

Registered no. OC325235

**STEPHEN JAMES GROUP TRADING
LLP**

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

SATURDAY



A3AHYG56

A38

21/06/2014

#48

COMPANIES HOUSE

**LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB**

STEPHEN JAMES GROUP TRADING LLP

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

CONTENTS	PAGE
Designated members and advisors	1
The report of the members	2
Independent auditor's report to the members	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10

STEPHEN JAMES GROUP TRADING LLP
DESIGNATED MEMBERS AND ADVISORS

Designated members	D C Management Services Limited Benjamin J Collins
Registered office	Unit 1, Martinbridge Estate Lincoln Road Enfield Middlesex EN1 1SP
Auditor	Lubbock Fine Chartered Accountants & Statutory Auditor Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Santander Corporate Banking 2nd Floor 100 Ludgate Hill London EC4M 7RE

STEPHEN JAMES GROUP TRADING LLP

THE REPORT OF THE MEMBERS

YEAR ENDED 31 DECEMBER 2013

The members present their report and the financial statements of the LLP for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the partnership during the year was that of motor car dealers and repairers.

The results for the partnership for 2013 showed a profit of £1,504,000 compared to £1,205,000 in 2012.

The total members' interest as at 31 December 2013 were £1,311,000 (2012 - £11,117,000).

Market conditions in 2013 were better than those experienced in 2012; this, coupled with increased operational efficiencies, resulted in a healthy improvement on the previous year's financial performance.

On 26 June 2013, the partnership entered into a facility agreement with Santander Bank to refinance the partnership's bank borrowings. Santander were extremely supportive of the partnership during the refinancing process and the relationship has continued in the same vein.

The partnership has continued to develop their relationship with BMW Group UK, the franchisor.

The partnership remains dedicated to its Core Values and Vision and remains convinced that these will have a direct impact on the bottom-line profit in the years ahead.

KEY PERFORMANCE INDICATORS

The members believe that turnover and profit for the year, after members' remuneration and profit share, are the key financial indicators for the LLP. Turnover of £177,647,000 and profits of £1,504,000 are considered to be in line with expectations given the market conditions experienced in 2013.

FUTURE DEVELOPMENTS

Market conditions in 2014 have been favourable thus far and it is felt that if this continues financial performance should improve once again in 2014.

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year available for distribution to members was £3,043,000 (2012 - £1,865,000).

DESIGNATED MEMBERS

The following were designated members during the year:

D C Management Services Limited	(Appointed 2 December 2013)
Stephen James Limited	(Resigned 2 December 2013)
Eversley South East Limited	(Resigned 2 December 2013)

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTION AND REPAYMENTS OF AMOUNTS SUBSCRIBED OR OTHERWISE CONTRIBUTED BY MEMBERS

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

On 2 December 2013 an amount of £11,161,000 was transferred from Other Debtors to Other Debts Due from Members as a result of D C Management Services Limited becoming the sole corporate designated member.

STEPHEN JAMES GROUP TRADING LLP

THE REPORT OF THE MEMBERS *(continued)*

YEAR ENDED 31 DECEMBER 2013

RESPONSIBILITIES OF THE MEMBERS

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires the members to prepare financial statements for each financial year. Under that law the members 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 as applied to limited liability partnerships the members 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 LLP and of the profit or loss of the LLP for that year.

In preparing these financial statements, the members 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISABLED EMPLOYEES

The LLP gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the LLP's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

EMPLOYEE INVOLVEMENT

The LLP has a policy of providing information to the employees about the business through internal media methods. Regular meetings are held between management and employees to allow a free flow of information.

