

Abbreviated Accounts for the Year Ended 31 December 2012

for

Pilling Motor Group Limited

WEDNESDAY



\*A2K2PZQP\*

A18

30/10/2013

#319

COMPANIES HOUSE

Contents of the Abbreviated Accounts  
for the Year Ended 31 December 2012

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	7
Abbreviated Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Abbreviated Accounts	13

Pilling Motor Group Limited

Company Information  
for the Year Ended 31 December 2012

**DIRECTORS:** K J Pilling  
C G Pilling

**SECRETARY:** C G Pilling

**REGISTERED OFFICE** 12 Rylands Mews  
Lake Street  
Leighton Buzzard  
Bedfordshire  
LU7 1SP

**REGISTERED NUMBER:** 00993353 (England and Wales)

**AUDITORS:** Sherwoods Limited  
(Statutory Auditor)  
Chartered Certified Accountants  
2nd Floor  
181 Queensway  
Bletchley  
Milton Keynes  
MK2 2DZ

Report of the Directors  
for the Year Ended 31 December 2012

The directors present their report with the accounts of the company for the year ended 31 December 2012

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of motor retailers and sales of motor repairs, servicing and spare parts

**REVIEW OF BUSINESS**

Following the withdrawal from the Volvo franchise in 2012, and the sale of a freehold property in Milton Keynes, the company has continued to trade from its site in Hemel Hempstead at a significantly reduced level as planned. Despite the loss for the period the directors are satisfied that the Going Concern basis of preparation is appropriate to these financial statements since they are confident that they have the continued support of the company's bankers.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2012

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

K J Pilling  
C G Pilling

**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 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,
- 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.

**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 company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

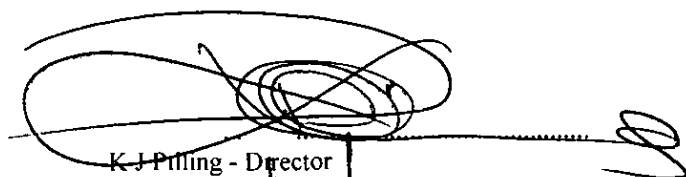
Pilling Motor Group Limited

Report of the Directors  
for the Year Ended 31 December 2012

**AUDITORS**

The auditors, Sherwoods Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

K J Pilling - Director

Date

28/10/2013

Report of the Independent Auditors to  
Pilling Motor Group Limited  
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages seven to seventeen, together with the full financial statements of Pilling Motor Group Limited for the year ended 31 December 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

**Other information**

On **28-10-2013** we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 December 2012 prepared under Section 396 of the Companies Act 2006, and our report was as follows:

"We have audited the financial statements of Pilling Motor Group Limited for the year ended 31 December 2012 on pages six to sixteen. 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 two, 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 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 Report of the Directors 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.

**Basis for qualified opinion on financial statements**

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. However, with respect to stock having a carrying amount of £147,045 the evidence available to us was limited because we did not observe the counting of the physical stock as of 31st December 2012, since that date was prior to our appointment as auditor of the company. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using other audit procedures.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Qualified opinion on financial statements arising from limitation in audit scope**

Except for the financial effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to physical stock quantities, in our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting practice, of the state of the companies affairs at 31st December 2012 and of its loss for the year then ended, and
- have been properly prepared in accordance with the Companies Act 2006

In respect solely of the limitation on our work relating to stocks

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit, and
- we were unable to determine whether proper accounting records had been maintained

In our opinion the information given in the Directors' Report is consistent with the financial statements

**Emphasis of Matter**

In forming our opinion, we have considered the adequacy of the disclosures in note 1 of the financial statements and in the directors report, concerning the company's ability to continue as a going concern. The company made a loss of £372,097 and current liabilities exceed current assets by £742,766.

These conditions indicate the existence of a material uncertainty, which may cast doubt over the entity's ability to continue as a going concern. In view of the significance of this uncertainty we consider it should be drawn to your attention but our opinion is not qualified in this respect.

