

**Report of the Directors and
Consolidated Financial Statements
for the year ended 31st December 2010
for
WILSONS AUTOMOBILES & COACHWORKS LIMITED**

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for the year ended 31st December 2010**

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WILSONS AUTOMOBILES & COACHWORKS LIMITED

**Company Information
for the year ended 31st December 2010**

DIRECTORS:

I A Wilson
Ms T Wilson
Ms M Wilson
Mrs T Wilson
Mrs G Storr
S J Billings
Mrs J Elleson
J Butler
S Stillman

SECRETARY:

Mrs T Wilson

REGISTERED OFFICE:

Nonsuch Business Park
Kiln Lane
Epsom
Surrey
KT17 1BH

REGISTERED NUMBER

272743

AUDITORS:

Simpson Wreford & Partners
Chartered Accountants
Registered Auditors
Suffolk House
George Street
Croydon CR0 0YN

**Report of the Directors
for the year ended 31st December 2010**

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2010

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of trading in the servicing, hiring and sales of motor vehicles

REVIEW OF BUSINESS

The business performed well throughout the financial year in a difficult economic climate with only a 5% decrease in turnover for the group from the previous financial year when including the results of Wilsons (Epsom) Limited for the first quarter of 2009. This slight downturn was in part due to the car scrappage scheme ceasing at the end of March 2010 and in part due to the decline in consumer confidence.

The gross margin dropped slightly by 1% in the period (2010 - 22%, 2009 - 23%), as a reflection of the rise in prices of parts and materials and the increased competition of the internet on used cars.

Profits before tax of £579,046 are down on the previous year due to the increased cost of wages and the increased administrative expenses from the acquisition of Wilsons (Epsom) Ltd part way through the prior year. The business finished the year in a strong financial position, with net assets of £16.9 million.

The directors feel 2011 will perform at least as well as 2010 despite the slow recovery of the economy. This confidence is due to loss of one major competitor and due to the introduction of new popular models of cars now on the market.

The average number of employees during the year was 198, (2009 - 204). The difference mainly in the service area where duties have now been streamlined to increase efficiency.

There were no environmental matters worthy of comment in this report.

No distributions were made in the period as the business looked to reinvest profits to continue to fund future growth.

Uncertainties over the wider industry environment remain an issue and whilst sales of new and used vehicles remain subdued due to increased price competition in this area, the company will continue to focus on sales of used vehicles and after sales income.

The directors consider that the principal risks and uncertainties facing the company are those prevalent throughout the industry and the directors do not believe that there are any unique risks to the company with the business well placed to continue to grow with its strong used car sales arm and multiple dealer franchises.

DIVIDENDS

The directors do not recommend payment of a final dividend.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2010 to the date of this report.

I A Wilson
Ms T Wilson
Ms M Wilson
Mrs T Wilson
Mrs G Storr
S J Billings
Mrs J Elleson
J Butler

Other changes in directors holding office are as follows:

Ms T Johnstone - resigned 6th August 2010
S Stillman - appointed 13th September 2010

**Report of the Directors
for the year ended 31st December 2010**

GROUP'S POLICY ON PAYMENT OF CREDITORS

The group's standard payment practice is for payment to be made to suppliers within 30 days of the invoice date. Information can be obtained from Wilsons A&C Ltd, Nonsuch Business Park, Kiln Lane, Epsom, KT17 1BH

This code of practice is applicable to all suppliers and the terms of payment are agreed with suppliers at the time the transaction occurs. The ratio of 'creditor days' in respect of the year ended 31st December 2010 is calculated at 20 days (2009 - 23 days)

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable contributions totalling £12,440

The charitable contributions were as follows

	£
Phylis Tuckwell Hospice	10,000
Household Cavalry	1,000
SCAMPS	900
Other sundry charities	540
	<hr/>
Total	12,400
	<hr/>

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors
for the year ended 31st December 2010**

AUDITORS

The auditors, Simpson Wreford & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:



J Butler - Director

Date

20 / 9 / 11

**Report of the Independent Auditors to the Members of
Wilsons Automobiles & Coachworks Limited**

We have audited the financial statements of Wilsons Automobiles & Coachworks Limited for the year ended 31st December 2010 on pages six to twenty five. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on 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 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 group's and the parent 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2010 and of the group'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.

