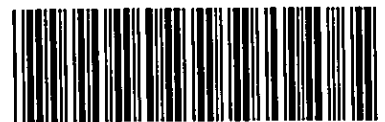


**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012
FOR
AUTOPROTECT (MBI) LTD**

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COMPANIES HOUSE

AUTOPROTECT (MBI) LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2012

DIRECTORS:

D Shapiro
E F Lacey
N Wake
CRP D2 Limited

SECRETARY:

P Chandarana

REGISTERED OFFICE:

Cambridge House
Cambridge Road
Harlow
Essex
CM20 2EQ

REGISTERED NUMBER:

05089293

AUDITORS:

CBHC LLP
Chartered Accountants
Riverside House
1 - 5 Como Street
Romford
Essex
RM7 7DN

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of provider of insurance related solutions to manufacturers, retailers and buyers of new and used motor vehicles

REVIEW OF BUSINESS

2012 was yet again a positive year for the Group, increasing revenue despite the current turbulent economic conditions

During 2012, the directors took a decision to further increase investment in people and processes, to support both the new clients that the Group has continued to acquire and also to support the next phase of growth, both organic and by acquisition, within the UK and overseas

The directors are confident that the one-off, non-recurring costs incurred in 2012 enable the Group to maintain the outstanding support given to existing clients and position the Group to be able to accommodate the bespoke and varied needs of new clients well into the future. The directors look forward to recognising the ensuing profits in 2013 and beyond

The Group continues to enjoy a strong capital base with net assets exceeding £1m and benefits from strong relationships with its Lloyd's Underwriters and A-rated insurers. This support enables the directors to focus on providing bespoke solutions to new customers both within the UK and globally, and to maintain a confident outlook on future trading results

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

D Shapiro
E F Lacey
N Wake

Other changes in directors holding office are as follows

J J Marx - resigned 1 February 2012
CRP D2 Limited - appointed 1 February 2012
M E Barry - appointed 8 June 2012

M E Barry ceased to be a director after 31 December 2012 but prior to the date of this report

J J Marx resigned as a Director on 01 February 2012

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £322 (2011 - £2,191)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

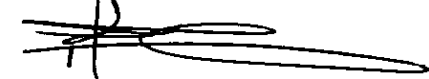
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 group'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 group's auditors are aware of that information.

AUDITORS

The auditors, CBHC LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



P Chandarana - Secretary

24 September 2013

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AUTOPROTECT (MBI) LTD**

We have audited the financial statements of Autoprotect (MBI) Ltd for the year ended 31 December 2012 on pages six to twenty four. 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 three, 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 group's and the parent 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2012 and of the group's loss 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.

Opinion on other matter prescribed by the Companies Act 2006

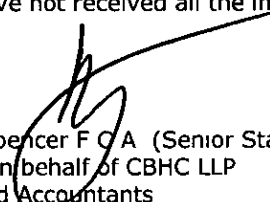
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AUTOPROTECT (MBI) LTD**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



M R W Spencer F C A (Senior Statutory Auditor)
for and on behalf of CBHC LLP
Chartered Accountants
Riverside House
1 - 5 Como Street
Romford
Essex
RM7 7DN

Date

25/9/13

AUTOPROTECT (MBI) LTD (REGISTERED NUMBER: 05089293)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
TURNOVER		12,992,294	12,765,581
Cost of sales		6,649,487	6,237,791
GROSS PROFIT		6,342,807	6,527,790
Administrative expenses		7,329,078	5,904,835
OPERATING (LOSS)/PROFIT	3	(986,271)	622,955
Interest receivable and similar income		10,635	5,437
		(975,636)	628,392
Interest payable and similar charges	4	3,427	3,584
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(979,063)	624,808
Tax on (loss)/profit on ordinary activities	5	(136,248)	(268,118)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(842,815)	892,926
Minority interest		(23,499)	(23,476)
(DEFICIT)/RETAINED PROFIT FOR CARRIED FORWARD		(819,316)	916,402

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the loss for the current year and the profit for the previous year

