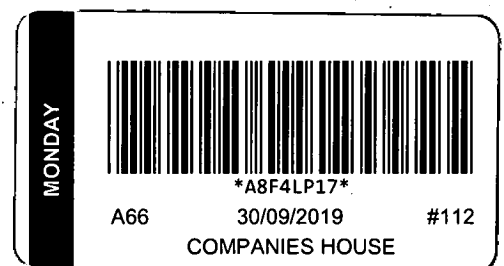


Registration number: 893104

Tozer Kemsley and Millbourn Automotive Limited
Annual Report and Financial Statements
for the year ended 31 December 2018



First Floor, Unit 3140, Park Square
Solinull Parkway
Birmingham Business Park
Birmingham
B37 7YN
United Kingdom

Tozer Kemsley and Millbourn Automotive Limited

Company Information

Directors

Thomas Dale

Martin Wheatley

Company secretary

Inchcape UK Corporate Management Limited

Registered office

First Floor, Unit 3140, Park Square

Solihull Parkway

Birmingham Business Park

Birmingham

B37 7YN

United Kingdom

Independent

Auditors

Deloitte LLP

Tozer Kemsley and Millbourn Automotive Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their strategic report for the year ended 31 December 2018.

Fair review of the business

The results for the Company show a loss for the financial year of £182,000 (2017: a profit of £4,000). The Company had net assets at the end of the year of £819,000 (2017: £1,001,000).

The Company's principal activity during the year is that of an intermediate holding company and remains unchanged since prior years.


Key performance indicators (KPIs)

The Company is part of the Inchcape Group. The development, performance and position of the UK segment, which includes this Company, is discussed in the Group's Annual Report and Accounts 2018 which does not form part of this report.

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 risk 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 2018 which does not form part of this report.

Approved by the Board on 30 September 2019 and signed by order of the Board by:


.....
Inchcape UK Corporate Management Limited
Company secretary

Tozer Kemsley and Millbourn Automotive Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

Incorporation and Domicile

The Company is incorporated and domiciled in the United Kingdom, registration number 893104. The registered office of the Company is First Floor, Unit 3140, Park Square, Solihull Parkway, Birmingham Business Park, Birmingham, B37 7YN, United Kingdom.

Directors of the Company

The Directors who held office during the year and up to the date of signing were as follows:

Anton Jeary (resigned 4 July 2019)

Thomas Dale (appointed 4 July 2019)

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 2018 or occurred during the year for any Director or connected person (2017: none).

Dividends

No dividends were paid during the year (2017: £nil).

Post balance sheet events

There have been no significant events since the balance sheet date which should be considered for a proper understanding of the financial statements

Future developments

The Directors do not foresee any significant changes in the Company or its activities in 2019.

Financial risk management

The Directors consider that the Company's key financial instruments are intercompany 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 intercompany loans. The risk is not considered material and the Company does not employ the use of hedging instruments.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. This assessment is based on the company's net assets and forecast performance. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the annual report and financial statements.

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.

Tozer Kemsley and Millbourn Automotive Limited

Directors' Report for the Year Ended 31 December 2018


Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Independent auditors

Deloitte have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board on 30 September 2019 and signed by order of the Board by:


.....
Martin Wheatley
Director

Tozer Kemsley and Millbourn Automotive Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

The Directors 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

Report on the audit of the financial statements

Opinion

In our opinion, Tozer Kemsley and Millbourn Automotive Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Tozer Kemsley and Millbourn Automotive Limited

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Tozer Kemsley and Millbourn Automotive Limited

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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 auditor's 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.

Manmeet Kalsi

Manmeet Kalsi (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham

30 September 2019

Tozer Kemsley and Millbourn Automotive Limited

Profit and Loss Account for the Year Ended 31 December 2018

	Note	2018 £'000	2017 £'000
Turnover		–	–
Other operating income		–	–
Operating profit		–	–
Amounts written off investments	8	(186)	–
Interest receivable and similar income	5	5	5
(Loss) / profit on ordinary activities before taxation		(181)	5
Tax on (loss) / profit on ordinary activities	6	(1)	(1)
(Loss) / profit for the financial year		(182)	4

The above results were derived from continuing operations.


There is no other comprehensive income for the year (2017: £nil).

Tozer Kemsley and Millbourn Automotive Limited

Balance Sheet as at 31 December 2018

	Note	2018 £'000	2017 £'000
Fixed assets			
Investments	7	–	–
Financial assets at fair value through other comprehensive income	8	–	186
Current assets			
Debtors: Amounts falling due within one year	9	821	816
		821	816
Creditors: Amounts falling due within one year	10	(2)	(1)
Net current assets		819	815
Total assets less current liabilities		819	1,001
Net assets		819	1,001
 Capital and reserves			
Share capital	11	–	–
Profit and loss account		819	1,001
Total shareholders' funds		819	1,001

The financial statements on pages 9 to 17 were approved by the Board on 30 September 2019 and signed on its behalf by:



 Martin Wheatley
 Director

Tozer Kemsley and Millbourn Automotive Limited
 Registration number: 893104

Tozer Kemsley and Millbourn Automotive Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share Capital £'000	Profit and loss Account £'000	Total shareholders' funds £'000
At 1 January 2018	–	1,001	1,001
Loss for the year	–	(182)	(182)
Total comprehensive income	–	(182)	(182)
At 31 December 2018	–	819	819

	Share Capital £'000	Profit and loss Account £'000	Total shareholders' funds £'000
At 1 January 2017	–	997	997
Profit for the year	–	4	4
Total comprehensive income	–	4	4
At 31 December 2017	–	1,001	1,001

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 Accounting policies

General information

Tozer Kemsley and Millbourn Automotive Limited (the Company) is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 3.