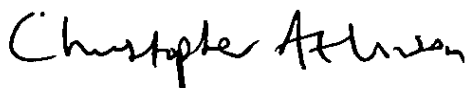
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



Christopher Atkinson (Senior Statutory Auditor)
for and on behalf of Simpson Wreford & Partners
Chartered Accountants
Registered Auditors
Suffolk House
George Street
Croydon CR0 0YN

Date

20th September 2011

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Consolidated Profit and Loss Account
for the year ended 31st December 2010**

		31 12 10	31 12 09 as restated
	Notes	£	£
TURNOVER	2	61,244,035	59,470,581
Cost of sales		47,846,442	45,763,022
GROSS PROFIT		13,397,593	13,707,559
Administrative expenses		12,713,367	11,863,375
		684,226	1,844,184
Other operating income		263,306	579,658
OPERATING PROFIT	4	947,532	2,423,842
Profit on disposal of fixed assets		282,767	234,114
		664,765	2,189,728
Interest receivable and similar income		36	170
		664,801	2,189,898
Interest payable and similar charges	5	85,755	102,576
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		579,046	2,087,322
Tax on profit on ordinary activities	6	260,861	328,532
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		318,185	1,758,790

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Consolidated Statement of Total Recognised Gains and Losses
for the year ended 31st December 2010**

	31 12 10	31 12 09 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	318,185	1,758,790
Revaluation of land and buildings		
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>318,185</u>	<u>1,758,790</u>
Prior year adjustment	Note 8	
	<u>(1,707,444)</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>(1,389,259)</u>	

**Note of Historical Cost Profits and Losses
for the year ended 31st December 2010**

	31 12 10	31 12 09 as restated
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	579,046	2,087,322
Difference between the historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	56,786	56,486
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>635,832</u>	<u>2,143,808</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>374,971</u>	<u>1,815,276</u>

The notes form part of these financial statements

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER 272743)

**Consolidated Balance Sheet
31st December 2010**

		31 12 10		31 12 09 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		11,857,458		12,138,039
Investments	11		58,848		58,848
			<u>11,916,306</u>		<u>12,196,887</u>
CURRENT ASSETS					
Stocks	12	10,662,355		11,598,294	
Debtors	13	1,295,733		1,591,787	
Cash at bank and in hand		182,208		313,969	
		<u>12,140,296</u>		<u>13,504,050</u>	
CREDITORS					
Amounts falling due within one year	14	7,158,630		9,115,671	
NET CURRENT ASSETS			<u>4,981,666</u>		<u>4,388,379</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,897,972</u>		<u>16,585,266</u>
PROVISIONS FOR LIABILITIES	18		-		5,479
NET ASSETS			<u><u>16,897,972</u></u>		<u><u>16,579,787</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		164,100		164,100
Share premium	20		1,787,974		1,787,974
Revaluation reserve	20		3,162,682		3,162,682
Capital redemption reserve	20		105,370		105,370
Profit and loss account	20		11,677,846		11,359,661
SHAREHOLDERS' FUNDS	24		<u><u>16,897,972</u></u>		<u><u>16,579,787</u></u>

The financial statements were approved by the Board of Directors on its behalf by

20 / 9 / 11

and were signed on


J Butler - Director

The notes form part of these financial statements

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Company Balance Sheet
31st December 2010**

		31 12 10		31 12 09 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		11,151,569		11,432,150
Investments	11		159,048		159,048
			<u>11,310,617</u>		<u>11,591,198</u>
CURRENT ASSETS					
Stocks	12	10,662,355		11,598,294	
Debtors	13	2,001,622		2,297,676	
Cash at bank		182,108		313,869	
		<u>12,846,085</u>		<u>14,209,839</u>	
CREDITORS					
Amounts falling due within one year	14	7,258,730		9,215,771	
NET CURRENT ASSETS			<u>5,587,355</u>		<u>4,994,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			16,897,972		16,585,266
PROVISIONS FOR LIABILITIES	18		-		5,479
NET ASSETS			<u><u>16,897,972</u></u>		<u><u>16,579,787</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		164,100		164,100
Share premium	20		1,787,974		1,787,974
Revaluation reserve	20		3,162,682		3,162,682
Capital redemption reserve	20		105,370		105,370
Profit and loss account	20		11,677,846		11,359,661
SHAREHOLDERS' FUNDS	24		<u><u>16,897,972</u></u>		<u><u>16,579,787</u></u>

