

Company Registration No. 00714373 (England and Wales)

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Parent Acc's

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WESTOVER HOLDINGS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

Bramford Lodge  
Limited

MICHAEL KAY  
— & —  
COMPANY

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# WESTOVER HOLDINGS LIMITED

## DIRECTORS AND ADVISERS

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<b>Directors</b>	P C Wood J C Wood C G Turner K J Martin
<b>Secretary</b>	MJC Stevens
<b>Company number</b>	00714373
<b>Registered office</b>	382 Charminster Road Bournemouth Dorset BH8 9SA
<b>Registered auditors</b>	Michael Kay & Company Limited 2 Water Court Water Street Birmingham West Midlands B3 1HP
<b>Business address</b>	382 Charminster Road, Bournemouth Dorset BH8 9SA
<b>Bankers</b>	Lloyds TSB Bank Plc Gracechurch House 23/25 Castle Way Southampton Hampshire SO14 2BW

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# **WESTOVER HOLDINGS LIMITED**

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# **WESTOVER HOLDINGS LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2013***

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The directors present the strategic report and financial statements for the year ended 31 December 2013

### **Review of the business**

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and complex nature of the business and is written in the context of risks and uncertainties faced.

The group is a multi franchise motor vehicle dealer having the following divisions

- i) Sales of new and used vehicles
- ii) Servicing and repairs, including body shop repairs and the sale of parts

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover, operating profit and return on capital employed.

The rise in turnover and profits during the year reflects the ongoing improvement in the vehicle sales market, especially for new models, although margins remain tight. After-sales growth was more modest in what continues to be a highly competitive sector. Overhead absorption was above the industry average of 57%.

The Directors are satisfied with the results for the year which are in line with expectations. The group opened a new hotel and golf course business midway through the year and this had the effect of reducing the overall level of profitability as shown in the Profit & Loss Account.

The operating profit excluding the hotel increased to £6,392,849 representing a return on sales of 3.02%, (2012, 2.89%), compared with the industry average to December 2013 of 1.47%. The group profit before tax but after interest and hotel losses increased to £5,872,172 compared with £5,207,051.

The return on capital employed has decreased to 20.00% (23.04%). Return on capital employed is calculated as profit before interest and tax, divided by capital employed, which constitutes total assets less current liabilities, less cash plus other short term borrowings.

# WESTOVER HOLDINGS LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

The turnover of the group by division was as follows

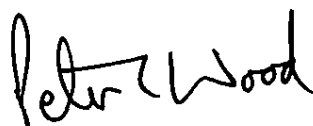
	31 December 2013	31 December 2012
	£'000	£'000
Sales of new and used vehicles	177,932	149,366
Servicing and repairs including body shop and parts	33,052	31,502
Hotel and golf club fees	887	-
	<u>211,871</u>	<u>180,868</u>

The business environment in which we operate continues to be challenging. The car market in the UK is highly competitive. In addition we are of course subject to consumer spending patterns and consumers' overall level of disposable income within the economy.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

Trade debtors are managed in respect of credit and cash flow risks by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. Trade creditors liquidated risk is managed by ensuring sufficient funds are available to meet amounts due.

The group's principal financial instruments comprise bank balances, trade creditors, trade debtors, loans to the company and lease purchase agreements. The main purpose of these instruments is to raise funds for the group's operations and to finance the group's operations.



P C Wood  
Director  
25 April 2014

# WESTOVER HOLDINGS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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The directors present their report and financial statements for the year ended 31 December 2013

### Directors

The following directors have held office since 1 January 2013

P C Wood  
J C Wood  
C G Turner  
K J Martin

### Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below

	Ordinary shares of £1 each	
	31 December 2013	1 January 2013
WESTOVER HOLDINGS LIMITED		
P C Wood	58812	58812
J C Wood	14000	14000
C G Turner	14000	14000
K J Martin	-	-

P C Wood, J C Wood and C G Turner are all Trustees in the Peter Charles Wood Settlement which owns 25,000 (2012 25,000) £1 Ordinary Shares in Westover Holdings Limited

Other than K J Martin none of the directors have direct interests in the shares of any of the subsidiary companies

