

Inchcape Imperial
(Registered number. 4997717)

Directors' Report and Financial Statements

For the year ended 31 December 2010



22a St James's Square
London
SW1Y 5LP

Inchcape Imperial

Directors' Report

The Directors submit their report together with the unaudited financial statements for the year ended 31 December 2010

Results and dividends

The results for the Company show a result for the financial year of £nil (2009 a loss of (£590,000))

The Directors do not recommend the payment of a final dividend (2009 £nil)

Business review and principal activities

The Company did not trade during the year

Future developments

It is not envisaged that there will be any change in the Company's activities in the foreseeable future

Principal risks and uncertainties

The Directors of Inchcape plc manage the Group's risks at a group level rather than at an individual business unit level. For this reason, the Company's Directors believe that a disclosure of the Group's risk would not be appropriate for an understanding of the development, performance or position of Inchcape Imperial.

Directors

The directors who held office during the year and up to the date of signing the Financial Statements were as follows

Dale Butcher (Resigned 30 June 2011)

Claire Chapman

Tony George

Chris Parker

Gavin Robertson

Tamsin Waterhouse

Transactions with Directors

No transaction, arrangement or agreement required to be disclosed under the terms of the Companies Act 2006 was outstanding at 31 December 2010, or occurred during the financial year for any Director or connected person (2009 none)

Disclosure of information to the auditors

For the year ended 31 December 2010, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006

Inchcape Imperial

Directors' Report

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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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements

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.

By Order of the Board



Inchcape Corporate Services Limited
Company secretary
For and on behalf of
Inchcape Imperial

Date 29 July 2011

Inchcape Imperial

Profit and loss account

For the year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Interest receivable and similar income	3	-	819
Profit on ordinary activities before tax		-	819
Tax on profit or loss on ordinary activities	4	-	(229)
Profit for the financial year		-	590

There are no recognised gains or losses for the current and preceding financial years other than the result of £nil (2009 a profit of £590,000) shown above. There is no material difference between the loss on ordinary activities before tax and the retained profit for the year stated above and their historical cost equivalents.

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Balance sheet

As at 31 December 2010

	Note	2010 £'000	2009 £'000
Net assets		<u>-</u>	<u>-</u>
Capital and reserves			
Called up share capital	5	<u>-</u>	<u>-</u>
Total shareholders' funds		<u>-</u>	<u>-</u>

For the year ending 31 December 2010 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to small companies

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The Financial Statements on pages 3 to 7 were approved by the Board of Directors on 29 July 2011

Signed on behalf of the Board of Directors by



Gavin Robertson
Director

Inchcape Imperial

Notes to the financial statements

For the year ended 31 December 2010

1 Accounting policies

Basis of accounting

The Financial Statements have been prepared on a going concern basis in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The principal accounting policies of the Company have been applied consistently and are set out below.

Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Inchcape plc, a company registered in England and Wales, and is included in the consolidated financial statements of Inchcape plc which are publicly available. Consequently, the Company has taken advantage of the exemption in paragraph 5(a) of FRS 1 (Revised), 'Cash Flow Statements', and not published its own cash flow statement. The Company is also exempt under the terms of paragraph 3 of FRS 8, 'Related Party Disclosures', from disclosing related party transactions with entities that are part of the Inchcape plc.

Dividends

Income from investments is included in the profit and loss account on a cash receipts basis.

Interest

Interest is included in the profit and loss account on an accruals basis.

Taxation

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

Deferred tax is provided in full (without discounting) based on current tax rates and law, on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax in future except as otherwise required by FRS 19, 'Deferred Tax'. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding commitment to sell the asset.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Inchcape Imperial

Notes to the financial statements

For the year ended 31 December 2010

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2 Directors' emoluments

As in 2009, the Directors did not receive any remuneration from the Company as their services to the Company are deemed to be non-qualifying for the purposes of the Companies Act 2006

3 Interest receivable and similar income

	2010 £'000	2009 £'000
Interest receivable from group undertakings	<u>-</u>	<u>819</u>

4 Tax on the profit/(loss) on ordinary activities

a) Tax charge / (credit) on profit/loss on ordinary activities

The tax charge / (credit) based on the results for the year is made up as follows

	2010 £'000	2009 £'000
Current tax:		
UK corporation tax on profits / (losses) for the year	<u>-</u>	<u>229</u>
Total current tax	<u>-</u>	<u>229</u>

b) Factors affecting tax charge for the year

The tax assessed for the year is the same as (2009 - lower than) the standard rate of corporation tax in the UK of 28% (2009 - 28%) The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation	<u>-</u>	<u>819</u>
Corporation tax at standard rate	<u>-</u>	<u>229</u>
Total current tax	<u>-</u>	<u>229</u>

Inchcape Imperial

Notes to the financial statements

For the year ended 31 December 2010

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5 Called up share capital

Authorised

	No	2010 £'000	No	2009 £'000
Ordinary shares of £1 each	-	-	42,000,000	42,000
Allotted and fully paid				

Ordinary shares of £1 each	1	-	1	-
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6 Reconciliation of movement in shareholders' funds

	2010 £'000	2009 £'000
Profit attributable to shareholders	-	590
Dividends	-	(5,135)
Net reduction to shareholders' funds	-	(4,545)
Shareholders' funds at 1 January	-	4,545
Shareholders' funds/(deficit) at 31 December	-	-

7 Parent undertaking and controlling party

The Company's immediate parent is Inchcape Corporate Services Limited, a company registered in England and Wales

The Directors regard the ultimate parent undertaking and controlling party to be Inchcape plc, a company registered in England and Wales

Both the smallest and the largest group of which the Company is a member and for which Group Financial statements are drawn up is that of Inchcape plc. Copies of the Annual Report and Accounts for that company are available from

Inchcape plc
22A St James's Square
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SW1Y 5LP