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J Butler - Director

The notes form part of these financial statements

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Consolidated Cash Flow Statement
for the year ended 31st December 2010**

		31 12 10		31 12 09 as restated	
	Notes	£	£	£	£
Net cash inflow/(outflow) from operating activities	1		1,978,874		(1,216,631)
Returns on investments and servicing of finance	2		(85,719)		(102,406)
Taxation			(680,732)		(76,692)
Capital expenditure	2		(335,475)		(65,620)
Acquisitions and disposals	2		-		(1,325,199)
			<u>876,948</u>		<u>(2,786,548)</u>
Financing	2		31,511		31,176
Increase/(Decrease) in cash in the period			<u>908,459</u>		<u>(2,755,372)</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		908,459		(2,755,372)	
Cash (inflow)/outflow from (increase)/decrease in debt		<u>(19,047)</u>		<u>191,205</u>	
Change in net debt resulting from cash flows			<u>889,412</u>		<u>(2,564,167)</u>
Movement in net debt in the period			889,412		(2,564,167)
Net debt at 1st January			<u>(3,302,556)</u>		<u>(738,389)</u>
Net debt at 31st December			<u><u>(2,413,144)</u></u>		<u><u>(3,302,556)</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the year ended 31st December 2010

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	31 12 10	31 12 09 as restated
	£	£
Operating profit	947,532	2,423,842
Depreciation charges	333,160	325,162
Loss on disposal of fixed assets	129	-
Decrease/(Increase) in stocks	935,939	(3,839,285)
Decrease in debtors	299,934	4,098,826
Decrease in creditors	(537,820)	(4,225,176)
Net cash inflow/(outflow) from operating activities	1,978,874	(1,216,631)

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 12 10	31 12 09 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	36	170
Interest paid	(85,755)	(102,576)
Net cash outflow for returns on investments and servicing of finance	(85,719)	(102,406)
Capital expenditure		
Purchase of tangible fixed assets	(335,475)	(65,620)
Net cash outflow for capital expenditure	(335,475)	(65,620)
Acquisitions and disposals		
Cash balance acquired on purchase	-	350
Bank overdraft acquired on purchase	-	(167,485)
Loans acquired on purchase	-	(1,158,064)
Net cash outflow for acquisitions and disposals	-	(1,325,199)
Financing		
New loans in year	19,047	-
Loan repayments in year	-	(191,205)
Amount introduced by directors	67,579	2,193
Amount withdrawn by directors	(55,115)	220,188
Net cash inflow from financing	31,511	31,176

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER. 272743)

**Notes to the Consolidated Cash Flow Statement
for the year ended 31st December 2010**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 10 £	Cash flow £	At 31 12 10 £
Net cash			
Cash at bank and in hand	313,969	(131,761)	182,208
Bank overdraft	(2,849,152)	1,040,220	(1,808,932)
	<u>(2,535,183)</u>	<u>908,459</u>	<u>(1,626,724)</u>
Debt			
Debts falling due within one year	(767,373)	(19,047)	(786,420)
	<u>(767,373)</u>	<u>(19,047)</u>	<u>(786,420)</u>
Total	<u>(3,302,556)</u>	<u>889,412</u>	<u>(2,413,144)</u>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements
for the year ended 31st December 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards

Turnover

Turnover represents the sale of goods and services relating to motor trading activities during the year excluding VAT

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 2% on cost
Short leasehold	- Over length of lease
Long leasehold	- Over length of lease
Plant and machinery	- 20% on cost
Computer equipment	- 33% on cost

During the year there has been a change in accounting estimate regarding the estimated useful life of the long leasehold property. The useful life has been shortened from 25 years (4%) to 20 (5%) in accordance with the assets respective lease and to match industry standards

The effect of this change in accounting estimate has been an increase in depreciation charged to the profit/loss account in the year of £23,577

Stocks

Motor cars are included at the lower of cost plus the cost of preparation and repairs to date and their net realisable value

Parts, accessories, petrol and lubricants are included at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items