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
FIXED ASSETS					
Intangible assets	7		-		-
Tangible assets	8		1,581,462		1,623,090
Investments	9		9,410		9,410
			<u>1,590,872</u>		<u>1,632,500</u>
CURRENT ASSETS					
Debtors	10	3,957,120		3,668,221	
Cash at bank and in hand		2,590,282		1,222,772	
		<u>6,547,402</u>		<u>4,890,993</u>	
CREDITORS					
Amounts falling due within one year	11	7,187,911		3,968,653	
NET CURRENT (LIABILITIES)/ASSETS			<u>(640,509)</u>		<u>922,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			950,363		2,554,840
CREDITORS					
Amounts falling due after more than one year	12		(3,168)		(764,830)
MINORITY INTERESTS	15		<u>76,459</u>		<u>52,960</u>
NET ASSETS			<u><u>1,023,654</u></u>		<u><u>1,842,970</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		4,100,000		4,100,000
Profit and loss account	17		<u>(3,076,346)</u>		<u>(2,257,030)</u>
SHAREHOLDERS' FUNDS	21		<u><u>1,023,654</u></u>		<u><u>1,842,970</u></u>

The financial statements were approved by the Board of Directors on 24 September 2013 and were signed on its behalf by

D Shapiro - Director

E F Lacey - Director

The notes form part of these financial statements

AUTOPROTECT (MBI) LTD (REGISTERED NUMBER: 05089293)

**BALANCE SHEET
31 DECEMBER 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	1,578,155	1,619,391
Investments	8	98,216	98,216
		<u>1,676,371</u>	<u>1,717,607</u>
CURRENT ASSETS			
Debtors	9	4,238,594	3,931,996
Cash at bank and in hand		2,174,537	520,019
		<u>6,413,131</u>	<u>4,452,015</u>
CREDITORS			
Amounts falling due within one year	10	6,853,660	3,228,085
NET CURRENT (LIABILITIES)/ASSETS		<u>(440,529)</u>	<u>1,223,930</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,235,842</u>	<u>2,941,537</u>
CREDITORS			
Amounts falling due after more than one year	11	3,168	764,830
NET ASSETS		<u><u>1,232,674</u></u>	<u><u>2,176,707</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	4,100,000	4,100,000
Profit and loss account		(2,867,326)	(1,923,293)
SHAREHOLDERS' FUNDS	18	<u><u>1,232,674</u></u>	<u><u>2,176,707</u></u>

The financial statements were approved by the Board of Directors on 24 September 2013 and were signed on its behalf by

D Shapiro - Director

E F Lacey - Director

The notes form part of these financial statements

AUTOPROTECT (MBI) LTD (REGISTERED NUMBER: 05089293)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Net cash inflow from operating activities	1	1,962,469	122,092
Returns on investments and servicing of finance	2	7,208	1,853
Taxation		(8,791)	8,680
Capital expenditure	2	(578,217)	(646,447)
		1,382,669	(513,822)
Financing	2	(15,159)	17,346
Increase/(decrease) in cash in the period		1,367,510	(496,476)

Reconciliation of net cash flow to movement in net funds

	3		
Increase/(decrease) in cash in the period		1,367,510	(496,476)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		12,159	(767,346)
Change in net funds resulting from cash flows		1,379,669	(1,263,822)
Movement in net funds in the period		1,379,669	(1,263,822)
Net funds at 1 January		945,784	2,209,606
Net funds at 31 December		2,325,453	945,784

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

1 RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	£	£
Operating (loss)/profit	(986,271)	622,955
Depreciation charges	619,847	519,826
Loss on disposal of fixed assets	-	3,913
Increase in debtors	(152,651)	(624,015)
Increase/(decrease) in creditors	2,481,544	(400,587)
Net cash inflow from operating activities	<u>1,962,469</u>	<u>122,092</u>

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

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	10,635	5,437
Interest element of hire purchase payments	(3,427)	(3,584)
Net cash inflow for returns on investments and servicing of finance	<u>7,208</u>	<u>1,853</u>
Capital expenditure		
Purchase of tangible fixed assets	(578,268)	(646,447)
Sale of tangible fixed assets	51	-
Net cash outflow for capital expenditure	<u>(578,217)</u>	<u>(646,447)</u>
Financing		
Capital repayments in year	(12,159)	17,346
Amount withdrawn by directors	(3,000)	-
Net cash (outflow)/inflow from financing	<u>(15,159)</u>	<u>17,346</u>

The notes form part of these financial statements

AUTOPROTECT (MBI) LTD (REGISTERED NUMBER: 05089293)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.12 £	Cash flow £	At 31.12.12 £
Net cash			
Cash at bank and in hand	1,222,772	1,367,510	2,590,282
	1,222,772	1,367,510	2,590,282
Debt			
Hire purchase	(26,988)	12,159	(14,829)
Debts falling due within one year	(250,000)	-	(250,000)
	(276,988)	12,159	(264,829)
Total	945,784	1,379,669	2,325,453

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities that continue to be controlled by the group (its subsidiaries). Control exists where the group has the power to govern the financial and operating policies of the entity via voting rights. On acquisition of a subsidiary, its identifiable assets, liabilities and contingent liabilities are included in the consolidated accounts at their fair value. Any excess of the cost of an acquisition over the fair value of the net assets acquired is recognised as goodwill. The interest of minority shareholders is stated at their share of the fair value of the subsidiary's net assets.