### WESTOVER GROUP LIMITED

K J Martin	1000	1000
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### Principal activities and review of the business

The principal activity of the group continued to be that of motor distributors

### Results and dividends

The consolidated profit and loss account for the year is set out on page 8

Interim ordinary dividends totalling £159,000 and £132,500 were paid on 16 July 2013 and 18 December 2013 respectively. The directors do not recommend payment of a final dividend

### Market value of land and buildings

In the opinion of the directors the aggregate market value of land and buildings exceeds the current net book value

# **WESTOVER HOLDINGS LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013**

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### **Changes in presentation of the financial statements**

The consolidated accounts include the trading results of the following company which has claimed exemption from audit under section 479A of the Companies Act 2006 relating to small subsidiary companies -

**Bransford Lodge Limited**  
**Company Registration No 08436363**

### **Political and charitable donations**

The group made donations totalling £21,640 to various charities during the year

There were no political donations

### **Employee involvement**

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance

### **Disabled persons**

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

### **Taxation status**

The company was a close company within the provisions of the Income and Corporation Taxes Act 1968 and this position has not changed since the end of the financial year.

### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Michael Kay & Company Limited be reappointed as auditors of the company will be put at a General Meeting.

# WESTOVER HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

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### Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 auditor

(a) so far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



P C Wood

Director

25 April 2014



# **WESTOVER HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF WESTOVER HOLDINGS LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of Westover Holdings Limited for the year ended 31 December 2013 set out on pages 8 to 27. 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 an 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 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 Directors' Responsibilities Statement set out on pages 3 - 5, 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 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.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 and of the group's 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

# **WESTOVER HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF WESTOVER HOLDINGS LIMITED**

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#### **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

**Michael Kay (Senior Statutory Auditor)**  
**for and on behalf of Michael Kay & Company Limited**

25 April 2014

**Chartered Accountants**  
**Statutory Auditor**

2 Water Court  
Water Street  
Birmingham  
West Midlands  
B3 1HP

# WESTOVER HOLDINGS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
<b>Turnover</b>	<b>2</b>		
Continuing operations		210,983,692	180,867,538
Acquisitions		886,937	-
		<u>211,870,629</u>	<u>180,867,538</u>
Cost of sales		(186,515,610)	(159,130,835)
<b>Gross profit</b>		<u>25,355,019</u>	<u>21,736,703</u>
Distribution costs		(9,018,197)	(7,635,761)
Administrative expenses		(10,575,650)	(9,124,823)
Other operating income		210,776	248,031
<b>Operating profit</b>	<b>4</b>	<u>5,971,948</u>	<u>5,224,150</u>
<b>Operating profit</b>	<b>4</b>		
Continuing operations		6,392,849	5,224,150
Acquisitions		(420,901)	-
		<u>5,971,948</u>	<u>5,224,150</u>
Other interest receivable and similar income		44,595	90,758
Interest payable and similar charges	<b>5</b>	(144,371)	(107,857)
<b>Profit on ordinary activities before taxation</b>		<u>5,872,172</u>	<u>5,207,051</u>
Tax on profit on ordinary activities	<b>6</b>	(1,353,982)	(1,275,604)
<b>Profit on ordinary activities after taxation</b>		<u>4,518,190</u>	<u>3,931,447</u>
Minority interests		(694,869)	(534,954)
<b>Profit for the financial year</b>	<b>19</b>	<u><u>3,823,321</u></u>	<u><u>3,396,493</u></u>