STEPHEN JAMES GROUP TRADING LLP

THE REPORT OF THE MEMBERS *(continued)*

YEAR ENDED 31 DECEMBER 2013

AUDITOR

Lubbock Fine are deemed to be re-appointed under section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Each of the persons who is a member at the date of approval of this report confirm that:

- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- each member has taken all steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Signed on behalf of the members



Benjamin J Collins

For and on behalf of

DC Management Services Limited

Designated member

Approved by the members on 3 June 2014

STEPHEN JAMES GROUP TRADING LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPHEN JAMES GROUP TRADING LLP

YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of Stephen James Group Trading LLP for the year ended 31 December 2013. 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 LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an 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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITOR

As explained more fully in the Members' Responsibilities Statement set out on page 3, the members 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 LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; 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 LLP's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

STEPHEN JAMES GROUP TRADING LLP

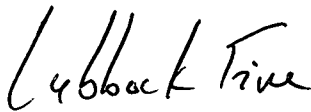
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPHEN JAMES GROUP
TRADING LLP (continued)**

YEAR ENDED 31 DECEMBER 2013

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 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Stephen Banks (Senior Statutory Auditor)

For and on behalf of

Lubbock Fine

Chartered Accountants

& Statutory Auditor

Date: 6 June 2014

Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

STEPHEN JAMES GROUP TRADING LLP**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £000	2012 £000
TURNOVER	2	177,647	157,620
Cost of sales		(161,060)	(140,855)
GROSS PROFIT		16,587	16,765
Distribution costs		(873)	(1,692)
Administrative expenses		(12,025)	(12,624)
Other operating income	3	4	123
OPERATING PROFIT	4	3,693	2,572
Interest payable and similar charges	6	(650)	(707)
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		3,043	1,865
Members' remuneration charged as an expense	7	(1,539)	(660)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		1,504	1,205

The LLP's turnover and expenses all relate to continuing operations.

Statement of total recognised gains and losses

There were no gains or losses in either year other than those included in the above profit and loss account.

The notes on pages 10 to 18 form part of these financial statements.

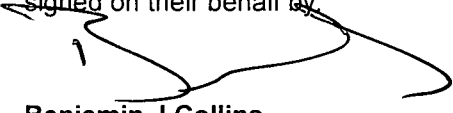
STEPHEN JAMES GROUP TRADING LLP

BALANCE SHEET

AS AT 31 DECEMBER 2013

		2013		2012	
	Note	£000	£000	£000	£000
FIXED ASSETS					
Intangible assets	8		819		881
Tangible assets	9		1,080		1,109
			1,899		1,990
CURRENT ASSETS					
Stocks	10	24,275		19,070	
Debtors	11	17,456		16,644	
Cash at bank and in hand		7		57	
		41,738		35,771	
CREDITORS: Amounts falling due within one year	12	(32,701)		(30,798)	
NET CURRENT ASSETS			9,037		4,973
TOTAL ASSETS LESS CURRENT LIABILITIES			10,936		6,963
CREDITORS: Amounts falling due after more than one year	13		(4,373)		(400)
NET ASSETS ATTRIBUTABLE TO MEMBERS			6,563		6,563
REPRESENTED BY:					
EQUITY					
Members' other interests - members' capital	19		6,563		6,563
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	18		-		4,554
Members' other interests	19		6,563		6,563
Amounts due from members	11		(5,252)		-
			1,311		11,117

These accounts were approved by the members and authorised for issue on 3 June 2014, and are signed on their behalf by:


Benjamin J Collins
For and on behalf of

DC Management Services Limited
Designated Member

Registered Number: OC325235

The notes on pages 10 to 18 form part of these financial statements.

STEPHEN JAMES GROUP TRADING LLP

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2013

		2013		2012	
	Note	£000	£000	£000	£000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	20		(1,077)		(514)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest paid		(650)		(707)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(650)		(707)
CAPITAL EXPENDITURE					
Payments to acquire tangible fixed assets		(359)		(216)	
Receipts from sale of fixed assets		63		34	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE			(296)		(182)
TRANSACTIONS WITH MEMBERS AND FORMER MEMBERS					
Payments to members		(1,743)		(651)	
Contributions by members		55		—	
NET CASH OUTFLOW FROM TRANSACTIONS WITH MEMBERS AND FORMER MEMBERS			(1,688)		(651)
CASH OUTFLOW BEFORE FINANCING			(3,711)		(2,054)
FINANCING					
New bank loans		4,500		—	
Repayment of bank loans		(1,155)		(72)	
Net inflow from other long-term creditors		200		400	
NET CASH INFLOW FROM FINANCING			3,545		328
DECREASE IN CASH	22		(166)		(1,726)

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments and in accordance with applicable UK accounting standards and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in March 2010 (SORP 2010).

