

Autoteq Limited

Annual Report

for the 14 month period ended 28 February 2013

Registered number: 1434750

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Autoteq Limited

Annual Report for the 14 month period ended 28 February 2013

Contents	Page
Directors and advisers	1
Directors' report	2
Independent Auditor's report to the members of Autoteq Limited	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

Autoteq Limited

Directors and advisers

Executive directors

W Stobart
TG Lampert

Independent Auditors

KPMG Audit Plc
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

Company secretary and registered office

DF Harris
Boundary Way
Lufton
Yeovil
Somerset
BA22 8HZ

Autoteq Limited

Directors' report for the 14 month period ended 28 February 2013

The directors present their report and the audited financial statements of the company for the 14 month period ended 28 February 2013

Principal activities

The company's activities were discontinued in November 2011, when its sole contract was not renewed. Prior to the cessation of this contract, the principal activity of the company was the supply of skilled labour to the automotive industry.

Review of business and future developments

The profit and loss account for the period is set out on page 6. The company's activities were significantly reduced during 2011 following a decision by the company's sole customer to change the nature of its procurement of services, resulting in a cessation in the supply of services in November 2011. Upon cessation of these activities, the company's employees were transferred under TUPE regulations to a third party company. The company has no other significant liabilities as a result of the cessation of its activities.

The directors do not expect the company to resume trading in the foreseeable future.

Principal risks and uncertainties

Following the cessation of the company's sole contract in November 2011 the company's exposure to risks and uncertainties is now limited.

Key performance indicators (KPIs)

The directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Dividends

The directors do not recommend a dividend in respect of the current or preceding period.

Directors

The directors of the company during the period and up to the date of signing the financial statements, were -

W Stobart	(appointed 3 June 2013)
TG Lampert	
DF Harris	(appointed 3 June 2013, resigned 14 November 2013)
A Palmer-Baunack	(resigned 3 June 2013)
AF Somerville	(resigned 13 November 2012)
JMH Light	(resigned 3 June 2013)

Directors' indemnities

The company maintains liability insurance for its directors and officers. The company has also provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purpose of the Companies Act 2006.

Charitable and political contributions

Donations to UK charities during the period amounted to £nil (2011: £nil).

Autoteq Limited

Directors' report for the 14 month period ended 28 February 2013 (continued)

Employees

Prior to the cessation of its activities, the company operated an employee involvement policy whereby all employees were actively encouraged to take part in decision making processes. Specifically, team briefings were held at each of the company's locations on a regular basis to ensure that employees were systematically provided with information of concern to them as employees including both local and corporate issues. In addition, regular consultative meetings were held with employee representatives to promote a better understanding of the factors influencing the company's business and to ensure that good employee relations were maintained.

A group pension scheme existed for some years and all employees were encouraged to participate in this scheme.

The company continued its policy of giving disabled people fair and full consideration for all job vacancies for which they offered themselves as suitable applicants, having regard to their particular aptitudes and abilities. The company endeavoured to retain any member of staff who developed a disability during their employment.

Financial risk management

Following the cessation of the business activities, the company's exposure to financial risks is limited. The company is part of a group banking arrangement including its parent company, Autologic Holdings Ltd and other fellow UK subsidiaries, and through the period maintained a positive bank balance within this group arrangement.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Autoteq Limited

Directors' report for the 14 month period ended 28 February 2013 (continued)

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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, 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Going concern

As disclosed in note 1, the directors consider that the company has adequate resources to remain in operation for at least the next 12 months and therefore it remains appropriate to prepare the financial statements on a going concern basis

By order of the board



DF Harris

Company secretary

For and on behalf of Autoteq Limited
Boundary Way
Lufton
Yeovil
Somerset
BA22 8HZ

29 November 2013

Independent Auditor's report to the members of Autoteq Limited

We have audited the financial statements of Autoteq Ltd for the period ended 28 February 2013 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 28 February 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with UK 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 period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.



Peter Selvey (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

29 November 2013

Autoteq Limited

Profit and loss account for the 14 month period ended 28 February 2013

	Notes	2013 £'000	2011 £'000
Discontinued operations			
Turnover	2	-	1,493
Cost of sales		-	(1,368)
Gross profit		-	125
Administrative expenses		-	(24)
Profit on ordinary activities before taxation	5	-	101
Tax on profit on ordinary activities	6	1	(27)
Profit for the financial period	13	1	74

The notes on pages 8 to 14 form part of these financial statements

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 are no differences between the profit on ordinary activities before taxation and the profit for the period stated above and their historical cost equivalents