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

# WESTOVER HOLDINGS LIMITED

## BALANCE SHEETS

AS AT 31 DECEMBER 2013

		Group		Company	
	Notes	2013	2012	2013	2012
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10	23,578,369	18,615,869	21,860,573	17,197,823
Investments	11	-	-	1,400,244	1,400,144
		<u>23,578,369</u>	<u>18,615,869</u>	<u>23,260,817</u>	<u>18,597,967</u>
<b>Current assets</b>					
Stocks	12	22,536,614	17,833,471	-	-
Debtors amounts falling due within one year	13	8,239,967	5,968,438	157,862	72,959
Debtors amounts falling due after more than one year	13	1,396,007	1,398,451	2,221,156	1,398,451
Cash at bank and in hand		3,938,458	6,546,369	194,058	1,281,340
		<u>36,111,046</u>	<u>31,746,729</u>	<u>2,573,076</u>	<u>2,752,750</u>
<b>Creditors amounts falling due within one year</b>	14	(26,399,380)	(21,143,190)	(285,397)	(1,144,684)
<b>Net current assets</b>		<u>9,711,666</u>	<u>10,603,539</u>	<u>2,287,679</u>	<u>1,608,066</u>
<b>Total assets less current liabilities</b>		<u>33,290,035</u>	<u>29,219,408</u>	<u>25,548,496</u>	<u>20,206,033</u>
<b>Creditors amounts falling due after more than one year</b>	15	-	-	(9,942,203)	(6,141,799)
<b>Provisions for liabilities</b>	16	(280,808)	(244,370)	(259,382)	(239,770)
		<u>33,009,227</u>	<u>28,975,038</u>	<u>15,346,911</u>	<u>13,824,464</u>
<b>Capital and reserves</b>					
Called up share capital	18	111,812	112,813	111,812	111,812
Share premium account	19	428,614	428,614	428,614	428,614
Other reserves	19	140,431	140,431	140,431	140,431
Profit and loss account	19	28,936,201	25,403,380	14,666,054	13,143,607
<b>Shareholders' funds</b>	21	<u>29,617,058</u>	<u>26,085,238</u>	<u>15,346,911</u>	<u>13,824,464</u>
<b>Minority interests</b>	20	3,392,169	2,889,800	-	-
		<u>33,009,227</u>	<u>28,975,038</u>	<u>15,346,911</u>	<u>13,824,464</u>


# **WESTOVER HOLDINGS LIMITED**

## **BALANCE SHEETS (CONTINUED)**

**AS AT 31 DECEMBER 2013**

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Approved by the Board and authorised for issue on 25 April 2014

  
P C Wood  
Director

**Company Registration No. 00714373**

# WESTOVER HOLDINGS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
<b>Net cash inflow from operating activities</b>		5,502,645		4,567,986
<b>Returns on investments and servicing of finance</b>				
Interest received	44,595		56,758	
Interest paid	(144,371)		(107,857)	
Dividends paid to minorities	(192,500)		(122,500)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(292,276)		(173,599)
<b>Taxation</b>		(1,251,238)		(1,438,353)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(5,465,866)		(892,797)	
Receipts from sales of tangible assets	8,861		3,500	
<b>Net cash outflow for capital expenditure</b>		(5,457,005)		(889,297)
<b>Equity dividends paid</b>		(291,500)		(132,500)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(1,789,374)		1,934,237
<b>(Decrease)/increase in cash in the year</b>		(1,789,374)		1,934,237

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1	Reconciliation of operating profit to net cash inflow from operating activities	2013		2012	
		£		£	
	Operating profit	5,971,948		5,224,150	
	Depreciation of tangible assets	489,879		446,196	
	Loss on disposal of tangible assets	4,625		292	
	Increase in stocks	(4,703,143)		(1,234,207)	
	Increase in debtors	(2,269,085)		(1,077,703)	
	Increase in creditors within one year	6,008,421		1,209,258	
	<b>Net cash inflow from operating activities</b>	<b>5,502,645</b>		<b>4,567,986</b>	
2	Analysis of net funds	1 January 2013	Cash flow	Other 31 December	
		£	£	non-cash changes	2013 £
	Net cash				
	Cash at bank and in hand	6,546,369	(2,607,911)	-	3,938,458
	Bank overdrafts	(818,537)	818,537	-	-
		<u>5,727,832</u>	<u>(1,789,374)</u>	<u>-</u>	<u>3,938,458</u>
	Net funds	<u>5,727,832</u>	<u>(1,789,374)</u>	<u>-</u>	<u>3,938,458</u>
3	Reconciliation of net cash flow to movement in net funds	2013		2012	
		£		£	
	(Decrease)/increase in cash in the year	(1,789,374)		1,934,237	
	<b>Movement in net funds in the year</b>	<b>(1,789,374)</b>		<b>1,934,237</b>	
	Opening net funds	5,727,832		3,793,595	
	<b>Closing net funds</b>	<b>3,938,458</b>		<b>5,727,832</b>	

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised as it is earned.