The results of subsidiaries acquired are included in the consolidated profit and loss account from the date control passes up until the Group ceases to control them through a sale or significant change in circumstances.

All intra-group balances, transactions, income and expenses are eliminated on consolidation. The consolidated accounts are prepared using uniform accounting policies.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax, except in respects of service contracts where turnover is recognised when the company obtains the rights to consideration.

Commission on warranty sales

Credit is taken for commissions on warranties when the insured is charged for the relevant premium irrespective of the inception date of the policy and the length of the policy.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, has been fully amortised over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 33% on cost, 15% on reducing balance and 10% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost and 20% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

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

Insurance broking transactions

The company complies with Financial Reporting Standard No 5 ("FRS 5") - reporting the substance of the transactions. FRS 5 requires that debit and credit balances arising from the insurance broking transactions are reported as separate assets or liabilities unless such balances are due to or from the same party and the offset would survive the insolvency of that party.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at an average rate of exchange for the year. Realised exchange differences are taken into account at arriving at the operating profit, unrealised exchange differences are taken to reserves.

2 STAFF COSTS

	2012	2011
	£	£
Wages and salaries	3,584,125	2,826,935
Social security costs	349,865	338,474
Other pension costs	65,276	64,509
	<u>3,999,266</u>	<u>3,229,918</u>

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

	2012	2011
Directors and senior management	4	4
Trainers	2	2
Sales staff	3	3
Claims handling staff	27	23
Office staff	54	44
	<u>90</u>	<u>76</u>

3 OPERATING (LOSS)/PROFIT

The operating loss (2011 - operating profit) is stated after charging:

	2012	2011
	£	£
Other operating leases	105,991	104,965
Depreciation - owned assets	615,837	490,148
Depreciation - assets on hire purchase contracts	4,008	29,392
Loss on disposal of fixed assets	-	3,913
Auditors remuneration	47,844	44,423
Auditors' remuneration for non audit work	-	6,000
Services relating to recruitment and remuneration	-	6,750
The auditing of accounts of any associate of the company	11,643	-
Taxation compliance services	2,145	846
Foreign exchange differences	<u>394,700</u>	<u>93,037</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012**3 OPERATING (LOSS)/PROFIT - continued**

Directors' remuneration	229,700	258,267
Directors' pension contributions to money purchase schemes	15,215	12,713
Compensation to director for loss of office	52,250	-
	<u></u>	<u></u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	-----------------	-----------------

Information regarding the highest paid director is as follows

	2012	2011
	£	£
Emoluments etc	132,455	149,572
Pension contributions to money purchase schemes	15,215	12,713
	<u></u>	<u></u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Hire purchase	3,427	3,584
	<u></u>	<u></u>

5 TAXATION**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	-	78
Deferred taxation	(136,248)	(268,196)
Tax on (loss)/profit on ordinary activities	<u>(136,248)</u>	<u>(268,118)</u>

Factors that may affect future tax charges

At the year end the group had UK trading losses amounting to £2,246,715 (2011 - £1,450,697) to carry forward to be set against future trading profits

6 LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(944,033) (2011 - £689,170 profit)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

7 INTANGIBLE FIXED ASSETS**Group****Goodwill**
£**COST**At 1 January 2012
and 31 December 2012**820,980****AMORTISATION**At 1 January 2012
and 31 December 2012**820,980****NET BOOK VALUE**

At 31 December 2012

-

At 31 December 2011

-**Company****Goodwill**
£**COST**At 1 January 2012
and 31 December 2012**820,980****AMORTISATION**At 1 January 2012
and 31 December 2012**820,980****NET BOOK VALUE**

At 31 December 2012

-

At 31 December 2011

-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

8 TANGIBLE FIXED ASSETS

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2012	111,033	13,499	3,113,152	3,237,684
Additions	1,186	-	577,082	578,268
Disposals	-	(13,499)	(19,842)	(33,341)
At 31 December 2012	112,219	-	3,670,392	3,782,611
DEPRECIATION				
At 1 January 2012	51,300	13,499	1,549,795	1,614,594
Charge for year	10,830	-	609,015	619,845
Eliminated on disposal	-	(13,499)	(19,791)	(33,290)
At 31 December 2012	62,130	-	2,139,019	2,201,149
NET BOOK VALUE				
At 31 December 2012	50,089	-	1,531,373	1,581,462
At 31 December 2011	59,733	-	1,563,357	1,623,090