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the period, exclusive of Value Added Tax.

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 - 5% 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:

Fixtures & Fittings - 10% - 33% straight line

Motor Vehicles - Depreciated to 25% of purchase price at a rate of 25% 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. Cost represents the purchase price paid to suppliers.

Consignment Stock

Vehicles consignment stock and the corresponding creditor are recognised on the balance sheet when the vehicles are in substance an asset of the company. This is determined by reference to whether the principal risks and rewards of holding the asset is borne by the partnership.

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

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the LLP.

An analysis of turnover is given below:

	2013 £000	2012 £000
United Kingdom	<u>177,647</u>	<u>157,620</u>

3. OTHER OPERATING INCOME

	2013 £000	2012 £000
Rent receivable	4	9
Other operating income	—	114
	<u>4</u>	<u>123</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2013 £000	2012 £000
Amortisation of intangible assets	62	62
Depreciation of owned fixed assets	333	382
(Profit)/Loss on disposal of fixed assets	(8)	1
Operating lease costs:		
- Other	410	410
Auditor's remuneration - audit of the financial statements	43	43
Auditor's remuneration - other fees	<u>22</u>	<u>23</u>

Auditor's remuneration - other fees:

- Taxation services	4	4
- Other services	<u>18</u>	<u>19</u>
	<u>22</u>	<u>23</u>

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

5. EMPLOYEE INFORMATION

The aggregate payroll costs were:

	2013 £000	2012 £000
Wages and salaries	7,213	8,587
Social security costs	764	919
Other pension costs	69	69
	<u>8,046</u>	<u>9,575</u>

The average number of persons, including members with contracts of employment, employed by the LLP during the year:

	2013 No	2012 No
Production staff	77	58
Administrative staff	156	166
Sales staff	60	66
	<u>293</u>	<u>290</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £000	2012 £000
Interest payable on bank borrowing	114	47
Other interest and similar charges	536	660
	<u>650</u>	<u>707</u>

7. INFORMATION IN RELATION TO MEMBERS

	2013 £000	2012 £000
Members remuneration charged as an expense	<u>1,539</u>	<u>660</u>

	2013 £000	2012 £000
Highest paid members remuneration	<u>155</u>	<u>120</u>

The highest paid members remuneration amounts are determined by summing the amounts payable to each member under their agreement with the partnership.

	2013 No	2012 No
The average number of members during the year was	<u>21</u>	<u>11</u>

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

8. INTANGIBLE FIXED ASSETS

	Goodwill £000
COST	
At 1 January 2013 and 31 December 2013	1,237
AMORTISATION	
At 1 January 2013	356
Charge for the year	62
At 31 December 2013	<u>418</u>
NET BOOK VALUE	
At 31 December 2013	819
At 31 December 2012	<u>881</u>

9. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £000	Motor Vehicles £000	Total £000
COST OR VALUATION			
At 1 January 2013	3,265	359	3,624
Additions	321	38	359
Disposals	(38)	(59)	(97)
At 31 December 2013	<u>3,548</u>	<u>338</u>	<u>3,886</u>
DEPRECIATION			
At 1 January 2013	2,299	216	2,515
Charge for the year	304	29	333
On disposals	(5)	(37)	(42)
At 31 December 2013	<u>2,598</u>	<u>208</u>	<u>2,806</u>
NET BOOK VALUE			
At 31 December 2013	950	130	1,080
At 31 December 2012	<u>966</u>	<u>143</u>	<u>1,109</u>

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

10. STOCKS

	2013	2012
	£000	£000
Finished goods	18,501	13,002
Consignment stock	5,774	6,068
	<u>24,275</u>	<u>19,070</u>

