

Company Registration No. 01049663 (England and Wales)

DT (AUTOMOTIVES) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012



DT (AUTOMOTIVES) LIMITED

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DT (AUTOMOTIVES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company for the year was the retailing of motor parts and accessories

The company's business is primarily derived from four key sales channels - motorsport, road performance and styling, motorcycles and cycles. Motorsport is historically the company's core activity and has provided the basic platform upon which the other sales channels have been developed. The company's markets are both within the UK and also abroad.

The key routes to market for each sales channel are through a comprehensive catalogue generating both mail order and telephone sales. This is then backed up by a website which is focused on developing internet sales. The company also generates sales via the ebay selling outlet which has seen a substantial growth in income over the past 12 months.

Across the broad range of products offered via the catalogue and the website, the company has few direct competitors. However, there are numerous smaller catalogue, internet companies and retail outlets which specialise in specific segments of the business.

1 Objectives of the company

The main objective for both the motorsport and the motorcycles sales channels are to look for initiatives which continue to grow this aspect of our business in terms of both turnover and gross margin. The cycle division is expected to continue to its growth with its improved prominence on the internet. Its progress will be monitored and performance measured against forecasts.

2 Strategy

The key strategies for growing the business are to have focused resource for each of the sales channels and to grow awareness through the continual development of the website and the implementation of e-retailing initiatives. The company will then couple this with the development of customer retention through enhanced customer service and loyalty schemes.

3 Risks and uncertainties

The company continues to buy a major proportion of its stock from Europe and the United States, consequently there is an ongoing exposure to both exchange gains and losses. The company has processes in place to manage the risk, hence there is no speculative buying of foreign currency and exchange rates are reviewed frequently.

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DT (AUTOMOTIVES) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

4 Key Performance Indicators

The key performance indicators by which the directors manage and measure the business are turnover, gross profit and adjusted net profit before interest, tax, depreciation, goodwill amortisation and reward based remuneration to key individuals

5 2012 Performance

The overall performance during 2012 was very satisfactory considering the general economic climate. The company was able to maintain reasonable trading levels whilst controlling overheads. The directors continue to review actual costs to budgeted forecasts on a monthly basis. The directors are continually reviewing and looking for new potential markets both within the UK and abroad.

6 Future Performance

The early signs for 2013 appear to indicate that general consumer confidence remains fragile. Through the company's website, e-retailing and networking initiatives we feel confident that 2013 will again be a reasonable year. We hope to see continued growth in all areas of the business and are keen to see our cycle range develop further over the next few years.

Motorsport is the core of our business, and we will continue to widen our product range, continue to develop loyalty schemes to retain our customers and to search for any possible emerging markets.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 January 2012:

J G Minshaw

K A Ankers

K Hayes

J Smith

L Sharples

C Turner

Auditors

Afford Bond LLP were appointed auditors to the company and in accordance with section 487(2) of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

DT (AUTOMOTIVES) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J G Minshaw

Director

21 May 2013

DT (AUTOMOTIVES) LIMITED

INDEPENDENT AUDITORS' REPORT TO DT (AUTOMOTIVES) LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of DT (Automotives) Limited for the year ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 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 it in a special 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, for our work, for this report, or for the opinions we have formed.

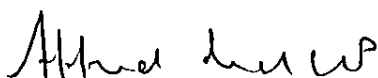
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 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 to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



John Clarke FCCA (Senior Statutory Auditor)
for and on behalf of Afford Bond LLP

21 May 2013

Chartered Accountants
Statutory Auditor

31 Wellington Road
Nantwich
Cheshire
CW5 7ED

DT (AUTOMOTIVES) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover		26,865,851	23,752,893
Other operating income less cost of sales		(20,289,930)	(17,512,720)
Administrative expenses		(4,716,943)	(4,096,040)
Operating profit	2	1,858,978	2,144,133
Investment income	3	257,873	259,118
Other interest receivable and similar income		1,831	2,150
Interest payable and similar charges	4	(4,107)	(1,453)
Profit on ordinary activities before taxation		2,114,575	2,403,948
Tax on profit on ordinary activities	5	(521,346)	(646,834)
Profit for the year	14	1,593,229	1,757,114

The profit and loss account has been prepared on the basis that all operations are continuing operations

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

DT (AUTOMOTIVES) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7		3,798,751		392,062
Current assets					
Stocks	8	3,844,335		3,737,151	
Debtors	9	8,279,717		7,796,561	
Cash at bank and in hand		-		31,890	
		12,124,052		11,565,602	
Creditors: amounts falling due within one year	10	(10,919,701)		(8,526,311)	
Net current assets			1,204,351		3,039,291
Total assets less current liabilities			5,003,102		3,431,353
Creditors amounts falling due after more than one year	11		(1,480,000)		-
Provisions for liabilities	12		(13,090)		(14,570)
			3,510,012		3,416,783
Capital and reserves					
Called up share capital	13		20,000		20,000
Profit and loss account	14		3,490,012		3,396,783
Shareholders' funds	15		3,510,012		3,416,783

