

Company Registration No. 03990930 (England and Wales)

**IMPETUS AUTOMOTIVE LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**



# **IMPETUS AUTOMOTIVE LIMITED**

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# **IMPETUS AUTOMOTIVE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2012**

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The directors present their report and financial statements for the year ended 31 March 2012

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of automotive consultancy dedicated to vehicle manufacturers, predominantly within the Sales and Marketing function

2011/12 was a record year for revenue and profit in the eleven year history of the business

The company maintained and extended its client portfolio including the major global brands (VW, Toyota, GM, Ford, Citroen, Hyundai, Honda, Nissan, Fiat, Skoda) premium brands (Jaguar Land Rover, BMW, Audi, Mercedes, Volvo) and leading agricultural / industrial equipment brands (AGCO and Case New Holland)

The year saw an increase in revenue of £2.5m equating to growth of approximately 23% on prior year. This performance was consistent with the forecast at the end of 2010/11 and on trend with growth in prior years. Gross profit margins experienced a significant improvement year on year primarily as a result of growth in higher margin activities.

Growth was consistent throughout the year reflecting a continued demand by clients for company services. The business continues to benefit from a broadening client base enabling growth across a wide range of user areas and dilution of revenue mix to any one client. Demand for services outside of the UK, in particular market intelligence and strategic consultancy, remained very strong.

The relocation of the business to new offices in January 2011 has proven very successful, the high quality environment continued to be extremely well received by clients and staff.

The company faces exposure in respect of foreign currency rate changes. The company invoices to various companies in foreign countries and in the current economic climate the income is subject to currency exchange rates. The company mitigates this risk by carefully monitoring any changes in exchange rates, in particular the Euro, and by also ensuring that collection of customer payments in a timely manner. Impetus Automotive Limited's main trade is UK based and therefore the risk is reduced to a small portion of the turnover.

#### **Results and dividends**

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

#### **Future developments**

Revenue is budgeted to increase by circa 17% to around £16m. Growth will continue to be achieved through continued diversification of clients and user areas in the UK and overseas.

Investment will increase in 2012/13 to support development of services offered to clients in the areas of market research and data management solutions along with additional overseas business development resource. This investment will support medium to long term growth aspirations.

Overall gross profit margins, despite investment, are forecast to increase on trend.

#### **Directors**

The following directors have held office since 1 April 2011:

R Webster  
P Cowley  
D Harriman  
D Gorvett

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# **IMPETUS AUTOMOTIVE LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2012**

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A Mills  
S J Allen  
M Dale

### **Auditors**

The auditors, Jerroms LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

### **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 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 of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

P Cowley  
Director

28 June 2012

# **IMPETUS AUTOMOTIVE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO IMPETUS AUTOMOTIVE LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 4 to 17, together with the financial statements of Impetus Automotive Limited for the year ended 31 March 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 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.

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.



**Mr Mark James Eden F.C.C.A. (Senior Statutory Auditor)**  
for and on behalf of Jerroms LLP

28 June 2012

**Chartered Certified Accountants  
Statutory Auditor**

The Exchange, Haslucks Green Road  
Shirley, Solihull  
West Midlands  
B90 2EL

# IMPETUS AUTOMOTIVE LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover		16,457,125	15,768,413
Other operating income less cost of sales		(2,668,693)	(4,512,356)
Administrative expenses		(12,437,831)	(10,614,931)
<b>Operating profit</b>	<b>2</b>	<b>1,350,601</b>	<b>641,126</b>
Other interest receivable and similar income		2	580
Interest payable and similar charges	<b>4</b>	(48,157)	(64,164)
<b>Profit on ordinary activities before taxation</b>		<b>1,302,446</b>	<b>577,542</b>
Tax on profit on ordinary activities	<b>5</b>	(317,983)	(176,512)
<b>Profit for the year</b>	<b>15</b>	<b>984,463</b>	<b>401,030</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# IMPETUS AUTOMOTIVE LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Tangible assets	7		204,090		216,502
<b>Current assets</b>					
Stocks	8	244,005		153,880	
Debtors	9	3,431,517		4,193,909	
Cash at bank and in hand		92,943		156,512	
		<u>3,768,465</u>		<u>4,504,301</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(2,231,022)</u>		<u>(3,944,310)</u>	
<b>Net current assets</b>			<u>1,537,443</u>		<u>559,991</u>
<b>Total assets less current liabilities</b>			<u>1,741,533</u>		<u>776,493</u>
<b>Creditors: amounts falling due after more than one year</b>	11		(12,729)		(29,123)
<b>Provisions for liabilities</b>	12		(12,067)		(6,596)
			<u>1,716,737</u>		<u>740,774</u>
<b>Capital and reserves</b>					
Called up share capital	14		9,545		9,545
Share premium account	15		179,125		179,125
Other reserves	15		905		905
Profit and loss account	15		1,527,162		551,199
<b>Shareholders' funds</b>	16		<u>1,716,737</u>		<u>740,774</u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 28 June 2012