The rental fleet and demonstration vehicles are valued at cost less a write down of 2% per month which writes off the cost over the estimated life of the vehicle

Consignment vehicles are regarded as being effectively under the control of the company and are included within stock on the balance sheet as the company has the significant risks and rewards of ownership even though legal title has not yet passed. The corresponding liability is included in trade creditors

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset

Hire purchase and leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

Pension costs and other post-retirement benefits

The pension costs charged in the financial statements represent the contribution payable by the company during the year

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

1 ACCOUNTING POLICIES - continued

Going Concern

From the date of signing this report, the directors are confident that the company can continue trading as a going concern for the foreseeable future. The budget for the year to 31st December 2011 shows an anticipated profit in the region of £500,000 and this continued profitability coupled with the fact that the company's reserves are in the region of £17 million leads the directors to believe that the company is well placed to deal with the current difficult trading conditions and continue as a going concern.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are at the lower of cost and net realisable value.

2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3 STAFF COSTS

	31 12 10	31 12 09 as restated
	£	£
Wages and salaries	5,861,364	5,691,201
Social security costs	681,116	613,337
Other pension costs	52,839	40,243
	<u>6,595,319</u>	<u>6,344,781</u>

The average monthly number of employees during the year was as follows

	31 12 10	31 12 09 as restated
Service	102	109
Selling	74	72
Administration	22	23
	<u>198</u>	<u>204</u>

4 OPERATING PROFIT

The operating profit is stated after charging

	31 12 10	31 12 09 as restated
	£	£
Other operating leases	446,504	430,951
Depreciation - owned assets	333,160	325,162
Loss on disposal of fixed assets	129	-
Auditors' remuneration	29,750	16,250
Auditors' remuneration for non audit work	5,300	19,963
	<u>642,979</u>	<u>981,771</u>
Directors' remuneration	14,818	7,981
Directors' pension contributions to money purchase schemes		

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

4 OPERATING PROFIT - continued

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	4	2
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Information regarding the highest paid director is as follows

	31 12 10	31 12 09 as restated
	£	£
Emoluments etc	109,785	243,082

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 10	31 12 09 as restated
	£	£
On bank loans and overdrafts	85,755	102,576

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 12 10	31 12 09 as restated
	£	£
Current tax		
UK corporation tax	273,586	634,374
Deferred tax	(12,725)	(305,842)
Tax on profit on ordinary activities	260,861	328,532

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 10	31 12 09 as restated
	£	£
Profit on ordinary activities before tax	579,046	2,087,322
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	162,133	584,450
Effects of		
Expenses not deductible for tax purposes	6,650	4,465
Capital allowances for period (in excess of)/less than depreciation	34,205	29,552
Loss on disposal of fixed asset	36	-
Marginal relief corporation tax	(8,613)	-
Impairment	79,175	65,552
EBT	-	(49,645)
Current tax charge	273,586	634,374

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010**

7 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 for the financial year was £318,185 (2009 - £1,758,790)

8 PRIOR YEAR ADJUSTMENT

In March 2009 Wilsons (Epsom) Ltd was acquired by way of a share for share exchange under acquisition accounting for the fair value of its assets and liabilities at that date of £1,807,444

The above investment and an intercompany creditor of £100,000 were not eliminated correctly upon consolidation with the net amount shown as income from group undertakings

A further intercompany balance of £705,889 with Eurocars (Epsom) Ltd was not eliminated correctly upon consolidation

The effect of the restatement to the financial statements is summarised below

	£
Decrease in profit for the year	1,707,444
Decrease in fixed asset investments	1,807,444
Decrease in debtors	705,889
Decrease in creditors	805,889

9 PENSION COSTS

The company operates a defined contribution pension scheme in respect of certain directors and staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £52,839 (2009 - £40,243)

10 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Long leasehold £
COST OR VALUATION			
At 1st January 2010	6,004,686	1,010,003	5,725,000
Additions	237,298	-	5,548
At 31st December 2010	6,241,984	1,010,003	5,730,548
DEPRECIATION			
At 1st January 2010	17,199	303,259	368,530
Charge for year	20,663	57,226	203,745
Eliminated on disposal	-	-	-
Impairments	-	-	282,767
At 31st December 2010	37,862	360,485	855,042
NET BOOK VALUE			
At 31st December 2010	6,204,122	649,518	4,875,506
At 31st December 2009	5,987,487	706,744	5,356,470