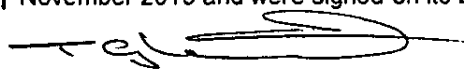
Autoteq Limited

Balance sheet at 28 February 2013

	Notes	2013 £'000	2011 £'000
Current assets			
Debtors	7	-	11
Cash at bank and in hand		329	570
		329	581
Current liabilities			
Creditors amounts falling due within one year	8	(51)	(304)
Net current assets and net assets		278	277
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	277	276
Shareholders' funds	13	278	277

The notes on pages 8 to 14 form part of these financial statements

The financial statements on pages 6 to 14 were approved by the board of directors on 29 November 2013 and were signed on its behalf by



TG Lampert
Director

Registered number 1434750

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013

1 Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Going concern

The company has a positive cash balance and positive current and net assets. Consequently, the directors consider that the group and the company have adequate resources to remain in operation for at least the next 12 months.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of services supplied.

Pension arrangements

Until 5 April 1992, the company was a member of a defined benefit pension scheme operated by Autologic Holdings Ltd. From 6 April 1992 to 5 April 1997 the company was a member of a defined contribution scheme with a guaranteed minimum pension underpin, operated by Autologic Holdings Ltd. Together these schemes are referred to as the defined benefit scheme in these accounts. The funds of the defined benefit scheme are valued every three years by a professionally qualified actuary, who determines whether additional contributions are required from the company to meet the liabilities of the scheme.

As it has not been possible to identify the underlying assets and liabilities attributable to each participating company, the full extent of the deficit in the scheme, as calculated in accordance with FRS 17 "Retirement benefits", has been included in the accounts of Autologic Holdings Ltd, and the multi-employer treatment as allowed by FRS 17 has been adopted in these accounts. Consequently, in these accounts, the scheme has been accounted for on a defined contribution basis.

From 6 April 1997 the company has been a member of the Autologic Holdings Ltd group money purchase pension scheme. Pension costs charged to the profit and loss account represent contributions payable by the company into the fund.

The company no longer provides any other post retirement benefits to its employees.

Deferred taxation

Deferred taxation is provided in full on all material timing differences. Deferred tax assets are recognised where their recovery is considered more likely than not. Deferred tax assets and liabilities have not been discounted.

Cash flow statement and related party disclosures

The company is a wholly-owned subsidiary of Stobart Group Ltd and is included in the consolidated financial statements of Stobart Group Ltd, which are publicly available. The company has taken advantage of the exemption from preparing a cash flow statement available under the terms of Financial Reporting Standard 1 "Cash flow statements" (revised 1996) on the grounds that its cash flows are included in the consolidated cash flow statement included in the accounts of Stobart Group Ltd.

The company is also exempt under the terms of Financial Reporting Standard 8 "Related party transactions" from disclosing related party transactions with entities that are part of the Stobart Group Ltd group.

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

2 Turnover

The company's turnover and results arise from one business, the supply of skilled labour to the automotive industry, and from one geographical area, the United Kingdom. This business ceased in November 2011, and since this date the company ceased to trade.

3 Directors' emoluments

The directors are employed by other members of the group and are remunerated by those companies in respect of their services to the group. They receive no emoluments from the company, nor is any direct charge levied on the company in respect of their emoluments.

4 Employee information

The average monthly number of persons employed by the company during the period was

	2013 Number	2011 Number
Staff	-	55
	2013 £'000	2011 £'000
Staff costs (for the above persons)		
Wages and salaries	-	1,196
Social security costs	-	116
Other pension costs (see note 11)	-	55
	-	1,367

5 Profit on ordinary activities before taxation

For the period ended 28 February 2013, auditors' remuneration was borne by a fellow group company (2011: £10,000).

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

6 Tax on profit on ordinary activities

a) Analysis of charge in the period

	2013 £'000	2011 £'000
Current tax		
UK corporation tax on profits for the period at 24.4% (2011: 26.5%)	-	24
Adjustment in respect of prior periods	(4)	-
Total current tax (credit) / charge	(4)	24
Deferred tax		
Origination and reversal of timing differences	-	3
Adjustment in respect of prior periods	3	-
Total deferred tax charge	3	3
Tax (credit) / charge on profit on ordinary activities	(1)	27

b) Factors affecting tax charge for the period

The rate of current tax charge on profit on ordinary activities varied from the standard rate of corporation tax in the UK due to the following factors

	2013 £'000	2011 £'000
Profit on ordinary activities before taxation	-	101
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 24.4% (2011: 26.5%)	-	27
Other timing differences	-	(2)
Accelerated capital allowances	-	(1)
Adjustment in respect of prior periods	(4)	-
Current tax (credit) / charge	(4)	24

The company's profits are charged at the standard rate of corporation tax in the UK of 24.4% (2011: 26.5%). The standard rate of corporation tax changed from 26% to 24% in April 2012 and a further decrease to 23% from April 2013 has been substantially enacted. Accordingly the company's deferred balances have been calculated using a tax rate of 23%.

c) Factors that may affect future tax charges

Other than the items noted in the above tax reconciliation, there are no significant factors that may affect future tax charges.