**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.

Report of the Independent Auditors to  
Pilling Motor Group Limited  
Under Section 449 of the Companies Act 2006

**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 "

Ruth Stepney FCCA (Senior Statutory Auditor)  
for and on behalf of Sherwoods Limited  
(Statutory Auditor)  
Chartered Certified Accountants  
2nd Floor  
181 Queensway  
Bletchley  
Milton Keynes  
MK2 2DZ



Date 28 - 10 - 2013



Pilling Motor Group Limited

Abbreviated Profit and Loss Account  
for the Year Ended 31 December 2012

	Notes	31 12 12 £	31 12 11 £
<b>TURNOVER</b>		3,945,188	26,705,346
Cost of sales and other operating income		(2,952,573)	(23,643,459)
		<hr/> 992,615	<hr/> 3,061,887
Administrative expenses		<hr/> 1,232,657	<hr/> 3,704,473
<b>OPERATING LOSS</b>	3	(240,042)	(642,586)
Profit/loss on sale of operatn		<hr/> -	<hr/> 571,621
		(240,042)	(70,965)
Interest receivable and similar income		<hr/> 1,917	<hr/> -
		(238,125)	(70,965)
Interest payable and similar charges	4	<hr/> 116,396	<hr/> 252,589
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(354,521)	(323,554)
Tax on loss on ordinary activities	5	<hr/> -	<hr/> -
<b>LOSS FOR THE FINANCIAL YEAR</b>		<hr/> <hr/> (354,521)	<hr/> <hr/> (323,554)

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current year or previous year

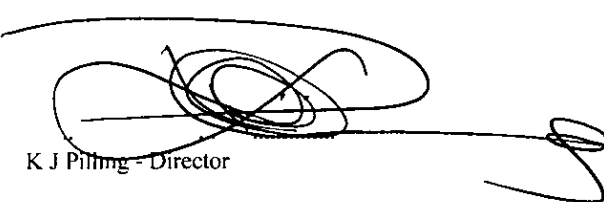
The notes form part of these abbreviated accounts

Abbreviated Balance Sheet  
31 December 2012

	Notes	31 12 12 £	£	31 12 11 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		4,197,275		7,309,015
Investments	7		1		1
			<u>4,197,276</u>		<u>7,309,016</u>
<b>CURRENT ASSETS</b>					
Stocks	8	147,045		1,187,902	
Debtors	9	65,233		425,973	
Cash at bank and in hand		47,747		55	
		<u>260,025</u>		<u>1,613,930</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	980,985		3,260,720	
		<u></u>		<u></u>	
<b>NET CURRENT LIABILITIES</b>			<u>(720,960)</u>		<u>(1,646,790)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,476,316		5,662,226
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		1,900,000		2,891,389
			<u>1,900,000</u>		<u>2,891,389</u>
<b>NET ASSETS</b>			<u>1,576,316</u>		<u>2,770,837</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		250,000		250,000
Revaluation reserve	15		1,079,907		1,919,907
Profit and loss account	15		246,409		600,930
			<u>1,576,316</u>		<u>2,770,837</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<u>1,576,316</u>		<u>2,770,837</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 28/10/2013 and were signed on its behalf by

  
K J Pilling - Director

The notes form part of these abbreviated accounts

Pilling Motor Group Limited

Cash Flow Statement  
for the Year Ended 31 December 2012

	Notes	31 12 12 £	£	31 12 11 £	£
<b>Net cash outflow from operating activities</b>	1		(530,360)		(140,135)
<b>Returns on investments and servicing of finance</b>	2		(114,479)		(252,589)
<b>Capital expenditure</b>	2		2,198,487		22,883
<b>Acquisitions and disposals</b>	2		-		1,087,704
			<u>1,553,648</u>		<u>717,863</u>
<b>Financing</b>	2		(1,087,761)		292,920
<b>Increase in cash in the period</b>			<u>465,887</u>		<u>1,010,783</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net debt</b>	3				
Increase in cash in the period		465,886		1,010,783	
Cash outflow/(inflow) from decrease/(increase) in debt		<u>1,087,500</u>		<u>(213,277)</u>	
Change in net debt resulting from cash flows			<u>1,553,386</u>		<u>797,506</u>
<b>Movement in net debt in the period</b>			<u>1,553,386</u>		<u>797,506</u>
<b>Net debt at 1 January</b>			<u>(3,589,980)</u>		<u>(4,387,486)</u>
<b>Net debt at 31 December</b>			<u>(2,036,594)</u>		<u>(3,589,980)</u>

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2012

1 RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	31 12 12 £	31 12 11 £
Operating loss	(240,042)	(642,586)
Depreciation charges	21,731	88,254
Loss on disposal of fixed assets	51,523	40,033
	-	592,023
Decrease in stocks	1,040,857	3,752,358
Decrease in debtors	360,740	521,060
Decrease in creditors	(1,765,169)	(4,491,277)
<b>Net cash outflow from operating activities</b>	<b>(530,360)</b>	<b>(140,135)</b>

