McLaren GT Limited

Annual report and financial statements

Registered number 4352869

31 December 2014

Contents

Officers and professional advisers

Directors	T Murnane A Myers
Secretary	T Murnane
Registered office	McLaren Technology Centre Chertsey Road Woking Surrey GU21 4YH
Auditor	PricewaterhouseCoopers LLP 1 Embankment Place LONDON WC2N 6RH

Strategic report

Principal activity

The company's principal activity is that of agent for the distribution of McLaren GT3 cars to the motorsport industry. This activity is based in the United Kingdom.

Business review and future prospects

During the year under review 18 cars were sold and the profit before taxation amounted to £121,375. The company will continue to supply McLaren GT3 cars for the 2015 race season.

Principal risks and uncertainties

The principal risk is the absolute number of vehicles sold in a period. The vehicle design, manufacture and support is provided by CRS Racing Limited.

By order of the board

T. N. Mu

T Murnane
Secretary

22 October 2015

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Registered number

The company's registered number is 4352869.

Results

The profit on ordinary activities for the year after taxation amounted to £95,279 *(2013: £75,406).*

Dividends

The directors do not propose a dividend payment for the year ended 31 December 2014 *(2013: £nil).*

Future developments

The future developments of the company are explained in the strategic report on page 2.

Directors

The directors who served during the year are as reported on page 1. The directors served throughout the year and up to the date of signing the financial statements unless otherwise stated.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 on page 9.

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 auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Independent auditor

KPMG had been the company's external auditors since 2005 and was responsible for the audit of the company's financial statements for the year ended 31 December 2013. Due to a strategic alliance between the McLaren Technology Group and KPMG entered into during 2014, KPMG resigned as auditors and management appointed PricewaterhouseCoopers LLP as the external auditor for the year ended 31 December 2014.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting.

By order of the board

T. N. Murnane

T Murnane
Secretary

22 October 2015

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 regulations.

Company law requires the directors to prepare financial statements for each financial year. 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.

Independent auditor's report to the members of McLaren GT Limited

Report on the financial statements

Our opinion

In our opinion, McLaren GT Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Mark Gill (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

22 October 2015

Profit and loss account
for the year ended 31 December 2014

	Note	2014 £000	2013 £000
Turnover	*1*	**125**	103
Cost of sales		**-**	-
Gross profit		**125**	103
Administrative expenses		**(3)**	(4)
Operating profit		**122**	99
Interest payable and similar expenses	*3*	**(1)**	(1)
Profit on ordinary activities before taxation	*4*	**121**	98
Tax on profit on ordinary activities	*5*	**(26)**	(23)
Profit for the financial year	*9*	**95**	75

In both the current year and preceding period, the company made no material acquisitions and had no discontinued operations.

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the result reported in the profit and loss account and the result on an unmodified historical cost basis.

Balance sheet
as at 31 December 2014

	Note	**2014** **£000**	2013 £000
Current assets			
Debtors	*6*	**902**	1,219
Cash at bank in hand		**145**	27
		1,047	1,246
Creditors: amounts falling due within one year	*7*	**(675)**	(969)
Net assets		**372**	277
Capital and reserves			
Called up share capital	*8*	**-**	-
Profit and loss account	*9*	**372**	277
Total shareholders' funds	*10*	**372**	277

These financial statements were approved by the board of directors on 22 October 2015 and were signed on its behalf by:

A W Myers

A Myers
Director

Notes

(Information forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The particular accounting policies adopted are described below, and have been applied consistently throughout the current and preceding period.

Going concern

The company's activities, together with the factors likely to affect its future development and position are set out in the Strategic Report on page 2.

McLaren GT Limited is expected to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors have made enquiries of the directors of the company's parent and, following these enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of McLaren Technology Group Limited to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position of the enquiries made of the directors of McLaren Technology Group Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Under FRS5, McLaren GT Limited operates as an agent. Therefore, turnover represents the commission element of goods sold and services provided in the year, exclusive of Value Added Tax. All turnover is derived from the company's principal activity in the United Kingdom. Any income received where obligations have not been satisfied at the balance sheet date is shown within deferred income on the balance sheet.

Taxation

Current taxation, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash flow statement

Under FRS 1 (revised), the company is exempt from producing a cash flow statement as it is a subsidiary of a United Kingdom company which prepares a cash flow statement.

2 Information regarding directors and employees

No emoluments were payable to the directors, and there were no employees of the company during either the current year or the preceding year.

Notes *(continued)*

3 Interest payable and similar charges

	2014	2013
	£000	£000
On group company advances	**1**	1
	1	1

4 Profit on ordinary activities before taxation

	2014	2013
	£000	£000
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration - audit of these financial statements	**2**	2

5 Tax on profit on ordinary activities

	2014	2013
	£000	£000
United Kingdom corporation tax at 21.5% *(2013:23.25%)*	**26**	23

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) was substantively enacted during 2013. This will reduce the company's future current tax charge accordingly.

Notes *(continued)*

6 Debtors

	2014	2013
	£000	£000
Trade debtors	**199**	352
VAT	**398**	339
Other debtors	**305**	528
	902	1,219

7 Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Amounts payable to group undertakings	**144**	70
Accruals and deferred income	**531**	899
	675	969

Amounts payable to group undertakings include business transactions, under normal commercial terms and conditions, and group loans. Group loans bear interest at 2.5% above the Bank of England base rate and are repayable on demand.

8 Called up share capital

	2014	2013
	£	£
Called up, allotted and fully paid		
1 ordinary shares of £1 each	**1**	1

9 Profit and loss account

	£000
At 1 January 2014	277
Profit for the financial year	95
At 31 December 2014	**372**

Notes *(continued)*

10 Reconciliation of movement in shareholders' funds

	2014	2013
	£000	£000
Profit for the financial year	**95**	75
Net change in shareholders' funds	**95**	75
Opening shareholders' funds	**277**	202
Closing shareholders' funds	**372**	277

11 Ultimate parent company

In the opinion of the directors, the company's immediate parent is McLaren Racing Limited and its ultimate parent company is McLaren Technology Group Limited, a company registered in England and Wales. This is also the parent undertaking of the largest and only group which includes the company and for which group financial statements are prepared.

Copies of the group financial statements of McLaren Technology Group Limited are available from Companies House, Crown Way, Cardiff CF14 3UZ.

Ownership of McLaren Technology Group Limited at 31 December 2013 was as follows: 50% Bahrain Mumtalakat Holding Company (incorporated in Bahrain), 25% Mr R Dennis and 25% TAG Group Limited (incorporated in Jersey).

12 Related party transactions

Pursuant to the exemption granted by FRS 8 'Related Party Disclosures', transactions with other undertakings within McLaren Technology Group Limited have not been disclosed within these financial statements.