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

10 TANGIBLE FIXED ASSETS - continued

Group

	Plant and machinery £	Computer equipment £	Totals £
COST OR VALUATION			
At 1st January 2010	1,571,218	274,767	14,585,674
Additions	92,629	-	335,475
Disposals	(41,802)	(80,396)	(122,198)
At 31st December 2010	1,622,045	194,371	14,798,951
DEPRECIATION			
At 1st January 2010	1,499,113	259,534	2,447,635
Charge for year	43,311	8,215	333,160
Eliminated on disposal	(41,777)	(80,292)	(122,069)
Impairments	-	-	282,767
At 31st December 2010	1,500,647	187,457	2,941,493
NET BOOK VALUE			
At 31st December 2010	121,398	6,914	11,857,458
At 31st December 2009	72,105	15,233	12,138,039

The historical cost of Freehold property included above at a valuation in 2008 of £270,000 was £240,273 and the aggregate depreciation thereon would have been £62,196

The historical cost of long leasehold property included above at a valuation in 2008 of £5,595,000 was £2,173,865 and the aggregate depreciation thereon would have been £920,801

The above valuations were carried out on an open market basis by independent external valuers, Edward Symmons & Partners, Chartered Surveyors in accordance with the R I C S Appraisal and Valuation Manual

Cost or valuation at 31st December 2010 is represented by

	Freehold property £	Short leasehold £	Long leasehold £
Valuation in 2008	59,727	-	3,421,135
Cost	6,182,257	1,010,003	2,309,413
	6,241,984	1,010,003	5,730,548

	Plant and machinery £	Computer equipment £	Totals £
Valuation in 2008	-	-	3,480,862
Cost	1,622,045	194,371	11,318,089
	1,622,045	194,371	14,798,951

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010**

10 TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Short leasehold £	Long leasehold £
COST OR VALUATION			
At 1st January 2010	5,298,797	1,010,003	5,725,000
Additions	237,298	-	5,548
At 31st December 2010	5,536,095	1,010,003	5,730,548
DEPRECIATION			
At 1st January 2010	17,199	303,259	368,530
Charge for year	20,663	57,226	203,745
Eliminated on disposal	-	-	-
Impairments	-	-	282,767
At 31st December 2010	37,862	360,485	855,042
NET BOOK VALUE			
At 31st December 2010	5,498,233	649,518	4,875,506
At 31st December 2009	5,281,598	706,744	5,356,470

	Plant and machinery £	Computer equipment £	Totals £
COST OR VALUATION			
At 1st January 2010	1,571,218	274,767	13,879,785
Additions	92,629	-	335,475
Disposals	(41,802)	(80,396)	(122,198)
At 31st December 2010	1,622,045	194,371	14,093,062
DEPRECIATION			
At 1st January 2010	1,499,113	259,534	2,447,635
Charge for year	43,311	8,215	333,160
Eliminated on disposal	(41,777)	(80,292)	(122,069)
Impairments	-	-	282,767
At 31st December 2010	1,500,647	187,457	2,941,493
NET BOOK VALUE			
At 31st December 2010	121,398	6,914	11,151,569
At 31st December 2009	72,105	15,233	11,432,150

The historical cost of Freehold property included above at a valuation in 2008 of £270,000 was £240,273 and the aggregate depreciation thereon would have been £62,196

The historical cost of long leasehold property included above at a valuation in 2008 of £5,595,000 was £2,173,865 and the aggregate depreciation thereon would have been £920,801

The above valuations were carried out on an open market basis by independent external valuers, Edward Symmons & Partners, Chartered Surveyors in accordance with the R I C S Appraisal and Valuation Manual

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

10 TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 31st December 2010 is represented by

	Freehold property £	Short leasehold £	Long leasehold £
Valuation in 2008	59,727	-	3,421,135
Cost	5,476,368	1,010,003	2,309,413
	<u>5,536,095</u>	<u>1,010,003</u>	<u>5,730,548</u>

	Plant and machinery £	Computer equipment £	Totals £
Valuation in 2008	-	-	3,480,862
Cost	1,622,045	194,371	10,612,200
	<u>1,622,045</u>	<u>194,371</u>	<u>14,093,062</u>