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Computer equipment £
COST	
At 1 January 2012 and 31 December 2012	68,834
DEPRECIATION	
At 1 January 2012	35,069
Charge for year	4,008
At 31 December 2012	39,077
NET BOOK VALUE	
At 31 December 2012	29,757
At 31 December 2011	33,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

8 TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2012	102,010	13,499	3,057,352	3,172,861
Additions	955	-	572,887	573,842
Disposals	-	(13,499)	-	(13,499)
At 31 December 2012	102,965	-	3,630,239	3,733,204
DEPRECIATION				
At 1 January 2012	43,792	13,499	1,496,179	1,553,470
Charge for year	10,258	-	604,820	615,078
Eliminated on disposal	-	(13,499)	-	(13,499)
At 31 December 2012	54,050	-	2,100,999	2,155,049
NET BOOK VALUE				
At 31 December 2012	48,915	-	1,529,240	1,578,155
At 31 December 2011	58,218	-	1,561,173	1,619,391

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Computer equipment £
COST	
At 1 January 2012 and 31 December 2012	68,834
DEPRECIATION	
At 1 January 2012	35,069
Charge for year	4,008
At 31 December 2012	39,077
NET BOOK VALUE	
At 31 December 2012	29,757
At 31 December 2011	33,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

9 FIXED ASSET INVESTMENTS

Group

Unlisted
investments
£

COST

At 1 January 2012
and 31 December 20129,410

NET BOOK VALUE

At 31 December 2012

9,410

At 31 December 2011

9,410

Company

Unlisted
investments
£

COST

At 1 January 2012
and 31 December 201298,216

NET BOOK VALUE

At 31 December 2012

98,216

At 31 December 2011

98,216

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

Subsidiaries

Autoprotect Administration Ltd

Nature of business Management of claims for insurance companies

	%
Class of shares	holding
Ordinary	100 00

2012
£2011
£

Aggregate capital and reserves

127(58,152)

Profit for the year

58,279167,795

Autoprotect Polska

Country of incorporation Poland

Nature of business Sale of car warranties

	%
Class of shares	holding
Ordinary	100.00

2012
£2011
£

Aggregate capital and reserves

(242,232)(336,174)

Profit for the year

93,942122,733

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

9 FIXED ASSET INVESTMENTS - continued

Motorpartners Ltd

Nature of business Dormant

	% holding	2012	2011
Class of shares	100 00	£	£
Ordinary			
Aggregate capital and reserves		<u>1</u>	<u>1</u>

Autopartners (UK) Ltd

Nature of business Dormant

	% holding	2012	2011
Class of shares	100 00	£	£
Ordinary			
Aggregate capital and reserves		<u>1</u>	<u>1</u>

Go Car Protect Limited

Nature of business Sale of car warranties

	% holding	2012	2011
Class of shares	100 00	£	£
Ordinary			
Aggregate capital and reserves		<u>(79,531)</u>	<u>(79,531)</u>

Dealer Partner Direct Ltd

Nature of business Sale of car warranties

	% holding	2012	2011
Class of shares	100 00	£	£
Ordinary			
Aggregate capital and reserves		<u>4,856</u>	<u>4,856</u>
Loss for the year		<u>-</u>	<u>(3,913)</u>

M R Automotive Ltd

Nature of business Sale of car warranties

	% holding	2012	2011
Class of shares	54 00	£	£
Ordinary			
Aggregate capital and reserves		<u>(168,558)</u>	<u>(117,475)</u>
Loss for the year		<u>(51,083)</u>	<u>(51,034)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