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

7 Debtors

	2013 £'000	2011 £'000
Amounts falling due within one year		
Trade debtors	-	8
Prepayments and accrued income	-	-
Deferred tax asset (see note 9)	-	3
	-	11

8 Creditors: amounts falling due within one year

	2013 £'000	2011 £'000
Trade creditors	12	1
Amounts owed to group undertakings	20	172
Other creditors	-	-
Corporation tax	-	25
Other taxation and social security	-	90
Accruals and deferred income	19	16
	51	304

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

9 Deferred Taxation

The deferred tax asset comprises

	2013 £'000	2011 £'000
Accelerated capital allowances	-	3
	-	3

The movement in the deferred tax asset balance is shown below

	£'000
At 1 January 2012	3
Deferred taxation charge in the profit and loss account	(3)
At 28 February 2013	-

The directors consider it more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements

10 Pension and similar obligations

Since 6 April 1992, the company has participated in the Autologic Holdings Ltd group money purchase pension scheme. The assets of the scheme are held separately from those of the companies in the scheme in an independently administered fund. Contributions of £nil (2011: £nil) were due to the scheme at 28 February 2013. The pension costs for the period were £nil as shown in note 4 (2011: £55,000).

Prior to 6 April 1992, the Autologic group operated a defined benefit pension scheme and from 6 April 1992 to 5 April 1997 operated a defined contribution scheme with a guaranteed minimum pension underpin. Both elements of the scheme are referred to as the defined benefit scheme. This scheme is now closed to new members, but members of the scheme remain entitled to the benefits earned before the change in nature of the scheme, and these are linked to their earnings at retirement or leaving. The latest actuarial valuation of the scheme was as at 6 April 2010 and was carried out by an independent qualified actuary. At the date of the latest actuarial valuation, the realisable value of the assets of the defined benefit scheme was £10.5m which was sufficient to cover 86% of the value of benefits which had accrued to members, measured on the basis that the scheme is continuing. The principal assumptions that have the most significant effect on the valuation are those relating to the pre and post retirement rate of interest (assumed to be 5.7% and 4.6% respectively), the rate of return on assets (6.0%), the rate of inflation (RPI 3.6% and CPI 3.1%) and mortality rates (reflected by tables PNA00, projected using the CMI_09 tables with an improvement rate of 1.25%).

The company participates in this defined benefit pension scheme operated by Autologic Holdings Ltd. As it has not been possible to identify the underlying assets and liabilities attributable to each participating company, the full extent of the deficit in the scheme, as calculated in accordance with FRS 17 "Retirement benefits", has been included in the accounts of Autologic Holdings Ltd, and the multi-employer treatment as allowed by FRS 17 has been adopted in these accounts. Consequently, in these accounts, the scheme has been accounted for on a defined contribution basis.

Full details of the latest actuarial valuation are included in the financial statements of Autologic Holdings Ltd. This deficit as calculated in accordance with FRS17 at 28 February 2013 is £1.7m, net of deferred tax (2011: £1.8m).

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

11 Called up share capital

	2013 £'000	2011 £'000
Allotted and fully paid		
1,000 ordinary shares of £1 each	1	1

12 Profit and loss account

	2013 £'000	2011 £'000
At the start of the financial period	276	202
Profit for the financial period	1	74
At the end of the financial period	277	276

13 Reconciliation of movements in shareholders' funds

	2013 £'000	2011 £'000
Opening shareholders' funds	277	203
Profit for the financial period	1	74
Closing shareholders' funds	278	277

Autoteq Limited

Notes to the financial statements for the period ended 28 February 2013 (continued)

14 Contingent liabilities

The company has given an unlimited multilateral cross company guarantee to its bankers in respect of its parent company and fellow subsidiary companies

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition the company has issued an unlimited guarantee to the bank to support these group facilities. As at 28 February 2013, the net cash position for the group under this arrangement was £3.5 million, which included overdrawn position of £3.4 million on accounts owned by other companies within the group.

15 Ultimate and immediate parent companies

The directors regard Autologic Holdings Limited as the immediate parent, a company incorporated in Great Britain. The ultimate parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Stobart Group Limited, incorporated in Guernsey. Stobart Group Limited is deemed to be the controlling party. Copies of the financial statements can be obtained from Stobart Group Limited, Stretton Green Distribution Park, Appleton, Warrington, Cheshire, WA4 4TZ.