11. DEBTORS

	2013	2012
	£000	£000
Trade debtors	1,941	2,776
Amounts owed by group undertakings	6,877	—
Other debtors	1,593	12,985
Prepayments and accrued income	1,793	883
Amounts due from members	5,252	—
	<u>17,456</u>	<u>16,644</u>

12. CREDITORS: Amounts falling due within one year

	2013	2012
	£000	£000
Bank loans and overdrafts	2,803	3,115
Trade creditors	28,762	21,558
Other taxation and social security	47	592
Other creditors	226	297
Accruals and deferred income	863	682
Amounts due to members	—	4,554
	<u>32,701</u>	<u>30,798</u>

Included in trade creditors are amounts totalling £6,219,687 (2012 - £6,118,174) in respect of consignment stock for which legal title does not pass until payment is made. These amounts are secured on the vehicles to which they relate and interest is charged at the stocking rate applied by BMW.

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

13. CREDITORS: Amounts falling due after more than one year

	2013	2012
	£000	£000
Bank loans	3,773	-
Other creditors	600	400
	<u>4,373</u>	<u>400</u>

Loan maturity analysis

	2013	2012
	£000	£000
Amounts payable:		
In one year or less	435	867
In more than one year but not more than two years	435	-
In more than two years but not more than five years	3,337	-
In more than 5 years	-	-
	<u>4,207</u>	<u>867</u>

Bank loans and overdrafts totalling £6,575,142 (2012 - £3,114,351) are split as due within one year £2,802,584 (2012 - £3,114,351) and due after one year £3,772,558 (2012 - £nil). In place is a term loan facility of £4,500,000 and an overdraft facility of £4,000,000. Of the term loan 50% is repayable in instalments over 5 years, the term of the loan, with the remaining 50% repayable at the end of term. The loan bears interest at 3% over LIBOR and the overdraft 3.5% over the bank's base rate and are secured by a fixed and floating charge over the partnership's, and other group undertakings', assets. In addition, a personal guarantee of £1,550,000 has been provided by Benjamin J Collins.

14. PENSIONS

The partnership operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are administered in a fund independent from those of the partnership.

The total contributions paid in the year were £69,000 (2012 - £69,009) and the contributions outstanding at the balance sheet date were £8,669 (2012 - £16,417).

15. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the LLP had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2013	2012
	£000	£000
Operating leases which expire:		
After more than 5 years	<u>410</u>	<u>410</u>

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

16. CONTINGENCIES

The partnership is subject to unlimited composite guarantees with the following companies to secure bank overdrafts and other borrowings:

DC Management Services Limited
Eversley Property Limited

The maximum potential liability in respect of this guarantee at 31 December 2013 to secure the partnership and other companies' bank overdrafts was £2,367,345 (2012 - £3,397,824) and to secure other loans was £12,290,779 (2012 - £13,406,120).

17. RELATED PARTY TRANSACTIONS

a) An amount of £766,316 (2012 - £602,560) has been allocated to Stephen James Limited, a designated member of Stephen James Group Trading LLP until 2 December 2013, as its profit share from the partnership. At the balance sheet date an amount of £nil (2012 - £1,997,289) was due to Stephen James Limited.

b) An amount of £766,316 (2012 - £602,560) has been allocated to Eversley South East Limited, a designated member of Stephen James Group Trading LLP until 2 December 2013, as its profit share from the partnership. At the balance sheet date an amount of £nil (2012 - £2,556,805) was due to Eversley South East Limited.

c) A loss of £29,013 (2012 - £nil) has been allocated to D C Management Services Limited, a designated member of Stephen James Group Trading LLP, as its profit share from the partnership for December 2013. At the balance sheet date an amount of £5,251,925 (2012 - £6,200,193) was due from D C Management Services Limited. During the year rent of £357,261 (2012 - £283,711) was charged to Stephen James Group Trading LLP by D C Management Services Limited.

d) At the balance sheet date an amount of £nil (2012 - £1,022,081) was due from Eversley Group Limited, a fellow subsidiary undertaking.

e) At the balance sheet date an amount of £6,877,211 (2012 - £5,046,613) was due from Eversley Property Limited, a fellow subsidiary undertaking. During the year rent of £527,866 (2012 - £658,266) was charged to Stephen James Group Trading LLP by Eversley Property Limited.

f) During the year rent and other expenses totalling £16,202 (2012 - £14,384) was charged to Stephen James Group Trading LLP by Big & Red Storage Limited, a company in which Benjamin J Collins is a director and shareholder.

g) During the year rent of £4,000 (2012 - £9,000) was recharged to Stephen James Properties LLP, a partnership in which Benjamin J Collins is a designated member. At the balance sheet date an amount of £1,800 (2012 - £2,000) was due from Stephen James Properties LLP.