#### 1.5 Goodwill

Acquired goodwill is written off on a straight line basis over its estimated useful life of three years.

#### 1.6 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:

Land and buildings Freehold	Nil
Plant and machinery	12.5% on cost
Computer equipment	25%/33% on cost
Fixtures & computer equipment	12.5%/25%/33% on cost
Motor vehicles	25% on cost

The directors consider that the freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore is not charged to the profit and loss account. The directors perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the recoverable amount is not lower than the carrying value.

#### 1.7 Leasing and hire purchase commitments

Assets obtained under lease purchase contracts and finance leases are capitalised as tangible assets and depreciated over 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.

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.



# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies (Continued)

#### 1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

#### 1.10 Pensions

The Group 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.

#### 1.11 Deferred taxation

Deferred taxation is provided using the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

### 2 Turnover

The majority of the turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom. The turnover from non-principal activities is immaterial.

### 3 Cost of sales and net operating expenses

The total figures for continuing operations in 2013 include the following amounts relating to acquisitions: cost of sales £706,345, distribution costs £Nil, administrative expenses £601,493 and other operating income £Nil.

4 Operating profit	2013 £	2012 £
Operating profit is stated after charging		
Depreciation of tangible assets	489,879	446,196
Loss on disposal of tangible assets	4,625	292
Operating lease rentals		
- Other assets	833,980	771,330
and after crediting		
Rents receivable	210,776	248,031

#### Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £9,500, 2012 £9,500)	49,500	42,000
Taxation	4,000	2,500
Accounts	9,500	3,500
	63,000	48,000

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

<b>5</b>	<b>Interest payable</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	24	-
	Lease finance charges	3,752	2,158
	On overdue tax	224	-
	Stock finance charges	140,371	105,699
		<u>144,371</u>	<u>107,857</u>
<b>6</b>	<b>Taxation</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	1,317,544	1,315,760
	Adjustment for prior years	-	(100)
	<b>Total current tax</b>	<u>1,317,544</u>	<u>1,315,660</u>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	36,438	(11,314)
	Effects of changes in tax rates and laws	-	(28,742)
		<u>36,438</u>	<u>(40,056)</u>
		<u>1,353,982</u>	<u>1,275,604</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>5,872,172</u>	<u>5,207,051</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23 2465755% (2012 - 24 5%)	<u>1,365,079</u>	<u>1,275,727</u>
	Effects of		
	Non deductible expenses	8,755	23,168
	Depreciation add back	114,972	110,308
	Capital allowances	(171,262)	(93,443)
	Adjustments to previous periods	-	(100)
		<u>(47,535)</u>	<u>39,933</u>
	<b>Current tax charge for the year</b>	<u>1,317,544</u>	<u>1,315,660</u>

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 7 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit after tax for the financial year is made up as follows

	2013 £	2012 £
Holding company's profit for the financial year	1,813,947	1,452,063

### 8 Dividends

	2013 £	2012 £
Ordinary interim paid 18 December 2013	132,500	132,500
Ordinary interim paid 16 July 2013	159,000	-
	291,500	132,500

### 9 Intangible fixed assets Group

	Goodwill £
<b>Cost</b>	
At 1 January 2013 & at 31 December 2013	450,000
<b>Amortisation</b>	
At 1 January 2013 & at 31 December 2013	450,000
<b>Net book value</b>	
At 31 December 2013	-
At 31 December 2012	-

Purchased goodwill is amortised in equal annual instalments over its estimated useful life of 3 years

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 10 Tangible fixed assets

Group	Land and buildings Freehold £	Plant and machinery £	Fixtures & computer equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2013	17,197,823	2,529,938	3,746,491	44,311	23,518,563
Additions	4,662,750	194,558	598,348	10,212	5,465,868
Disposals	-	(21,607)	(2,574)	(18,502)	(42,683)
At 31 December 2013	21,860,573	2,702,889	4,342,265	36,021	28,941,748
<b>Depreciation</b>					
At 1 January 2013	-	1,970,701	2,899,635	32,360	4,902,696
On disposals	-	(21,785)	(2,360)	(5,052)	(29,197)
Charge for the year	-	147,416	341,012	1,452	489,880
At 31 December 2013	-	2,096,332	3,238,287	28,760	5,363,379
<b>Net book value</b>					
At 31 December 2013	21,860,573	606,557	1,103,978	7,261	23,578,369
At 31 December 2012	17,197,823	559,239	846,856	11,951	18,615,869

The directors consider that the freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore there is no charge to the profit and loss account. The directors perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the recoverable amount is not lower than the carrying value.

