



Abbreviated accounts Automotive Newco Limited t/a Watford Jaguar

For the Year Ended 30 Sep 09



Company No. 06220264

Officers and professional advisers

Registered office

3 Astwood Mews
London
SW7 4DE

Directors

M T Dodds
N P Smith

Secretary

H M Gibson

Auditor

Grant Thornton UK LLP
Chartered Accountants
Registered Auditors
Grant Thornton House
202 Silbury Boulevard
Central Milton Keynes
MK9 1LW

Index to the abbreviated accounts

Report of the auditor to the company	4
Accounting policies	5 - 7
Abbreviated balance sheet	8
Notes to the abbreviated accounts	9 - 10



Independent auditor's report to Automotive Newco Limited t/a Watford Jaguar under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts which comprise the accounting policies, balance sheet and the related notes, together with the financial statements of Automotive Newco Limited t/a Watford Jaguar for the year ended 30 September 2009 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 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 them in a special 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 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 prepared in accordance with Sections 444(1) and (3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 Sections 444(1) and (3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with those provisions.

A handwritten signature in black ink, reading "Malcolm Gomersall".

Malcolm Gomersall
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

Central Milton Keynes

8 March 2010

Accounting policies

Basis of preparation

The business is showing a net cash outflow for the year to 30 September 2009 of circa £58k, with the balance sheet showing a year end overdraft position of £218k. The company had a net current liability position of £61,610. For the year ended 30 September 2009, the company recorded a profit after tax of £344 (2008 loss £183,660).

The business showed substantial improvements in trading performance in its second year, particularly in light of the tough economic conditions. The directors are forecasting further improvements in the cash and profit position for the current period to 31 December 2010. Trading in the period to date is consistent with the business meeting that forecast.

On this basis the directors have drawn up the accounts on a going concern basis.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The principal accounting policies of the company are set out below.

Turnover

Turnover represents amounts receivable for goods supplied and services provided, including finance commission earned net of trade discounts, VAT and other sales related taxes.

Sales of motor vehicles are recognised on the earlier of full payment by, or delivery date to, the customer together with the associated manufacturer vehicle bonus income. Any other manufacturer income in relation to achieving targets is recognised on an accruals basis. Service revenue is recognised on the completion of the agreed work.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 10 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	- 10% straight line
Plant & Machinery	- 20% straight line
Fixtures & Fittings	- 20% straight line
Equipment	- 20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred taxation is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Abbreviated balance sheet

	Note	2009 £	2008 £
Fixed assets	1		
Intangible assets		75,273	85,066
Tangible assets		203,021	222,424
		<u>278,294</u>	<u>307,490</u>
Current assets			
Stocks		1,095,285	1,040,466
Debtors		906,823	889,219
Cash at bank and in hand		600	300
		<u>2,002,708</u>	<u>1,929,985</u>
Creditors: amounts falling due within one year		<u>2,064,318</u>	<u>2,007,802</u>
Net current liabilities		<u>(61,610)</u>	<u>(77,817)</u>
Total assets less current liabilities		<u>216,684</u>	<u>229,673</u>
Creditors: amounts falling due after more than one year		<u>–</u>	<u>13,333</u>
		<u>216,684</u>	<u>216,340</u>
Capital and reserves			
Called-up equity share capital	4	400,000	400,000
Profit and loss account		(183,316)	(183,660)
Shareholders' funds		<u>216,684</u>	<u>216,340</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 8/2/10, and are signed on their behalf by



M T Dodds
Director

Notes to the abbreviated accounts

1 Fixed assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 October 2008	97,126	276,810	373,936
Additions	–	27,096	27,096
At 30 September 2009	<u>97,126</u>	<u>303,906</u>	<u>401,032</u>
Depreciation			
At 1 October 2008	12,060	54,386	66,446
Charge for year	9,793	46,499	56,292
At 30 September 2009	<u>21,853</u>	<u>100,885</u>	<u>122,738</u>
Net book value			
At 30 September 2009	<u>75,273</u>	<u>203,021</u>	<u>278,294</u>
At 30 September 2008	<u>85,066</u>	<u>222,424</u>	<u>307,490</u>

2 Related party transactions

During the period Automotive Newco Limited paid Gilbran Watford Limited rent of £125,000 (2008 £154,297) and accrued interest of £34,681 (2008 £10,000) payable to Gilbran Holdings Limited which is included within accruals. Gilbran Holdings Limited owns the 300,000 C Ordinary Shares noted below. Gilbran Watford Limited is a subsidiary of Gilbran Holdings Limited.

3 Securities

During the period Automotive Newco Limited has given the following securities:

- The bank overdraft is secured by way of a debenture over all the company's liabilities to the bank of any kind in any currency.
- Manufacturer funding relates to demo and used vehicle funding. These are secured by way of a fixed and floating charge over assets.

4 Share capital

Authorised share capital

	2009	2008
	£	£
50,000 A Ordinary Shares of £1 each	50,000	50,000
50,000 B Ordinary Shares of £1 each	50,000	50,000
300,000 C Ordinary Shares of £1 each	300,000	300,000
	<u>400,000</u>	<u>400,000</u>

Allotted, called up and fully paid

	2009		2008	
	No	£	No	£
A Ordinary Shares of £1 each	50,000	50,000	50,000	50,000
B Ordinary Shares of £1 each	50,000	50,000	50,000	50,000
C Ordinary Shares of £1 each	300,000	300,000	300,000	300,000
	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

A and B shares are ordinary shares of £1 each in the capital of the company

The holders of the C shares are entitled to cumulative interest payments of 8.5% per annum on the nominal amount which is fully paid up or credited as fully paid up on each share. Payment of interest is entirely at the discretion of the directors. Any instalment of interest not paid shall be carried forward and be payable in priority to interest payable on any later date.

5 Controlling party

Controlled by N Smith and M Dodds by virtue of their 100% holding of the A and B Ordinary shares