Revaluations are carried out in full every five years internally with an interim valuation on the third year if it is likely that there has been a material change in value

11 FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1st January 2010 and 31st December 2010	<u>58,848</u>
NET BOOK VALUE	
At 31st December 2010	<u>58,848</u>
At 31st December 2009	<u>58,848</u>

Company

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2010 and 31st December 2010	<u>100,200</u>	<u>58,848</u>	<u>159,048</u>
NET BOOK VALUE			
At 31st December 2010	<u>100,200</u>	<u>58,848</u>	<u>159,048</u>
At 31st December 2009	<u>100,200</u>	<u>58,848</u>	<u>159,048</u>

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER: 272743)

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010**

11 FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

Wilsons (Automobiles) Ltd

Nature of business Parent company nominee via agency agreement

	% holding		
Class of shares			
Ordinary £1	100 00	31 12 10	31 12 09
		£	£
Aggregate capital and reserves		100	100
		<u> </u>	<u> </u>

Eurocars (Epsom) Limited

Nature of business Dormant company

	% holding		
Class of shares			
Ordinary £1	100 00	31 12 10	31 12 09
		£	£
Aggregate capital and reserves		100	100
		<u> </u>	<u> </u>

Wilsons (Epsom) Ltd

Nature of business Dormant company

	% holding		
Class of shares			
Ordinary £1	100 00	31 12 10	31 12 09
		£	£
Aggregate capital and reserves		100,000	100,000
		<u> </u>	<u> </u>

12 STOCKS

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Motor vehicles & parts for re- sale	<u>10,662,355</u>	<u>11,598,294</u>	<u>10,662,355</u>	<u>11,598,294</u>

WILSONS AUTOMOBILES & COACHWORKS LIMITED (REGISTERED NUMBER. 272743)

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010**

13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Trade debtors	1,011,532	1,322,229	1,011,532	1,322,229
Amounts owed by group undertakings	-	-	705,889	705,889
Other debtors	2,048	3,438	2,048	3,438
Directors' current accounts	-	3,366	-	3,366
Deferred tax asset	7,246	-	7,246	-
Prepayments and accrued income	274,907	262,754	274,907	262,754
	<u>1,295,733</u>	<u>1,591,787</u>	<u>2,001,622</u>	<u>2,297,676</u>

Deferred tax asset

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Accelerated tax depreciation	<u>7,246</u>	<u>-</u>	<u>7,246</u>	<u>-</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Bank loans and overdrafts (see note 15)	1,808,932	2,849,152	1,809,032	2,849,252
Other loans (see note 15)	786,420	767,373	786,420	767,373
Trade creditors	2,598,205	3,092,677	2,598,205	3,092,677
Amounts owed to group undertakings	-	-	100,000	100,000
Tax	273,560	680,706	273,560	680,706
Social security and other taxes	490,768	805,102	490,768	805,102
Other creditors	82,416	203,482	82,416	203,482
Directors' current accounts	305,131	296,033	305,131	296,033
Accruals and deferred income	813,198	421,146	813,198	421,146
	<u>7,158,630</u>	<u>9,115,671</u>	<u>7,258,730</u>	<u>9,215,771</u>

15 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	1,808,932	2,849,152	1,809,032	2,849,252
Other loans	786,420	767,373	786,420	767,373
	<u>2,595,352</u>	<u>3,616,525</u>	<u>2,595,452</u>	<u>3,616,625</u>

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

16 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

Group

	Land and buildings	
	31 12 10	31 12 09 as restated
	£	£
Expiring		
Within one year	-	2,400
In more than five years	451,961	278,084
	<u>451,961</u>	<u>280,484</u>

Company

	Land and buildings	
	31 12 10	31 12 09 as restated
	£	£
Expiring		
Between one and five years	-	2,400
In more than five years	451,961	278,084
	<u>451,961</u>	<u>280,484</u>

17 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Bank overdraft	1,808,932	-	1,809,032	2,849,252
Other loans	786,420	-	786,420	767,373
	<u>2,595,352</u>	<u>-</u>	<u>2,595,452</u>	<u>3,616,625</u>