P Cowley  
Director

Company Registration No. 03990930

# IMPETUS AUTOMOTIVE LIMITED

## CASH FLOW STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2012**

	£	2012 £	£	2011 £
<b>Net cash inflow from operating activities</b>		842,929		513,879
<b>Returns on investments and servicing of finance</b>				
Interest received	2		580	
Interest paid	(48,157)		(64,164)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(48,155)		(63,584)
<b>Taxation</b>		(269,825)		(1,896)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(43,859)		(192,186)	
Receipts from sales of tangible assets	-		114,999	
<b>Net cash outflow for capital expenditure</b>		(43,859)		(77,187)
<b>Equity dividends paid</b>		(8,500)		(12,500)
<b>Net cash inflow before management of liquid resources and financing</b>		472,590		358,712
<b>Financing</b>				
Capital element of hire purchase contracts	(13,111)		(29,594)	
Repayment of invoice discounting finance	(523,006)		(532,721)	
Finance lease advance	-		58,896	
<b>Net cash outflow from financing</b>		(536,117)		(503,419)
<b>Decrease in cash in the year</b>		(63,527)		(144,707)



# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

1	Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
		£	£
	Operating profit	1,350,601	641,126
	Depreciation of tangible assets	49,196	53,241
	Loss/(profit) on disposal of tangible assets	7,074	(101,092)
	(Increase)/decrease in stocks	(90,125)	37,177
	Decrease/(increase) in debtors	762,392	(953,247)
	(Decrease)/Increase in creditors within one year	(1,236,209)	836,674
	<b>Net cash inflow from operating activities</b>	<b>842,929</b>	<b>513,879</b>

2	Analysis of net funds	1 April 2011	Cash flow	Other non-cash changes	31 March 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	156,512	(63,569)	-	92,943
	Bank overdrafts	(42)	42	-	-
		<u>156,470</u>	<u>(63,527)</u>	<u>-</u>	<u>92,943</u>
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(42,235)	13,112	-	(29,123)
	<b>Net funds</b>	<b>114,235</b>	<b>(50,415)</b>	<b>-</b>	<b>63,820</b>

3	Reconciliation of net cash flow to movement in net funds	2012	2011
		£	£
	Decrease in cash in the year	(63,527)	(144,707)
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	13,112	(88,199)
	Change in net debt resulting from cash flows	(50,415)	(232,906)
	New finance lease	-	58,896
	<b>Movement in net funds in the year</b>	<b>(50,415)</b>	<b>(174,010)</b>
	Opening net funds	114,235	288,245
	<b>Closing net funds</b>	<b>63,820</b>	<b>114,235</b>

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Turnover

Turnover represents amounts receivable for services net of VAT in accordance with customer contracts

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Improvements to property	Over the life of the lease
Fixtures, fittings & equipment	15 % reducing value / 33% straight line

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.5 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

#### 1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

<b>2</b>	<b>Operating profit</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging		
	Depreciation of tangible assets	49,196	53,241
	Loss on disposal of tangible assets	7,074	-
	Loss on foreign exchange transactions	-	70,036
	Operating lease rentals		
	- Plant and machinery	234,792	192,535
	Auditors' remuneration (including expenses and benefits in kind)	9,500	9,500
	and after crediting		
	Profit on disposal of tangible assets	-	(101,092)
	Profit on foreign exchange transactions	(39,773)	-
		<u>          </u>	<u>          </u>

The number of directors to whom retirement benefits are accruing under the money purchase scheme is 3

<b>3</b>	<b>Investment income</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Bank interest	2	2
	Other interest	-	578
		<u>          </u>	<u>          </u>
		2	580
		<u>          </u>	<u>          </u>

<b>4</b>	<b>Interest payable</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Hire purchase interest	7,521	2,916
	On overdue tax	44	9,215
	Other interest	40,592	52,033
		<u>          </u>	<u>          </u>
		48,157	64,164
		<u>          </u>	<u>          </u>

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

5	Taxation	2012	2011
		£	£
	<b>Domestic current year tax</b>		
	U K corporation tax	312,512	179,279
	<b>Total current tax</b>	312,512	179,279
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	5,471	(2,767)
		317,983	176,512
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	1,302,446	577,542
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2011 - 28.00%)	338,636	161,712
	Effects of		
	Non deductible expenses	(26,605)	20,702
	Depreciation add back	12,791	14,907
	Capital allowances	(12,310)	(18,042)
		(26,124)	17,567
	<b>Current tax charge for the year</b>	312,512	179,279
6	Dividends	2012	2011
		£	£
	Ordinary interim paid	8,500	12,500

