,024,000</u>	<u>£3,024,000</u>

13. Profit and loss account

	<u>Group</u>
	<u>£</u>
At 1 June 2011	887,684
Retained profit for the year	203,757
	<u>£1,091,441</u>
At 31 May 2012	<u>£1,091,441</u>

Cameron Motors (Scotland) Limited

Notes to the financial statements (continued)

14. Reconciliation of movements in equity shareholders' funds

	<u>Group</u>		<u>Company</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	£	£	£	£
Profit on ordinary activities after taxation	203,757	259,733	-	-
Increase in shareholders' funds	203,757	259,733	-	-
Opening shareholders' funds	3,911,684	3,651,951	3,024,000	3,024,000
Closing shareholders' funds	<u>£4,115,441</u>	<u>£3,911,684</u>	<u>£3,024,000</u>	<u>£3,024,000</u>

15. Reconciliation of group operating profit to net cash inflow from operating activities

	<u>2012</u>	<u>2011</u>
	£	£
Operating profit	296,317	364,304
Depreciation of tangible fixed assets	48,773	47,160
Amortisation of intangible fixed assets	-	8,149
Profit on disposal of tangible fixed assets	-	(607)
Decrease/(increase) in stocks	581,237	(820,174)
Decrease/(increase) in debtors	253,963	(132,836)
(Decrease)/increase in creditors	(940,777)	677,854
Net cash inflow from operating activities	<u>£239,513</u>	<u>£143,850</u>

16. Pension costs

The group operates a number of defined contribution schemes. The assets are held separately from those of the group in both independently and self administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £49,210 (2011 - £41,226). At 31 May 2012 there was £nil payable to the funds (2011 - £4,634).

17. Related companies

Amount owed by company under common control:

	<u>Group</u>	<u>2011</u>
	<u>2012</u>	
Douglas Cameron (Perth) Limited	<u>£345,152</u>	<u>£577,733</u>

Cameron Motors (Scotland) Limited
Notes to the financial statements (continued)

18. Capital commitments

	<u>2012</u>	<u>2011</u>
Capital expenditure contracted for but not provided for in the financial statements	£ - <u> </u>	£570,000 <u> </u>

19. Ultimate controlling party

The ultimate controlling party is I D Cameron, a director and shareholder.