

**Tozer Kemsley and Millbourn Automotive Limited**  
(Registered number. 893104)

**Directors' Report and Financial Statements**

**For the year ended 31 December 2012**

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COMPANIES HOUSE

Inchcape House  
Langford Lane  
Kidlington  
Oxford  
OX5 1HT

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Directors' Report**

The Directors submit their report together with the audited financial statements for the year ended 31 December 2012

### **Results and dividends**

The results for the Company show a profit for the financial year of £15,000 (2011 a profit of £26,384,000)

The Directors have paid no interim dividends during the year (2011 £180,089,000)

The Directors do not recommend the payment of a final dividend (2011 £nil)

### **Business review and principal activities**

The Company's principal activity during the year was that of an intermediate holding company

### **Future developments**

The Directors do not foresee any significant changes in the Company or its activities during 2013

### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The Directors of Inchcape plc manage the Group's risks at a group level rather than at an individual business unit or company level. Further discussion on these risks and uncertainties, in the context of the Inchcape Group as a whole, is provided in the Group's Annual Report and Accounts which does not form part of this report

### **Financial risk management**

The Directors consider that the Company's key financial instruments are inter-company loans. Financial exposures exist to the extent that a change in the underlying base rate of interest will affect the level of income received or paid on the inter-company loans. The risk is not considered material and the Company does not employ the use of hedging instruments

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements were as follows

Anton Jeary

Martin Wheatley

### **Transactions with Directors**

No transaction, arrangement or agreement required to be disclosed under the terms of the Companies Act 2006 was outstanding at 31 December 2012, or occurred during the year for any Director or connected person (2011 none)

### **Directors' indemnity**

A Qualifying Third Party Indemnity (QTPI), as permitted by the Company's Articles of Association and section 234 of the Companies Act 2006, has been granted by the Company to each of the Directors of the Company. Under the provisions of the QTPI, the Company undertakes to indemnify each Director against liability to third parties (excluding criminal and regulatory penalties) and to pay the Directors' costs as incurred, provided that they are reimbursed to the Company if the Director is found guilty or, in an action brought by the Company, judgement is given against the Director. A QTPI was in force throughout the financial year and also at the date of approval of these financial statements

### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Directors' Report (continued)**

### **Disclosure of information to the auditors**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware

The Directors have taken all the steps that 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

### **Statement of directors' responsibilities**

The Directors are responsible for preparing the Directors' Report 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 prepared 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 of the profit or loss of the Company 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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.

### **By Order of the Board**



Martin Wheatley  
Company secretary

Date 18 June 2013

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Independent auditors' report to the members of Tozer Kemsley and Millbourn Automotive Limited**

We have audited the financial statements of Tozer Kemsley and Millbourn Automotive Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities set out on page 2 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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 become 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 Company's affairs as at 31 December 2012 and of its 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.

## **Tozer Kemsley and Millbourn Automotive Limited**

### **Independent auditors' report to the members of Tozer Kemsley and Millbourn Automotive Limited (continued)**

#### **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, 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



Simon Morley (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

Date 18 June 2013

## **Tozer Kemsley and Millbourn Automotive Limited**

### **Profit and loss account**

**For the year ended 31 December 2012**

	<b>Note</b>	<b>2012 £'000</b>	<b>2011 £'000</b>
Administrative expenses		-	(31,444)
Other operating income		<u>15</u>	<u>27</u>
Operating profit / (loss)	2	15	(31,417)
Income from shares in group undertakings		<u>-</u>	<u>57,742</u>
Profit on ordinary activities before taxation		15	26,325
Tax on profit on ordinary activities	4	<u>-</u>	<u>59</u>
Profit for the financial year		<u><u>15</u></u>	<u><u>26,384</u></u>

All results derive from continuing operations

There are no recognised gains or losses for the current and preceding financial years other than the profit of £15,000 (2011 £26,384,000) shown above. There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents, and therefore no separate statement of total recognised gains and losses has been presented.