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

### 7 Tangible fixed assets

	Improvements to property £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2011	226,799	220,027	446,826
Additions	248	43,611	43,859
Disposals	(73,616)	(140,291)	(213,907)
At 31 March 2012	153,431	123,347	276,778
<b>Depreciation</b>			
At 1 April 2011	68,717	161,607	230,324
On disposals	(73,229)	(133,604)	(206,833)
Charge for the year	24,953	24,244	49,197
At 31 March 2012	20,441	52,247	72,688
<b>Net book value</b>			
At 31 March 2012	132,990	71,100	204,090
At 31 March 2011	158,082	58,420	216,502

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £
<b>Net book values</b>	
At 31 March 2012	40,000
At 31 March 2011	43,333
<b>Depreciation charge for the year</b>	
At 31 March 2012	3,333
At 31 March 2011	16,990

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

8	Work in progress	2012	2011
		£	£
	Work in progress	<u>244,005</u>	<u>153,880</u>
9	Debtors	2012	2011
		£	£
	Trade debtors	3,405,833	4,142,359
	Other debtors	187	8,664
	Prepayments and accrued income	<u>25,497</u>	<u>42,886</u>
		<u>3,431,517</u>	<u>4,193,909</u>
10	Creditors' amounts falling due within one year	2012	2011
		£	£
	Bank loans and overdrafts	-	42
	Net obligations under hire purchase contracts	16,394	13,112
	Trade creditors	307,136	366,817
	Bills of exchange payable	110,763	633,769
	Amounts owed to subsidiary undertakings	3,560	3,560
	Corporation tax	222,557	179,870
	Other taxes and social security costs	729,272	797,416
	Other creditors	1,341	2,853
	Accruals and deferred income	<u>839,999</u>	<u>1,946,871</u>
		<u>2,231,022</u>	<u>3,944,310</u>

On the 15th September 2009, Impetus Automotive Limited entered into a Receivables Financing agreement with Lloyds TSB Commercial Finance Limited

On the same date Lloyds TSB registered a debenture over all assets of the company to the extent of any borrowings

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

<b>11 Creditors: amounts falling due after more than one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	12,729	29,123
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	16,394	13,112
Repayable between one and five years	12,729	29,123
	29,123	42,235
Included in liabilities falling due within one year	(16,394)	(13,112)
	12,729	29,123
<b>12 Provisions for liabilities</b>		
		<b>Deferred tax liability</b>
		<b>£</b>
Balance at 1 April 2011		6,596
Profit and loss account		5,471
Balance at 31 March 2012		12,067
<b>The deferred tax liability is made up as follows:</b>		
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	12,067	6,596
<b>13 Pension and other post-retirement benefit commitments</b>		
<b>Defined contribution</b>		
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	555,325	536,281

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2012

<b>14 Share capital</b>		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Allotted, called up and fully paid			
9,545 Ordinary Shares of £1 each		9,545	9,545
<b>15 Statement of movements on reserves</b>			
	<b>Share premium account</b>	<b>Other reserves (see below)</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2011	179,125	905	551,199
Profit for the year	-	-	984,463
Dividends paid	-	-	(8,500)
Balance at 31 March 2012	179,125	905	1,527,162
<b>Other reserves</b>			
<b>Capital redemption reserve</b>			
Balance at 1 April 2011 & at 31 March 2012		905	
<b>16 Reconciliation of movements in shareholders' funds</b>		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Profit for the financial year		984,463	401,030
Dividends		(8,500)	(12,500)
Net addition to shareholders' funds		975,963	388,530
Opening shareholders' funds		740,774	352,244
Closing shareholders' funds		1,716,737	740,774



# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

### 17 Financial commitments

At 31 March 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2013

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire				
Within one year	-	-	-	20,062
Between two and five years	-	77,100	-	76,897
	<u>-</u>	<u>77,100</u>	<u>-</u>	<u>96,959</u>

### 18 Directors' remuneration

	2012	2011
	£	£
Remuneration for qualifying services	508,191	94,149
Company pension contributions to defined contribution schemes	36,000	73,860
	<u>544,191</u>	<u>168,009</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 2)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	106,766	94,149
Company pension contributions to defined contribution schemes	36,000	40,860

# IMPETUS AUTOMOTIVE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2012

#### 19 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Employees	227	192

##### Employment costs

	2012 £	2011 £
Wages and salaries	9,452,489	7,989,472
Social security costs	1,080,064	788,754
Other pension costs	555,325	536,281
	11,087,878	9,314,507

# **IMPETUS AUTOMOTIVE LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2012**

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### **20 Related party relationships and transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

Included in creditors are amounts due to associated companies as follows

P H Impetus (Holdings) Limited- £3,560

Included within trade creditors are amounts due to associated companies as follows

Twenty One Group Limited - £36,999

Tresanton Services Limited - £2,465

Transactions -

The company trades in the normal course of business with its associated companies All the transactions are conducted on normal commercial terms Details are as follows

Sales made to

Original Magazine Limited - £1,470

Twenty One Group Limited - £1,015

Management charges paid to

Twenty One Group Limited - £369,996

Purchases made from

Original Magazine Limited - £29,923

Twenty One Group Limited - £35,281

Tresanton Services Limited - £70,032