10 DEBTORS

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts falling due within one year				
Trade debtors	3,079,344	2,050,454	2,872,257	1,993,482
Amounts owed by group undertakings	-	-	576,658	432,382
Other debtors	291,064	776,170	286,255	759,440
VAT	-	153,962	38,501	226,731
Prepayments	309,446	419,439	187,657	251,765
	<u>3,679,854</u>	<u>3,400,025</u>	<u>3,961,328</u>	<u>3,663,800</u>
Amounts falling due after more than one year				
Other debtors	<u>277,266</u>	<u>268,196</u>	<u>277,266</u>	<u>268,196</u>
Aggregate amounts	<u>3,957,120</u>	<u>3,668,221</u>	<u>4,238,594</u>	<u>3,931,996</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other loans (see note 13)	250,000	250,000	-	-
Hire purchase contracts (see note 14)	11,661	12,158	11,661	12,158
Trade creditors	4,395,896	2,435,500	4,184,349	2,058,707
Amounts owed to group undertakings	-	-	77,777	100,464
Taxation	-	8,791	-	8,712
Social security and other taxes	88,176	64,722	85,891	62,091
VAT	15,406	-	-	-
Other Creditors	1,179,671	649,500	1,296,653	597,286
Directors' current accounts	2,974	5,974	-	-
Accrued expenses	1,244,127	542,008	1,197,329	388,667
	<u>7,187,911</u>	<u>3,968,653</u>	<u>6,853,660</u>	<u>3,228,085</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Hire purchase contracts (see note 14)	3,168	14,830	3,168	14,830
Subordinated loan	-	750,000	-	750,000
	<u>3,168</u>	<u>764,830</u>	<u>3,168</u>	<u>764,830</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

13 LOANS

An analysis of the maturity of loans is given below.

	Group	
	2012	2011
	£	£
Amounts falling due within one year or on demand		
Other loans - less than 1 yr	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**Group**

	Hire purchase contracts	
	2012	2011
	£	£
Net obligations repayable		
Within one year	11,661	12,158
Between one and five years	3,168	14,830
	<u>14,829</u>	<u>26,988</u>

Company

	Hire purchase contracts	
	2012	2011
	£	£
Net obligations repayable		
Within one year	11,661	12,158
Between one and five years	3,168	14,830
	<u>14,829</u>	<u>26,988</u>

15 MINORITY INTERESTS

The minority interest represents 46% of the issued share capital of M R Automotive Limited

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2012	2011
Number	Class	Nominal value	£	£
100,000	Ordinary	£1	100,000	100,000
4,000,000	Preference shares	£1	4,000,000	4,000,000
			<u>4,100,000</u>	<u>4,100,000</u>

The preference shares can only be redeemed at the company's behest

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012**

17 RESERVES

Group

**Profit
and loss
account
£**

At 1 January 2012	(2,257,030)
Deficit for the year	(819,316)
	<hr/>
At 31 December 2012	<u>(3,076,346)</u>

Company

**Profit
and loss
account
£**

At 1 January 2012	(1,923,293)
Deficit for the year	(944,033)
	<hr/>
At 31 December 2012	<u>(2,867,326)</u>

18 PENSION COMMITMENTS

The company operates a defined contribution scheme for certain employees

19 ULTIMATE PARENT COMPANY

The company's ultimate parent company is Autoprotect Holdings Limited, a company incorporated in the British Virgin Islands

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012**

20 RELATED PARTY DISCLOSURES

For the following two directors were paid commission and reimbursed expenses of -

	2012	2011
D Shapiro	209,153	214,733
N Wake	210,350	210,936

During the year the company purchased services from Autoprotect Administration Limited, a wholly owned subsidiary, amounting to £931,264 (2011 - £918,398) for claims management services and recharged expenses amounting to £12,750 (2011 - £41,431). At the year end no amounts were due to or from Autoprotect Administration as a result of these transactions. The claims loan account is a creditor balance of £529,841 at the year end.

During the year the company purchased services from MR Automotive Ltd, a wholly owned subsidiary amounting to £28,334 (2011 - £27,906) for motor industry products, at the year end £1,680 (2011 - £2,491) was due to MR Automotive Ltd as a result of these transactions.

The company provided operational funding to the following wholly owned subsidiaries as is included in amounts owed by group undertakings.

	Funding during the year	Balance outstanding as at year end
Autoprotect Administration Ltd	-	(72,921)
Autoprotect Polska	-	217,826
Dealer Partner Direct Limited	-	(4,856)
M R Automotive Ltd	56,590	165,210
Go Car Protect Ltd	47,038	191,032
	101,038	496,091

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2012 £	2011 £
(Loss)/profit for the financial year	(819,316)	916,402
Net (reduction)/addition to shareholders' funds	(819,316)	916,402
Opening shareholders' funds	1,842,970	926,568
Closing shareholders' funds	1,023,654	1,842,970

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2012

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2012 £	2011 £
(Loss)/profit for the financial year	(944,033)	689,170
Unrealised gains on exchange		
Transfer of realised gains on exchange		
Net (reduction)/addition to shareholders' funds	(944,033)	689,170
Opening shareholders' funds	2,176,707	1,487,537
Closing shareholders' funds	1,232,674	2,176,707