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 21 May 2013



J.G. Minshaw
Director

Company Registration No 01049663

DT (AUTOMOTIVES) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 £	2011 £
Net cash inflow from operating activities	3,178,816	2,281,043
Returns on investments and servicing of finance		
Interest received	259,704	261,268
Net cash inflow for returns on investments and servicing of finance	259,704	261,268
Taxation	(783,783)	(321,373)
Capital expenditure		
Payments to acquire tangible assets	(3,561,711)	(212,536)
Receipts from sales of tangible assets	25,311	5,214
Net cash outflow for capital expenditure	(3,536,400)	(207,322)
Equity dividends paid	(1,500,000)	(1,500,000)
Net cash (outflow)/inflow before management of liquid resources and financing	(2,381,663)	513,616
Financing		
New long term bank loan	1,480,000	-
Other new short term loans	370,000	-
Net cash inflow/(outflow) from financing	1,850,000	-
(Decrease)/increase in cash in the year	(531,663)	513,616

DT (AUTOMOTIVES) LIMITED

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

1	Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
		£	£
	Operating profit	1,858,978	2,144,133
	Depreciation of tangible assets	127,192	112,041
	Loss on disposal of tangible assets	2,519	12,490
	Increase in stocks	(107,184)	(825,082)
	(Increase)/decrease in debtors	(483,156)	49,546
	Increase in creditors within one year	1,780,467	787,915
	Net cash inflow from operating activities	3,178,816	2,281,043

2	Analysis of net (debt)/funds	1 January 2012	Cash flow	Other non-cash changes	31 December 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	31,890	(31,890)	-	-
	Bank overdrafts	-	(499,773)	-	(499,773)
		<u>31,890</u>	<u>(531,663)</u>	<u>-</u>	<u>(499,773)</u>
	Debt				
	Debts falling due within one year	-	(370,000)	-	(370,000)
	Debts falling due after one year	-	(1,480,000)	-	(1,480,000)
		<u>-</u>	<u>(1,850,000)</u>	<u>-</u>	<u>(1,850,000)</u>
	Net funds/(debt)	31,890	(2,381,663)	-	(2,349,773)

3	Reconciliation of net cash flow to movement in net (debt)/funds	2012	2011
		£	£
	(Decrease)/increase in cash in the year	(531,663)	513,616
	Cash inflow from increase in debt	(1,850,000)	-
	Movement in net (debt)/funds in the year	(2,381,663)	513,616
	Opening net funds/(debt)	31,890	(481,726)
	Closing net (debt)/funds	(2,349,773)	31,890

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

As the company is a wholly owned subsidiary of Demon Tweeks Limited, the Company has taken advantage of the exemption contained in FRS 8 and has, therefore, not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of Demon Tweeks Limited, within which this Company is included, may be obtained from the address included on note 19

1.2 Changes in accounting policies

The accounts for the year ended 31 December 2011 have been restated to reclassify the directly attributable Advertising and promotion costs to "Cost of sales" from "Administration expenses"

The reclassifications are for presentation purposes only, the performance and results have not been affected by this change

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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	No depreciation provided
Plant and machinery	15% Straight line
Fixtures, fittings & equipment	15%-33% Straight line
Motor vehicles	25% Straight line

No depreciation is provided in respect of freehold land

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Stock

Stock is valued at the lower of cost and net realisable value

Stocks held under consignment stocking arrangements are recognised within stocks along with a corresponding liability when the Directors consider that the principle risks and rewards of ownership have transferred to the Company

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies (continued)

1.8 Deferred advertising expenditure

Included within prepayments and accrued income is the external third party costs incurred, less related supplier contributions received during the financial year for developing product catalogues and other advertising material that will be in use during 2012

2 Operating profit	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	127,192	112,041
Loss on disposal of tangible assets	2,519	12,490
Operating lease rentals		
- Plant and machinery	16,413	20,716
Auditors' remuneration (including expenses and benefits in kind)	13,000	13,000
	<u> </u>	<u> </u>

3 Investment income	2012	2011
	£	£
Income from participating interests	257,873	259,118
Bank interest	1,831	2,150
	<u> </u>	<u> </u>
	<u>259,704</u>	<u>261,268</u>

4 Interest payable	2012	2011
	£	£
On bank loans and overdrafts	4,107	1,453
	<u> </u>	<u> </u>

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	522,826	632,264
	Total current tax	522,826	632,264
	Deferred tax		
	Deferred tax charge/credit current year	(1,480)	14,570
		521,346	646,834
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	2,114,575	2,403,948
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.50% (2011 - 26.00%)	518,071	625,026
	Effects of		
	Non deductible expenses	4,732	6,340
	Depreciation add back	31,779	32,988
	Capital allowances	(31,698)	(47,783)
	Other tax adjustments	(58)	15,693
		4,755	7,238
	Current tax charge for the year	522,826	632,264

The Company receives group relief from Demon Tweaks Limited for which the Company pays an amount equal to the benefit received