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

	31 12 12 £	31 12 11 £
<b>Returns on investments and servicing of finance</b>		
Interest received	1,917	-
Interest paid	(116,396)	(252,589)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(114,479)</b>	<b>(252,589)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(10,280)	(16,365)
Sale of tangible fixed assets	2,208,767	39,248
<b>Net cash inflow for capital expenditure</b>	<b>2,198,487</b>	<b>22,883</b>
<b>Acquisitions and disposals</b>		
Sales proceeds on disposal of operations	-	1,166,071
Fees associated with sale of operations	-	(78,367)
<b>Net cash inflow for acquisitions and disposals</b>	<b>-</b>	<b>1,087,704</b>
<b>Financing</b>		
New loans in year	-	3,000,000
Loan repayments in year	(1,087,500)	(2,786,725)
Amount introduced by directors	-	79,645
Amount withdrawn by directors	(261)	-
<b>Net cash (outflow)/inflow from financing</b>	<b>(1,087,761)</b>	<b>292,920</b>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 12 £	Cash flow £	At 31 12 12 £
Net cash			
Cash at bank and in hand	55	47,692	47,747
Bank overdraft	(602,535)	418,194	(184,341)
	<u>(602,480)</u>	<u>465,886</u>	<u>(136,594)</u>
Debt			
Debts falling due within one year	(96,111)	96,111	-
Debts falling due after one year	<u>(2,891,389)</u>	<u>991,389</u>	<u>(1,900,000)</u>
	<u>(2,987,500)</u>	<u>1,087,500</u>	<u>(1,900,000)</u>
Total	<u><u>(3,589,980)</u></u>	<u><u>1,553,386</u></u>	<u><u>(2,036,594)</u></u>

## 1 ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis, subject to the continued support of the bank and the directors

### Accounting convention

The financial statements have been prepared under the historical cost convention

### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Revenue is recognised at the point when the goods or services are supplied

### 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	- Not provided
Plant and machinery	- Between 20% and 33% straight line
Fixtures and fittings	- Between 10% and 20% on cost
Motor vehicles	- Between 20% and 33% straight line

Included in freehold property is a property with a net book value of £5,065,000 (2011 £5,065,000) that is held for use in operating leases

### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Consignment vehicles that are regarded effectively as being under the control of the company due to the transfer of the risks and responsibilities, are included within stocks on the balance sheet, although legal title has not passed to the company, in accordance with FRS5. The corresponding liability is included within trade creditors and is secured directly on these vehicles

### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

## 2 STAFF COSTS

	31 12 12	31 12 11
	£	£
Wages and salaries	537,366	1,391,899
Social security costs	3,208	173,748
Other pension costs	1,273	4,840
	<u>541,847</u>	<u>1,570,487</u>

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

	31 12 12	31 12 11
Production	11	32
Selling and distribution	5	40
Management and administration	5	27
	<u>21</u>	<u>99</u>

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2012

3 OPERATING LOSS

The operating loss is stated after charging

	31 12 12	31 12 11
	£	£
Depreciation - owned assets	21,730	88,254
Loss on disposal of fixed assets	51,523	40,033
Auditors' remuneration	13,030	36,798
	<u>          </u>	<u>          </u>
Directors' remuneration	-	161,222
	<u>          </u>	<u>          </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 12	31 12 11
	£	£
Bank interest	117,440	219,302
Other interest payable	(1,044)	33,287
	<u>          </u>	<u>          </u>
	116,396	252,589
	<u>          </u>	<u>          </u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2012 nor for the year ended 31 December 2011

6 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 January 2012	7,244,741	492,605	185,930	247,502	8,170,778
Additions	-	-	10,280	-	10,280
Disposals	(2,225,000)	(393,834)	(184,478)	(121,758)	(2,925,070)
Impairments	(840,000)	-	-	-	(840,000)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2012	4,179,741	98,771	11,732	125,744	4,415,988
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>DEPRECIATION</b>					
At 1 January 2012	-	471,038	148,455	242,270	861,763
Charge for year	-	12,316	9,414	-	21,730
Eliminated on disposal	-	(389,175)	(153,847)	(121,758)	(664,780)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2012	-	94,179	4,022	120,512	218,713
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET BOOK VALUE</b>					
At 31 December 2012	<u>4,179,741</u>	<u>4,592</u>	<u>7,710</u>	<u>5,232</u>	<u>4,197,275</u>
At 31 December 2011	<u>7,244,741</u>	<u>21,567</u>	<u>37,475</u>	<u>5,232</u>	<u>7,309,015</u>

The directors have considered the values included in the financial statements, of the freehold land and buildings. In the directors' opinion, these values have been reduced by the economic downturn and consequently are worth £840,000 less than their book value. This has been reflected in the financial statements for the year ended 31 December 2012.

