

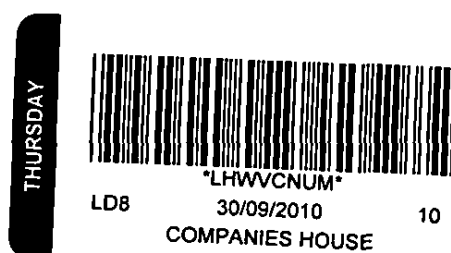
Tozer Kemsley and Millbourn Automotive Limited

(Registered Number: 893104)

Annual Report and Financial statements

For the year ended 31 December 2009

Inchcape House
Langford Lane
Kidlington
Oxford
OX5 1HT



Tozer Kemsley and Millbourn Automotive Limited

Directors' report

Director's report for the year ended 31 December 2009

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2009

Principal activities

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

Review of business and future developments

It is not envisaged that there will be any change in the Company's activities in the foreseeable future

Financial and principal risks

The Directors of Inchcape plc manage the Group's risks at a group level, rather than at an individual business unit level. For this reason, the Company's directors believe that disclosure of the Group's risk would not be appropriate for an understanding of the development, performance or position of Tozer Kemsley and Millbourn Automotive Limited

Financial instruments

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.

Results and dividends

The Company's profit for the financial year is £23,138,000 (2008 £30,876,000)

An interim dividend of £58,500,000 (2008 £nil) was paid in 2009. There is no proposal to pay a final dividend for the year ended 31 December 2009 (2008 £nil).

Directors and their interests

The Directors who held office during the year are given below

A C Jeary
M P Wheatley

No director had any interest in the shares of the Company (or any of its subsidiary undertakings) at either 1 January 2009 or 31 December 2009.

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 2009, or occurred during the year for any Director or connected person (2008 None).

Tozer Kemsley and Millbourn Automotive Limited

Directors' report (continued)

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

The Directors have taken all the steps that they ought to have taken as Directors in order to be made aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

Pursuant to Section 487(2) of the Companies Act 2006, no notice has been proposed by the Company to terminate the appointment of the auditors. The auditors will be deemed to be re-appointed for the next financial year

By order of the Board



M P Wheatley
Secretary

21st September 2010

Tozer Kemsley and Millbourn Automotive Limited

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 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 UK 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 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.

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 2009 which comprise the Profit and Loss Account, 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 Directors' Responsibilities Statement set out on page 3 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 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.

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 2009 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



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

23 September 2010

Tozer Kemsley and Millbourn Automotive Limited

Profit and loss account for the year ended 31 December 2009

	Note	2009 £'000	2008 £'000
Administrative income / (expenses)		98	(371)
Operating profit / (loss)	2	98	(371)
Income from shares in group undertakings		22,194	28,461
Profit on ordinary activities before interest and taxation		22,292	28,090
Interest received and other similar income	4	1,175	3,955
Profit on ordinary activities before taxation		23,467	32,045
Tax on profit on ordinary activities	5	(329)	(1,169)
Profit for the financial year		23,138	30,876

The Company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents


All the activities of the Company are continuing

Tozer Kemsley and Millbourn Automotive Limited

Balance sheet as at 31 December 2009

	Note	2009 £'000	2008 £'000
Fixed assets			
Investments	7	31,615	98,139
Current assets			
Debtors – amounts falling due within one year	8	66,622	-
Debtors – amounts falling due after more than one year	9	57,694	93,079
Debtors		124,316	93,079
Cash at bank and in hand		162	162
		124,478	93,241
Creditors – amounts falling due within one year	10	(1,949)	(1,874)
Net current assets		122,529	91,367
Total assets less current liabilities		154,144	189,506
Creditors – amounts falling due after more than one year	11	(143)	(143)
Net assets		154,001	189,363
Capital and reserves			
Called up share capital	12	13,775	13,775
Share premium account	13	78,234	78,234
Profit and loss reserve	13	61,992	97,354
Total shareholders' funds	14	154,001	189,363

The financial statements on pages 6 to 12 were approved by the Board of Directors on 21st September 2010 and were signed on its behalf by



A C Jeary
Director

Tozer Kemsley and Millbourn Automotive Limited

Notes to the financial statements for the year ended 31 December 2009

1. Accounting policies

The financial statements have been prepared on a going concern basis, and in accordance with applicable United Kingdom Accounting Standards. The principal accounting policies of the Company are described below.

The principal accounting policies of the Company have been reviewed in accordance with Financial Reporting Standard 18 'Accounting Policies'.

No new accounting standards have been adopted during the year.

Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006.

Group financial statements

In accordance with the exemption permitted by Section 400 of the Companies Act 2006 no Group financial statements have been prepared.

Fixed asset investments

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

Dividend

Income from investments is included in the profit and loss account on a cash receipts basis.

Interest

Interest is included in the profit and loss account on an accruals basis.

2. Operating loss

	2009 £'000	2008 £'000
Operating loss is stated after charging:		
(Reversal of provision) / provision for impairment of investment	(98)	371

3. Directors' emoluments, employee information and auditors' remuneration

As in 2008, the Company has no employees except the Directors and hence has no salary, social security or pension costs. The Directors do not receive any remuneration from the Company as their services to the Company are deemed to be non-qualifying for the purposes of the Companies Act 2006.

As in 2008, auditors' remuneration has been borne by a fellow subsidiary undertaking. Of this remuneration £2,000 (2008: £2,000) is deemed to be attributable to the Company.