The bank overdraft is secured by a first legal charge on the company's freehold and leasehold property at Kilm Lane, Epsom, Surrey and by a debenture creating a fixed and floating charge over all present and future assets

The other loans are secured by way of a debenture creating a fixed and floating charge over all assets and undertakings of the company with priority over used vehicle stock to £2,000,000

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

18 PROVISIONS FOR LIABILITIES

	Group		Company	
	31 12 10	31 12 09 as restated	31 12 10	31 12 09 as restated
	£	£	£	£
Deferred tax				
Accelerated tax depreciation	-	5,479	-	5,479
	<u>-</u>	<u>5,479</u>	<u>-</u>	<u>5,479</u>
Group				
				Deferred tax
				£
Balance at 1st January 2010				5,479
Movement in the year				(12,725)
Reversal of timing differences				
				<u>-</u>
Balance at 31st December 2010				<u>(7,246)</u>
Company				
				Deferred tax
				£
Balance at 1st January 2010				5,479
Movement in the year				(12,725)
				<u>-</u>
Balance at 31st December 2010				<u>(7,246)</u>

19 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid					
Number	Class	Nominal value	31 12 10	31 12 09 as restated	
			£	£	
144,630	Ordinary	£1	<u>164,100</u>	<u>164,100</u>	

20 RESERVES

Group	Profit and loss account £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1st January 2010	13,067,105	1,787,974	3,162,682	105,370	18,123,131
Prior year adjustment	(1,707,444)				(1,707,444)
	<u>11,359,661</u>				<u>16,415,687</u>
Profit for the year	318,185				318,185
	<u>11,677,846</u>	<u>1,787,974</u>	<u>3,162,682</u>	<u>105,370</u>	<u>16,733,872</u>
At 31st December 2010					

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010**

20 RESERVES - continued

Company

	Profit and loss account £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1st January 2010	13,067,105	1,787,974	3,162,682	105,370	18,123,131
Prior year adjustment	(1,707,444)				(1,707,444)
	11,359,661				16,415,687
Profit for the year	318,185				318,185
At 31st December 2010	11,677,846	1,787,974	3,162,682	105,370	16,733,872

21 CONTINGENT LIABILITIES

The company has given a cross guarantee to its bankers in respect of facilities made available to Wilsons (Epsom) Limited

In accordance with the company's policy on deferred taxation no provision has been made in these accounts for any capital gains tax which may arise in the event of the sale of revalued long leasehold properties at their book value (see note 9) since there is no intention to dispose of the property in the foreseeable future. Given the above and the uncertainties regarding future tax it is not practicable to attribute a meaningful value to this contingency.

22 RELATED PARTY DISCLOSURES

Balances, at the year end, due from those companies also under the control of Mr I A Wilson and Mrs T Wilson and their daughters Ms T Wilson, Mrs G Storr and Ms M Wilson were

Eurocars (Epsom) Ltd £705,889 (2009 - £705,889) (note 11)

The transactions making up this balance relates to the financial assistance in the acquisition of land to Eurocars (Epsom) Ltd

Wilsons (Epsom) Ltd £100,000 (2009 - £100,000) The balance since the share for share exchange now represents the share capital only in Wilsons (Epsom) Ltd

23 ULTIMATE CONTROLLING PARTY

Mr Ian Wilson and Mrs Teresa Wilsons are the Ultimate controlling parties of the company by virtue of holding the largest share holdings each

Notes to the Consolidated Financial Statements - continued
for the year ended 31st December 2010

24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	31 12 10	31 12 09 as restated
	£	£
Profit for the financial year	318,185	1,758,790
Wilsons (Epsom) Ltd acquisition	-	1,807,444
Net addition to shareholders' funds	318,185	3,566,234
Opening shareholders' funds (originally £18,287,231 before prior year adjustment of £(1,707,444))	16,579,787	13,013,553
Closing shareholders' funds	16,897,972	16,579,787

Company

	31 12 10	31 12 09 as restated
	£	£
Profit for the financial year	318,185	1,758,790
Wilsons (Epsom) Ltd acquisition	-	1,807,444
Net addition to shareholders' funds	318,185	3,566,234
Opening shareholders' funds (originally £18,287,231 before prior year adjustment of £(1,707,444))	16,579,787	13,013,553
Closing shareholders' funds	16,897,972	16,579,787