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 10 Tangible fixed assets (Continued)

#### Tangible fixed assets

##### Company

	Land and buildings Freehold £
<b>Cost</b>	
At 1 January 2013	17,197,823
Additions	4,662,750
At 31 December 2013	21,860,573
<b>Depreciation</b>	
At 1 January 2013 & at 31 December 2013	-
<b>Net book value</b>	
At 31 December 2013	21,860,573
At 31 December 2012	17,197,823

The directors consider that the freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore there is no charge to the profit and loss account. The directors perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the recoverable amount is not lower than the carrying value.

### 11 Fixed asset investments Company

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2013	1,400,144
Additions	100
At 31 December 2013	1,400,244
<b>Net book value</b>	
At 31 December 2013	1,400,244
At 31 December 2012	1,400,144

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 11 Fixed asset investments

(Continued)

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Westover Group Limited	England	Ordinary £1	82 50
Westover 4 x 4 Limited	England	Ordinary £1	82 50
Westover Corfe Mullen Limited	England	Ordinary £1	82 50
Westover Jaguar Limited	England	Ordinary £1	82 50
Westover Vehicle Contracts Ltd	England	Ordinary £1	82 50
Westover Poole Limited	England	Ordinary £1	82 50
Otton Brothers Limited	England	Ordinary £1	82 50
Westover Motors Limited	England	Ordinary £1	82 50
Bransford Lodge Limited	England	Ordinary £1	100 00

The principal activity of these undertakings for the last relevant financial year was as follows

	<b>Principal activity</b>
Westover Group Limited	Motor distributor
Westover 4 x 4 Limited	Dormant
Westover Corfe Mullen Limited	Dormant
Westover Jaguar Limited	Dormant
Westover Vehicle Contracts Ltd	Dormant
Westover Poole Limited	Dormant
Otton Brothers Limited	Dormant
Westover Motors Limited	Dormant
Bransford Lodge Limited	Hotel and golf club

On 15 March 2013 Westover Holdings Limited acquired 100% of the share capital in Bransford Lodge Limited, with the 100 £1 Ordinary Shares being acquired at par value. As the subsidiary company was newly formed at that stage it did not have any assets or liabilities on acquisition save for the share capital proceeds.

Bransford Lodge Limited has claimed exemption from audit under section S479A of the Companies Act 2006. The exemption has been achieved as a result of Westover Holdings Limited providing a statutory guarantee for the Bransford Lodge Limited liabilities at 31 December 2013 under S479C of the Companies Act 2006.

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 12 Stocks and work in progress

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Raw materials and consumables	973,652	905,705	-	-
Work in progress	119,361	95,840	-	-
Finished goods and goods for resale	21,443,601	16,831,926	-	-
	<u>22,536,614</u>	<u>17,833,471</u>	<u>-</u>	<u>-</u>

### 13 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	5,467,571	4,199,884	88,627	32,321
Amounts owed by group undertakings	-	-	825,149	-
Other debtors	1,722,229	1,527,381	1,429,043	1,407,639
Prepayments and accrued income	2,446,174	1,639,624	36,199	31,450
	<u>9,635,974</u>	<u>7,366,889</u>	<u>2,379,018</u>	<u>1,471,410</u>

Amounts falling due after more than one year and included in the debtors above are

	2013	2012	2013	2012
	£	£	£	£
Loan to director	30,000	35,000	30,000	35,000
Amounts owed by group undertakings	-	-	825,149	-
Other debtors	<u>1,366,007</u>	<u>1,363,451</u>	<u>1,366,007</u>	<u>1,363,451</u>