Tozer Kemsley and Millbourn Automotive Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

4. Interest receivable and other similar income

	2009 £'000	2008 £'000
Interest receivable from cash at bank and in hand	-	7
Interest receivable from group undertakings	1,175	3,948
	1,175	3,955

5. Tax on profits for the year

	2009 £'000	2008 £'000
Current tax:		
UK Corporation tax on profits for the period	329	1,127
Corporation tax prior year adjustments	-	42
Tax on profit on ordinary activities	329	1,169

The tax assessed for the year is equal to the profits at the effective large companies' rate of Corporation tax in the UK of 28% (2008 28.5%)

The expected tax charge is reconciled to the actual tax charge below

	2009 £'000	2008 £'000
Profit on ordinary activities before taxation	23,467	32,045
Profit on ordinary activities multiplied by effective rate of Corporation tax in the UK of 28% (2008 28.5%)	6,571	9,133
Effects of		
Non taxable income	(6,242)	(8,006)
Corporation tax – prior year adjustments	-	42
Current tax charge for the year	329	1,169

6. Dividends

	2009 £'000	2008 £'000
Equity - ordinary		
Interim paid £4.25 per £1 ordinary share (2008 £nil)	58,500	-

There is no proposal to pay a final dividend for the year ended 31 December 2009

Tozer Kemsley and Millbourn Automotive Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

7. Fixed asset investments

	Investment in subsidiary undertakings £'000	Investment in quoted company £'000	Total £'000
Cost			
At 1 January 2009	107,193	2,997	110,190
Disposals	(75,812)		(75,812)
As at 31 December 2009	31,381	2,997	34,378
Amounts provided for			
At 1 January 2009	(9,191)	(2,860)	(12,051)
Disposals	9,190	-	9,190
Reversal of provision during the year	-	98	98
As at 31 December 2009	(1)	(2,762)	(2,763)
Net book value			
As at 31 December 2009	31,380	235	31,615
As at 31 December 2008	98,002	137	98,139

In the opinion of the Directors of the Company the aggregate value of the shares in, and the amounts owing from, the Company's subsidiaries is not less than the amount as shown in the balance sheet

The Company owns 378,788 shares in Auto-By-Tel Corporation, a Company listed on NASDAQ. The market value at 31 December 2009 was £235,271 (2008 £136,784)

Shares in subsidiaries are stated at cost less provision for impairment in value. A list of principal subsidiaries, their country of incorporation, and proportion of the nominal value of shares held and principal activity is given below

	Country of incorporation of registration	Proportion of nominal value of share held	Principal activity
Subsidiary undertakings			
Nexus Corporation Limited	England & Wales	100%	Investment holding
Tozer International Holdings Limited	England & Wales	100%	Investment holding

During the year, as part of a group re-organisation, the Company disposed of its investments in Inchcape Australia Limited and Inchcape Motors Finland OY to a fellow group company at net book value

Inchcape Switzerland Limited was liquidated on 14 April 2009. The cost of investment of £9,190,000 was fully provided in the books of the Company and so no loss was incurred on liquidation

Tozer Kemsley and Millbourn Automotive Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

8. Debtors – amounts falling due within one year

	2009 £'000	2008 £'000
Amounts owed from group undertakings	66,622	-

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

9. Debtors – amounts due after more than one year

	2009 £'000	2008 £'000
Amounts owed from group undertakings	57,694	93,079

Amounts owed from group undertakings are unsecured, bear interest at rates linked to LIBOR and are due for repayment in 2011

10. Creditors – amounts due within one year

	2009 £'000	2008 £'000
Sundry creditors	27	28
Amounts due to group undertakings	1,922	1,846
	1,949	1,874

Amounts due to group undertakings are unsecured, interest free and are repayable on demand

11. Creditors – amounts due after more than one year

	2009 £'000	2008 £'000
Amounts due to group undertakings	143	143

Amounts due to group undertakings are unsecured, interest free and fall due for repayment in 2011

12. Called up share capital

	2009 £'000	2008 £'000
Authorised		
200,000,000 ordinary shares of 100 0p each	20,000	20,000
Allotted and fully paid		
13,775,255 ordinary shares of 100 0p each	13,775	13,775

Tozer Kemsley and Millbourn Automotive Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

13 Reserves

	Share premium account £'000	Profit and loss reserve £'000
At 1 January 2009	78,234	97,354
Loss for the financial year (note 14)	-	(35,362)
As at 31 December 2009	78,234	61,992

14. Reconciliation of movements in shareholders' funds

	2009 £'000	2008 £'000
Profit for the year	23,138	30,876
Dividends paid (note 6)	(58,500)	-
(Loss) / profit for the financial year	(35,362)	30,876
Opening shareholders' funds	189,363	158,487
Closing shareholders' funds	154,001	189,363

15. Contingent liabilities

The Company is party to composite cross guarantees between banks, its ultimate parent undertaking and fellow subsidiaries. The Company's contingent liability under these guarantees at 31 December 2009 was £161,588 (2008 £161,458)

16. Cash flow statement

A cash flow statement is not required as Inchcape plc, the Company's ultimate holding company, has complied with Financial Reporting Standard 1 (revised) by including a consolidated cash flow statement in its Report and financial statements for the year ended 31 December 2009. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

17. Related party transactions

The Company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Inchcape plc group or investees of the Inchcape plc group. The Company has no other relationships, transactions or balances that are required to be disclosed under FRS 8.

18. Immediate and ultimate parent undertakings

The immediate parent undertaking is Inchcape Motors International Limited, a company incorporated in England and Wales.

The Company's ultimate parent undertaking is Inchcape plc, a public company incorporated in England and Wales. Copies of Inchcape plc's consolidated financial statements may be obtained from the Group Company Secretary at 22a St James's Square, London SW1Y 5LP. The parent undertaking, which heads the smallest and largest groups for which consolidated financial statements are prepared is Inchcape plc.