6	Dividends	2012 £	2011 £
	Ordinary interim paid	1,500,000	1,500,000

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2012	-	829,129	910,322	76,092	1,815,543
Additions	3,381,633	67,589	112,490	-	3,561,712
Disposals	-	(1,680)	(17,502)	(29,008)	(48,190)
At 31 December 2012	3,381,633	895,038	1,005,310	47,084	5,329,065
Depreciation					
At 1 January 2012	-	582,544	819,520	21,417	1,423,481
On disposals	-	(441)	(17,502)	(2,417)	(20,360)
Charge for the year	-	55,836	60,481	10,876	127,193
At 31 December 2012	-	637,939	862,499	29,876	1,530,314
Net book value					
At 31 December 2012	3,381,633	257,099	142,811	17,208	3,798,751
At 31 December 2011	-	246,585	90,802	54,675	392,062

8 Stocks

	2012 £	2011 £
Finished goods and goods for resale	3,844,335	3,737,151

At 31 December 2012 the Company held consignment stocks of £36,000 (2011 £32,000) which are not recognised on the balance sheet as the Directors have concluded that the principle risks and rewards of ownership had not passed to the Company by the balance sheet date

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

9 Debtors	2012 £	2011 £
Trade debtors	76,381	121,124
Other debtors	7,654,585	7,112,665
Prepayments and accrued income	548,751	562,772
	<u>8,279,717</u>	<u>7,796,561</u>

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

	2012 £	2011 £
Amounts owed by group undertakings	<u>7,120,667</u>	<u>7,010,264</u>

Included in prepayments and accrued income is £387,728 (2011 £385,896) relating to deferred advertising expenditure

10 Creditors amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	869,773	-
Trade creditors	3,361,136	2,873,838
Amounts owed to parent and fellow subsidiary undertakings	84,974	-
Corporation tax	126,766	387,723
Other taxes and social security costs	160,046	184,596
Directors' current accounts	6,119,358	4,847,358
Other creditors	104,706	114,145
Accruals and deferred income	92,942	118,651
	<u>10,919,701</u>	<u>8,526,311</u>

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

11 Creditors: amounts falling due after more than one year	2012 £	2011 £
Bank loans	1,480,000	-
Analysis of loans		
Wholly repayable within five years	1,850,000	-
	1,850,000	-
Included in current liabilities	(370,000)	-
	1,480,000	-
Loan maturity analysis		
In more than one year but not more than two years	370,000	-
In more than two years but not more than five years	1,480,000	-

The bank overdraft is secured by an unlimited debenture given to the bank, and a first legal charge over the company's freehold property. The Demon Tweaks pension scheme loan interest is set at 2% above bank base rate.

Included in creditors is a mortgage taken out in respect of the purchase of 75 Ash Road South and 71 Clywedog Road, Wrexham in the amount of £1,850,000 which is secured against the two properties.

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2012	14,570
Profit and loss account	(1,480)
Balance at 31 December 2012	13,090

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	13,090	14,570

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

13 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
20,000 Ordinary £1 shares of £1 each	20,000	20,000
	<u> </u>	<u> </u>
 14 Statement of movements on profit and loss account		
		Profit and loss account £
Balance at 1 January 2012		3,396,783
Profit for the year		1,593,229
Dividends paid		(1,500,000)
		<u> </u>
Balance at 31 December 2012		3,490,012
		<u> </u>
 15 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit for the financial year	1,593,229	1,757,114
Dividends	(1,500,000)	(1,500,000)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	93,229	257,114
Opening shareholders' funds	3,416,783	3,159,669
	<u> </u>	<u> </u>
Closing shareholders' funds	3,510,012	3,416,783
	<u> </u>	<u> </u>

16 Contingent liabilities

The Company provided a guarantee to National Westminster Bank Plc over its borrowings and the borrowings of its parent company. The amount outstanding at 31 December 2012 by its parent company amounted to £- (2011 £773,431). The Directors consider such arrangements to be insurance contracts.

DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

17 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	Other 2012 £	2011 £
Operating leases which expire		
Within one year	13,795	11,049
Between two and five years	9,552	8,195
	<u>23,347</u>	<u>19,244</u>

18 Directors' remuneration

	2012 £	2011 £
Remuneration for qualifying services	<u>527,731</u>	<u>352,912</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)

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

Remuneration for qualifying services	<u>151,771</u>	<u>70,786</u>
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DT (AUTOMOTIVES) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

19 Employees

Number of employees

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

	2012 Number	2011 Number
Sales	40	42
Administration	75	65
Management	14	15
	<u>129</u>	<u>122</u>

Employment costs

	2012 £	2011 £
Wages and salaries	<u>3,764,635</u>	<u>3,093,804</u>

20 Ultimate parent company

The company is a subsidiary undertaking of Demon Tweeks Limited, which is the ultimate parent company, and incorporated in Great Britain

The group in which the results of the Company are consolidated is that headed by Demon Tweeks Limited

21 Related party relationships and transactions

During the year the company purchased £2,600,000 of Land and Buildings from J Minshaw, these transactions took place under normal commercial terms

During the year the company sold goods and services totalling £1,911,747 to Kencourt Limited and at the year end a balance of £84,974 was due from Kencourt Limited

No trading transactions took place with Demon Tweeks Limited and the amount outstanding is disclosed on note 10 to these financial statements