Other debtors includes a sum of £1,366,007 (2012 £1,363,451) owed by a related party company, Woodend and Flyford Properties Limited See note 27 for further details

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 14 Creditors : amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	-	818,537	-	818,537
Trade creditors	22,033,418	16,480,455	-	-
Corporation tax	717,032	650,726	16,357	124,598
Taxes and social security costs	1,044,604	697,203	-	-
Directors current accounts	-	34,396	-	-
Other creditors	114,472	30,362	62,500	-
Accruals and deferred income	2,489,854	2,431,511	206,540	201,549
	<u>26,399,380</u>	<u>21,143,190</u>	<u>285,397</u>	<u>1,144,684</u>

Bank loans and overdrafts are secured by a floating charge over all of the assets of the group

### 15 Creditors amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Other loans	-	-	9,942,203	6,141,799
Not wholly repayable within five years other than by instalments				
Subsidiary company loan	-	-	9,942,203	6,141,799
	-	-	9,942,203	6,141,799
<b>Loan maturity analysis</b>				
In more than five years	-	-	9,942,203	6,141,799

The long term loan from the subsidiary company Westover Group Limited to the parent company is unsecured and interest free. There are no plans for repayment in the foreseeable future.



# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 16 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 January 2013	244,370
Profit and loss account	36,438
Balance at 31 December 2013	<u>280,808</u>

### Company

Balance at 1 January 2013	239,770
Profit and loss account	19,612
Balance at 31 December 2013	<u>259,382</u>

The deferred tax liability is made up as follows

	Group 2013 £	2012 £	Company 2013 £	2012 £
Accelerated capital allowances	303,812	244,370	279,895	239,770
Other timing differences	(23,004)	-	(20,513)	-
	<u>280,808</u>	<u>244,370</u>	<u>259,382</u>	<u>239,770</u>

### 17 Pension and other post-retirement benefit commitments

#### Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. At the year-end the group had a creditor of £34,116 (2012 £20,733 debtor) in pension contributions.

	2013 £	2012 £
Contributions payable by the group for the year	<u>233,598</u>	<u>201,212</u>

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

<b>18</b>	<b>Share capital</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	111,812 Ordinary shares of £1 each	111,812	111,812
		<u>          </u>	<u>          </u>
<b>19</b>	<b>Statement of movements on reserves</b>		
	<b>Group</b>		
		<b>Share premium account</b>	<b>Other reserves (see below)</b>
		<b>£</b>	<b>£</b>
			<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 January 2013	428,614	140,431
	Profit for the year	-	-
	Dividends paid	-	-
		<u>          </u>	<u>          </u>
	Balance at 31 December 2013	428,614	140,431
		<u>          </u>	<u>          </u>
	<b>Other reserves</b>		
	<b>Capital redemption reserve</b>		
	Balance at 1 January 2013 & at 31 December 2013	140,431	
		<u>          </u>	
	<b>Company</b>		
		<b>Share premium account</b>	<b>Other reserves (see below)</b>
		<b>£</b>	<b>£</b>
			<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 January 2013	428,614	140,431
	Profit for the year	-	-
	Dividends paid	-	-
		<u>          </u>	<u>          </u>
	Balance at 31 December 2013	428,614	140,431
		<u>          </u>	<u>          </u>
	<b>Other reserves</b>		
	<b>Capital redemption reserve</b>		
	Balance at 1 January 2013 & at 31 December 2013	140,431	
		<u>          </u>	
<b>20</b>	<b>Minority interests</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Minority interests' share of net assets and liabilities in subsidiary undertakings	3,392,169	2,889,800
		<u>          </u>	<u>          </u>

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

21	Reconciliation of movements in shareholders' funds Group	2013	2012
		£	£
	Profit for the financial year	3,823,321	3,396,493
	Dividends	(291,500)	(132,500)
	Net addition to shareholders' funds	3,531,821	3,263,993
	Opening shareholders' funds	26,085,238	22,821,245
	Closing shareholders' funds	29,617,058	26,085,238
	<b>Company</b>	<b>2013</b>	<b>2012</b>
		£	£
	Profit for the financial year	1,813,947	1,452,063
	Dividends	(291,500)	(132,500)
	Net addition to shareholders' funds	1,522,447	1,319,563
	Opening shareholders' funds	13,824,464	12,504,901
	Closing shareholders' funds	15,346,911	13,824,464

## 22 Contingent liabilities

### Group and company

As a result of group registration for value added tax the company is jointly and severally liable together with other members of the group for any value added tax due by the representatives of the group. As at December 2013 an amount of £652,618 (2012 £355,586) was owed to HM Revenue & Customs.