All of the above balances are unsecured, interest free and repayable on demand unless otherwise stated.

i) Duncan C Collins, a director of DC Management Services Limited, has provided a personal guarantee of £nil (2012 - £750,000) to secure borrowings in the LLP.

STEPHEN JAMES GROUP TRADING LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

17. RELATED PARTY TRANSACTIONS *(continued)*

j) Benjamin J Collins, a director of DC Management Services Limited, has provided a personal guarantee of £1,550,000 (2012 - £250,000) to secure borrowings in the LLP.

At the balance sheet date an amount of £199,500 (2012 - £400,000) was due to Benjamin J Collins. During the year interest of £15,864 (2012 - £9,425) was charged on this amount. This loan is unsecured, repayable on demand and subject to interest at a rate of 4% per annum.

k) At the balance sheet date an amount of £300,000 (2012 - £nil) was due to Patrick J O'Donnell, a senior associate member of Stephen James Group Trading LLP. At the year end this loan is interest free, unsecured and repayable on demand.

18. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2013 £000	2012 £000
Amounts owed to members in respect of profits	—	4,554

19. MEMBERS' INTERESTS

	Members' capital (classified as equity) £000	Other reserves £000	Total members' other interests £000	Other debts due to / (from) members £000	Total £000
Balance at 1 January 2013	6,563	-	6,563	4,554	11,117
Profit for the financial year available for discretionary division amongst members	—	1,504	1,504	—	1,504
Members' interests after profit for the year	6,563	1,504	8,067	4,554	12,621
Other division of profits	-	(1,504)	(1,504)	1,504	-
Introduced by members	-	-	-	55	55
Reclassifications	-	-	-	(11,161)	(11,161)
Drawings	—	—	—	(204)	(204)
Balance at 31 December 2013	6,563	-	6,563	(5,252)	1,311

STEPHEN JAMES GROUP TRADING LLP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2013

20. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£000	£000
Operating profit	3,693	2,572
Amortisation	62	62
Depreciation	333	382
(Profit)/Loss on disposal of fixed assets	(8)	1
(Increase)/decrease in stocks	(5,205)	2,425
Increase in debtors	(6,721)	(2,370)
Increase/(decrease) in creditors	6,769	(3,586)
Net cash outflow from operating activities	<u>(1,077)</u>	<u>(514)</u>

22. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013		2012	
	£000	£000	£000	£000
Decrease in cash in the period	(166)		(1,726)	
Net cash (inflow)/outflow from bank loans	(3,345)		72	
Net cash inflow from other long-term creditors	<u>(200)</u>		<u>(400)</u>	
Change in net debt		(3,711)		(2,054)
Net debt at 1 January 2013		(3,458)		(1,404)
Net debt at 31 December 2013		<u>(7,169)</u>		<u>(3,458)</u>

23. ANALYSIS OF CHANGES IN NET DEBT

	At		At
	1 Jan 2013	Cash flows	31 Dec 2013
	£000	£000	£000
Net cash:			
Cash in hand and at bank	57	(50)	7
Overdrafts	(2,252)	(116)	(2,368)
	<u>(2,195)</u>	<u>(166)</u>	<u>(2,361)</u>
Debt:			
Debt due within 1 year	(863)	428	(435)
Debt due after 1 year	(400)	(3,973)	(4,373)
	<u>(1,263)</u>	<u>(3,545)</u>	<u>(4,808)</u>
Net debt	<u>(3,458)</u>	<u>(3,711)</u>	<u>(7,169)</u>