# Tozer Kemsley and Millbourn Automotive Limited

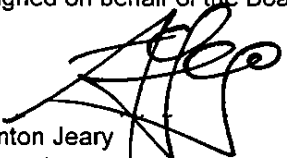
## Balance sheet

As at 31 December 2012

	Note	2012 £'000	2011 £'000
<b>Fixed assets</b>			
Fixed asset investments	6	<u>186</u>	<u>171</u>
		<u>186</u>	<u>171</u>
<b>Current assets</b>			
Debtors amounts falling due within one year	7	<u>59</u>	<u>66</u>
		<u>59</u>	<u>66</u>
<b>Current liabilities</b>			
Creditors amounts falling due within one year	8	<u>-</u>	<u>(7)</u>
<b>Net current assets</b>		<u>59</u>	<u>59</u>
<b>Total assets less current liabilities</b>		<u>245</u>	<u>230</u>
<b>Net assets</b>		<u>245</u>	<u>230</u>
<b>Capital and reserves</b>			
Called up share capital	9	<u>-</u>	<u>-</u>
Profit and loss account	10	<u>245</u>	<u>230</u>
<b>Total Shareholders' Funds</b>	11	<u>245</u>	<u>230</u>

The financial statements on pages 5 to 12 were approved by the Board of Directors on 18 June 2013

Signed on behalf of the Board of Directors

  
Anton Jeary

Director

Tozer Kemsley and Millbourn Automotive Limited

Registered no. 893104

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2012**

### **1 Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The particular accounting policies adopted are as described below. The principal accounting policies of the Company have been applied consistently and reviewed in accordance with Financial Reporting Standard 18 'Accounting Policies'.

#### **Group financial statements**

The Company is a wholly-owned subsidiary of Inchcape plc and is included in the consolidated financial statements of Inchcape plc which are publicly available. In accordance with the exemption permitted by Section 400 of the Companies Act 2006 no Group financial statements have been prepared.

#### **Cash flow statement and related party disclosures**

The Company is a wholly owned subsidiary of Inchcape plc, a company registered in England and Wales, and is included in the consolidated financial statements of Inchcape plc which are publicly available. Consequently, the Company has taken advantage of the exemption in paragraph 5(a) of FRS 1 (Revised 1996), 'Cash Flow Statements', and not published its own cash flow statement. The Company is also exempt under the terms of paragraph 3 of FRS 8, 'Related Party Disclosures', from disclosing related party transactions with entities that are part of the Inchcape plc group.

The Directors consider that there are no other relationships, transactions or balances which are required to be disclosed by FRS8.

#### **Investments**

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value. Net realisable value is that price at which the investments can be sold in the normal course of business after allowing for the costs of realisation.

Fixed asset investments are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount and is charged to the profit and loss account. The recoverable amount being the higher of net realisable value and value in use.

Shares in other Group companies are stated at cost, less provision for impairment in value.

#### **Foreign currencies**

Transactions in overseas currencies have been translated into Sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated into Sterling at the rate ruling at the balance sheet date except where rates of exchange are fixed under contractual agreements.



# **Tozer Kemsley and Millbourn Automotive Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2012**

**..... continued**

### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is provided in full (without discounting) based on current tax rates and law, on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax in future except as otherwise required by FRS 19, Deferred Tax. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding commitment to sell the asset

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

Deferred tax is measured at the 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

### **Dividends**

Interim dividends are recognised in the period in which they are paid. Final dividends are recognised in the period they are approved by the Company's shareholder

## **2 Operating profit / (loss)**

Operating profit / (loss) is stated after charging

	<b>2012</b> <b>£'000</b>	<b>2011</b> <b>£'000</b>
(Reversal of) impairment of investments	<u><b>(15)</b></u>	<u><b>31,444</b></u>

Auditors' remuneration has been borne by a fellow subsidiary undertaking. Of this remuneration £2,000 (2011 £2,000) is deemed to be attributable to the Company

During the prior year, the Group undertook a reorganisation of its UK businesses and as a consequence the net assets of its UK subsidiaries were reduced to a carrying value of £1. Accordingly, an impairment charge of £31,444,000 was recognised

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2012**

**..... continued**

### **3 Directors and employees**

The Company has no employees except the Directors and hence no salary, social security or pensions costs (2011 £nil)

No emoluments (2011 £nil) were paid to the Directors of the Company whose services are provided to a number of Group companies. The proportion of their emoluments attributable to the Company can not be reasonably estimated and these costs are borne entirely within the Inchcape Group