The group is party to an omnibus guarantee in favour of Lloyds TSB Bank Plc which is secured by a floating charge over the company's assets.

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 23 Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2013	2012
	£	£
Expiry date		
Between two and five years	30,000	95,000
In over five years	583,000	565,000
	<u>613,000</u>	<u>660,000</u>

The above lease commitments are subject to rent reviews

### 24 Capital commitments

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Contracted for but not provided in the financial statements	1,282,593	821,116	1,282,593	821,116
	<u>1,282,593</u>	<u>821,116</u>	<u>1,282,593</u>	<u>821,116</u>

### 25 Directors' remuneration

	2013	2012
	£	£
Remuneration for qualifying services	529,758	441,567
Company pension contributions to defined contribution schemes	6,671	31,622
	<u>536,429</u>	<u>473,189</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2012 5)

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

Remuneration for qualifying services	<u>206,916</u>	<u>154,526</u>
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# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 26 Employees

#### Number of employees

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

	2013 Number	2012 Number
Head office administration	43	41
Sales administration	393	382
Production	115	103
	<u>551</u>	<u>526</u>

#### Employment costs

	2013 £	2012 £
Wages and salaries	13,698,386	11,795,436
Social security costs	1,422,329	1,283,402
Other pension costs	233,598	201,212
	<u>15,354,313</u>	<u>13,280,050</u>

### 27 Related party relationships and transactions

#### Loans to directors

Transactions in relation to loans with directors during the year are outlined in the table below

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Qualifying loan for shares in subsidiary	-	40,000	-	-	5,000	35,000
		<u>40,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>35,000</u>

The shares loan is unsecured and is being repaid at the rate of £5,000 per annum in each calendar year starting from 2011

# WESTOVER HOLDINGS LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 27 Related party relationships and transactions

(Continued)

#### Advances and credits to directors

Advances and credits granted to the directors during the year are outlined in the table below

	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Advance to director	-	2,943	25,093	-	-	28,036
		<u>2,943</u>	<u>25,093</u>	<u>-</u>	<u>-</u>	<u>28,036</u>

#### Group

During the year the group was charged rent amounting to £70,000 (2012 £70,000) by the Westover Group SSAS pension scheme for the use of premises. At the year-end £20,000 (2012 £20,000) was owed by the pension scheme to the group in respect of prepaid rent. P C Wood, J C Wood and C G Turner are all members of the pension scheme.

At the year-end £1,366,007 (2012 £1,363,451) was owed to the group by Woodend and Flyford Properties Limited. The debt is unsecured with interest charged at 2% over base rate. At the year-end gross interest charges of £Nil (2012 £34,000) had accrued on the loan. P C Wood, J C Wood and C G Turner are all shareholders and directors of Woodend and Flyford Properties Limited.

During the year the group has made donations of £5,513 (2012 £5,000) to About Face - Poole, a charitable company in which P C Wood is a trustee.

#### Company

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.

During the period the company paid rent totalling £Nil (2012 £10,000) to the Westover Group SSAS for the use of buildings owned by the pension scheme. At the Balance Sheet Date £20,000 (2012 £20,000) was owed by the pension scheme in respect of rent paid in advance. P C Wood, J C Wood, and C G Turner are all members of the pension scheme.

At the year-end £1,366,007 (2012 £1,363,451) was owed to Westover Holdings Limited by Woodend and Flyford Properties Limited. The debt is unsecured with interest charged at 2% over base rate. At the year-end gross interest charges of £Nil (2012 £34,000) had accrued on the loan. P C Wood, J C Wood and C G Turner are all shareholders and directors of Woodend and Flyford Properties Limited.

During the year the company made donations totalling £Nil (2012 £5,000) to About Face - Poole, a charitable company in which P C Wood is a trustee.