7 **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2012	
and 31 December 2012	1
<b>NET BOOK VALUE</b>	
At 31 December 2012	1
At 31 December 2011	1

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

**Pilling (Luton) Limited**  
Nature of business Dormant

	% holding	31 12 12	31 12 11
Class of shares		£	£
Ordinary	100 00		
Aggregate capital and reserves		(57,800)	(57,800)

8 **STOCKS**

	31 12 12	31 12 11
	£	£
Stocks	138,195	1,099,090
Parts and WIP	8,850	88,812
	147,045	1,187,902

9 **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 12	31 12 11
	£	£
Trade debtors	13,534	288,003
Other debtors	-	33,558
Prepayments	51,699	104,412
	65,233	425,973

10 **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 12 12	31 12 11
	£	£
Bank loans and overdrafts (see note 12)	184,341	698,646
Trade creditors	184,759	1,768,434
Social security and other taxes	2,763	79,591
VAT	10,840	-
Other creditors	1,261	34,115
Directors' current accounts	529,324	529,585
Accruals and deferred income	67,697	150,349
	980,985	3,260,720



Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2012

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 12 £	31 12 11 £
Bank loans (see note 12)	1,900,000	2,891,389

12 LOANS

An analysis of the maturity of loans is given below

	31 12 12 £	31 12 11 £
Amounts falling due within one year or on demand		
Bank overdrafts	184,341	602,535
Bank loans	-	96,111
	<u>184,341</u>	<u>698,646</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	-	142,222
	<u>-</u>	<u>142,222</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	1,900,000	2,749,167
	<u>1,900,000</u>	<u>2,749,167</u>

13 SECURED DEBTS

The following secured debts are included within creditors

	31 12 12 £	31 12 11 £
Bank overdrafts	184,341	602,535
Bank loans	1,900,000	2,987,500
Vehicle funding	63,716	1,503,326
	<u>2,148,057</u>	<u>5,093,361</u>

Bank loans and overdrafts are secured as follows

- A first priority legal charge over each property
- A third party first priority legal charge over a property held personally by the directors
- A debenture from Pilling (Coachbuilders) Limited
- A deed of priority between Pilling Motor Group Limited, Svenska Handelsbanken AB (publ), PSA Wholesale Limited and Santander Consumer (UK) plc, giving Svenska Handelsbanken AB (publ) priority in the sum of £5,500,000
- Personal guarantees from the directors for the principal sum of £200,000

Vehicle funding is secured by a floating charge over all vehicle stocks and by a fixed and floating charge over all property and assets of the company

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 December 2012

**14 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	31 12 12 £	31 12 11 £
250,000	Ordinary		<u>250,000</u>	<u>250,000</u>

**15 RESERVES**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2012	600,930	1,919,907	2,520,837
Deficit for the year	(354,521)		(354,521)
No description	-	(840,000)	(840,000)
At 31 December 2012	<u>246,409</u>	<u>1,079,907</u>	<u>1,326,316</u>

**16 TRANSACTIONS WITH DIRECTORS**

During the year K J Pilling loaned the company £529,324 (2011 373,000) The loan is repayable on demand

**17 RELATED PARTY DISCLOSURES**

**Pilling (Coachbuilders) Limited**

a company in which K J Pilling and C G Pilling are both directors

Goods and services to the value of £8058 (2011 £173,696) were sold and goods to the value of £25,368 (2011 £23,387) were acquired All transactions were completed at market value  
 No Balance was due to or from Pilling (Coachbuilders) Limited at the year end

**18 ULTIMATE CONTROLLING PARTY**

The controlling party is K J Pilling

**19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 12 12 £	31 12 11 £
Loss for the financial year	(354,521)	(323,554)
Other recognised gains and losses (net)	<u>(840,000)</u>	<u>(515,000)</u>
<b>Net reduction of shareholders' funds</b>	<b>(1,194,521)</b>	<b>(838,554)</b>
Opening shareholders' funds	<u>2,770,837</u>	<u>3,609,391</u>
<b>Closing shareholders' funds</b>	<b><u>1,576,316</u></b>	<b><u>2,770,837</u></b>