### **4 Tax on profit on ordinary activities**

#### **a) Taxation credit for the year**

The taxation credit based on the results for the year is made up as follows

	<b>2012</b> <b>£'000</b>	<b>2011</b> <b>£'000</b>
<b>Current tax:</b>		
UK corporation tax on profits for the year	-	7
UK corporation tax prior year adjustments	-	(66)
Current tax credit for the year	-	(59)

#### **b) Factors affecting tax credit for the year**

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	<b>2012</b> <b>£'000</b>	<b>2011</b> <b>£'000</b>
Profit on ordinary activities before taxation	<b>15</b>	<b>26,325</b>
Corporation tax at standard rate	<b>4</b>	<b>6,976</b>
Corporation tax prior year adjustments	-	(66)
Non taxable income	<b>(4)</b>	<b>(15,302)</b>
Expenses not deductible for tax purposes	-	<b>8,333</b>
Current tax credit for the year (as above)	-	<b>(59)</b>

# Tozer Kemsley and Millbourn Automotive Limited

## Notes to the financial statements

For the year ended 31 December 2012

..... *continued*

### 5 Dividends

No dividends were paid in 2012 (2011 interim dividend paid of £13.07 per ordinary share totalling £180,089,000)

### 6 Fixed asset investments

	Shares in subsidiary undertakings £'000	Other investments £'000	Total £'000
<b>Cost</b>			
At 1 January 2012	31,381	2,997	34,378
At 31 December 2012	31,381	2,997	34,378
<b>Provisions</b>			
At 1 January 2012	(31,381)	(2,826)	(34,207)
Reversal of provisions for impairment	-	15	15
At 31 December 2012	(31,381)	(2,811)	(34,192)
<b>Net book value</b>			
At 31 December 2012	-	186	186
At 31 December 2011	-	171	171

The Directors believe that the carrying value of the investments is supported by their underlying net assets

The Company owns 75,758 shares in Auto-By-Tel Corporation, a Company listed on NASDAQ. The market value at 31 December 2012 was £186,000 (2011 £171,000)

### Principal subsidiaries and other investments

The Company has investments in the following undertakings

Company	Country of incorporation or registration	Proportion of nominal value of share held	Principal activity
<b>Subsidiary undertakings</b>			
Nexus Corporation Limited	England & Wales	100%	Dormant
Tozer International Holdings Limited	England & Wales	100%	Dormant

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2012**

**..... continued**

### **7 Debtors: Amounts falling due within one year**

	<b>2012 £'000</b>	<b>2011 £'000</b>
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	<u>59</u>	<u>66</u>
	<u><b>59</b></u>	<u><b>66</b></u>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand

### **8 Creditors amounts falling due within one year**

	<b>2012 £'000</b>	<b>2011 £'000</b>
Amounts owed to group undertakings	<u>-</u>	<u>7</u>

### **9 Called up share capital**

**Allotted, called up and fully paid**

	<b>2012 £</b>	<b>2011 £</b>
1 ordinary share of £1 00 each (2011 1)	<u>1</u>	<u>1</u>

### **10 Profit and loss account**

	<b>Profit and loss account £'000</b>
At 1 January 2012	230
Profit for the financial year	<u>15</u>
At 31 December 2012	<u><b>245</b></u>

# **Tozer Kemsley and Millbourn Automotive Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2012**

**..... continued**

### **11 Reconciliation of movement in shareholders' funds**

	<b>2012 £'000</b>	<b>2011 £'000</b>
Profit for the financial year	<b>15</b>	26,384
Dividends	<b>-</b>	(180,089)
Net addition to / (reduction from) shareholders' funds	<b>15</b>	(153,705)
Shareholders' funds at 1 January	<b>230</b>	153,935
Shareholders' funds at 31 December	<b>245</b>	230

### **12 Parent undertaking and controlling party**

The Company's immediate parent is Inchcape Motors International Limited, a company registered in England and Wales

The Directors regard the ultimate parent undertaking and controlling party to be Inchcape plc, a company registered in England and Wales

Both the smallest and the largest group of which the Company is a member and for which Group Financial statements are drawn up is that of Inchcape plc. Copies of the Annual Report and Accounts for that company are available from

The Company Secretary  
Inchcape plc  
22A St James's Square  
London  
SW1Y 5LP