The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

Basis of preparation

These financial statements were prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies of the Company have been applied consistently.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise of share options, and how the fair value of goods and services received was determined)
- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows)
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

New standards

IFRS 9 'Financial Instruments' was issued by the IASB in July 2014 and replaced IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 15 'Revenue from Contracts with Customers' was issued by the IASB in May 2014 and replaced IAS 18 'Revenue'. The company adopted IFRS 9 and IFRS 15 from 1 January 2018 and has applied the new standards in accordance with the transition provisions. Under IFRS 9, changes in the fair value of investments in equity instruments measured at FVOCI do not affect profit and loss when the asset is impaired or derecognised.

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. This assessment is based on the company's net assets and forecast performance. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the annual report and financial statements.

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.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 the future. 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 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.

Tangible fixed assets are subject to impairment tests where, in the opinion of the Directors, there has been an indication of impairment. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the profit and loss account.

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.

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

Financial assets and liabilities

The Company classifies its financial instruments in the following categories: at fair value through other comprehensive income and amortised cost. The classification is determined at initial recognition and depends on the purpose for which the financial instruments are required.

Financial assets at fair value through other comprehensive income are equity instruments that the Group has elected to recognise the changes in fair value of in other comprehensive income. They are recognised initially at fair value and are re-measured subsequently at fair value with gains and losses arising from changes in fair value recognised directly in equity and presented in the statement of comprehensive income. Accrued interest or dividends arising on these financial assets are recognised in the Group Income Statement. Cumulative gains and losses on equity instruments at fair value through other comprehensive income are not recycled to the Group Income Statement.

2 Critical accounting judgements and key sources of estimation uncertainty

The Directors have made some estimates and judgements in applying the Group's accounting policies. The most significant relate to:

Impairment of investments

Investments are reviewed for impairment on an annual basis. Carrying value at the end of the year is compared to recoverable value for each investment. The recoverable value is determined based on the higher of net asset value or value in use. Value in use calculations require estimates to be made of future cash flows.

3 Operating profit

Auditors' remuneration has been borne by a fellow subsidiary undertaking. Of this remuneration, £2,500 (2017: £2,500) is deemed to be attributable to the Company. The auditors' remuneration does not include any non-audit services.

4 Directors' remuneration

The Company has no employees except the Directors (2017: none) and hence no salary, social security or pension costs (2017: £nil).

No emoluments (2017: £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.

5 Other interest receivable and similar income

	2018 £'000	2017 £'000
Other finance income	5	5

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

6 Tax on (loss) / profit on ordinary activities

Tax charged in the profit and loss account:

	2018 £'000	2017 £'000
Current taxation		
UK corporation tax	1	1

The actual tax charge assessed for the period is higher (2017: the same as) the standard rate of Corporation Tax in the UK of 19% (2017: blended rate 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
(Loss) / profit before tax	(182)	5
Corporation tax at standard rate	(34)	1
Expenses not deductible for tax purposes	35	–
Total tax charge	1	1

Factors that may affect future tax charges

The Finance Act 2016 included legislation to reduce the rate of UK Corporation Tax to 17% from 1 April 2020. This rate reduction was enacted by the balance sheet date and hence this rate is now relevant for measuring deferred tax balances in the UK, as appropriate.

Franked Investment Income Group Litigation Order and Tax Rate Differential Note

The Company is a claimant in an action in the United Kingdom against HM Revenue and Customs (HMRC) in the Franked Investment Income Group Litigation Order (FII GLO). There are 25 corporate groups in the FII GLO. The action concerns the treatment for UK corporation tax purposes of profits earned overseas and distributed to the UK. The resolution of the test case in the FII GLO remains incomplete.

As reported previously, the resolution of the test case in the FII GLO remains incomplete. Therefore, as at 31 December 2018, no further receipts have been recognised in relation to the balance of the Company's claim in the FII GLO due to the uncertainty of the eventual outcome given the test case has not yet completed nor has the Company's specific claim been heard by the Courts.

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

7 Investments

Shares in subsidiary undertakings	£ 000
Cost	
At 1 January 2018	31,381
At 31 December 2018	31,381
Provisions	
At 1 January 2018	(31,381)
At 31 December 2018	(31,381)
Net book value	
At 31 December 2018	–
At 31 December 2017	–

Details of the subsidiaries as at 31 December 2018 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held
Nexus Corporation Limited ¹	Dormant	England & Wales	100%
Tozer International Holdings Limited ¹	Dormant	England & Wales	100%

¹ Address: First Floor, Unit 3140, Park Square, Solihull Parkway, Birmingham Business Park, Birmingham, B37 7YN.

8 Financial assets at fair value through other comprehensive income

Other investments	£'000
Cost or valuation	
At 1 January 2018	2,997
At 31 December 2018	2,997
Provision	
At 1 January 2018	(2,811)
Impairment charge for the year	(186)
At 31 December 2018	(2,997)
Carrying amount	
At 31 December 2018	–
At 31 December 2017	186

The Company owns 75,758 shares in Auto-By-Tel Corporation. An impairment charge of £186,000 (2017: £nil) was recognised in the year.

Tozer Kemsley and Millbourn Automotive Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

9 Debtors: Amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed by group undertakings	821	816

10 Creditors: Amounts falling due within one year

	2018 £'000	2017 £'000
Trade and other payables	1	1
Amounts owed to group undertakings	1	–
	2	1

11 Share capital

Allotted, called up and fully paid shares

	31 December 2018	31 December 2017
	No. £'000	No. £'000
Ordinary shares of £1 each	1 –	1 –

12 Parent and ultimate parent undertaking

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 its registered address:

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