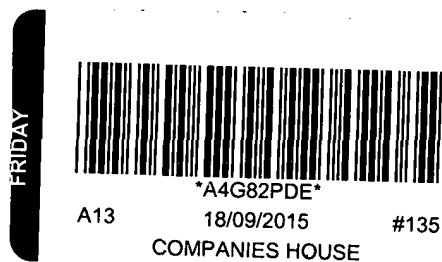


Company Registration No. 01049663 (England and Wales)

DT (AUTOMOTIVES) LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014



DT (AUTOMOTIVES) LIMITED

COMPANY INFORMATION

Directors

J G Minshaw
K A Ankers
K Hayes
J Smith
L Sharples
C Turner

Secretary

J Smith

Company number

01049663

Registered office

75 Ash Road South
Wrexham Industrial Estate
Wrexham
LL13 9UG

Auditors

Afford Bond Holdings Limited
31 Wellington Road
Nantwich
Cheshire
CW5 7ED

Bankers

Royal Bank of Scotland
Leeds City Office
8 Park Row
Leeds
LS1 1QS

DT (AUTOMOTIVES) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9
Notes to the financial statements	10 - 18

DT (AUTOMOTIVES) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present the strategic report and financial statements for the year ended 31 December 2014.

Review of the business

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 key routes to market for each sales channel are through a comprehensive catalogue generating both mail order and telephone sales. This is backed up by a website which is focused on developing internet sales. The company also generates sales via the ebay selling outlet and Amazon.

Principal Risks and Uncertainties

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. Management of this risk is by way of sales channel optimisation and customer retention initiatives discussed below.

The company continues to buy a major proportion of its stock from Europe, The Far East 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: there is no speculative buying of foreign currency and exchange rates are reviewed frequently.

Development and Performance

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. All divisions are expected to continue to show growth with the improved prominence on the internet.

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.

The overall performance during 2014 was satisfactory considering the general economic climate. The company was able to maintain reasonable trading levels whilst controlling overheads.

The early signs for 2015 appear to indicate that general consumer confidence remains fragile. Though through enhancements to the company's website, e-retailing and networking initiatives we feel confident that 2015 will again be a reasonable year. We hope to see continued growth in all areas of the business and are keen to see our new ranges develop further over the next few years.

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 and amortisation. All three measures have improved in the period.

Turnover and gross profit are as per the profit and loss account. Net profit before interest, tax, depreciation and amortisation was £2,989,546 (2013 £2,221,268).

On behalf of the board



J G Minshaw
Director
2 June 2015

DT (AUTOMOTIVES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Principal activities

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

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 January 2014:

J G Minshaw
K A Ankers
K Hayes
J Smith
L Sharples
C Turner

Auditors

Afford Bond Holdings Limited 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.

Statement of 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;
- 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 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.

DT (AUTOMOTIVES) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

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

2 June 2015

DT (AUTOMOTIVES) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DT (AUTOMOTIVES) LIMITED

We have audited the financial statements of DT (Automotives) Limited for the year ended 31 December 2014 set out on pages 6 to 18. 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 2 - 3, 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 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 company's affairs as at 31 December 2014 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.

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.

DT (AUTOMOTIVES) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF DT (AUTOMOTIVES) LIMITED

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, 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
- 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.



**John Clarke ACCA (Senior Statutory Auditor)
for and on behalf of Afford Bond Holdings Limited**

2 June 2015

**Chartered Accountants
Statutory Auditor**

31 Wellington Road
Nantwich
Cheshire
CW5 7ED

DT (AUTOMOTIVES) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £'
Turnover	2	31,609,264	28,524,073
Cost of sales		(23,839,025)	(21,839,133)
Gross profit		7,770,239	6,684,940
Administrative expenses		(5,238,394)	(4,945,006)
Other operating income		47,207	44,609
Operating profit	3	2,579,052	1,784,543
Investment income	4	212,669	233,066
Other interest receivable and similar income	4	3,433	1,869
Interest payable and similar charges	5	(28,574)	(59,260)
Profit on ordinary activities before taxation		2,766,580	1,960,218
Tax on profit on ordinary activities	6	(598,459)	(474,537)
Profit for the year	16	2,168,121	1,485,681

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

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Intangible assets	8		8,788		9,886
Tangible assets	9		4,353,341		3,928,390
			<u>4,362,129</u>		<u>3,938,276</u>
Current assets					
Stocks	10	4,503,910		3,873,519	
Debtors	11	5,889,885		6,964,104	
Cash at bank and in hand		29,023		-	
		<u>10,422,818</u>		<u>10,837,623</u>	
Creditors: amounts falling due within one year	12	(9,250,541)		(10,138,687)	
Net current assets			<u>1,172,277</u>		<u>698,936</u>
Total assets less current liabilities			<u>5,534,406</u>		<u>4,637,212</u>
Creditors: amounts falling due after more than one year	13		(1,760,000)		(1,110,000)
Provisions for liabilities	14		(110,592)		(31,519)
			<u>3,663,814</u>		<u>3,495,693</u>
Capital and reserves					
Called up share capital	15		20,000		20,000
Profit and loss account	16		3,643,814		3,475,693
Shareholders' funds	17		<u>3,663,814</u>		<u>3,495,693</u>

Approved by the Board and authorised for issue on 2 JUNE 2015


J G Minshaw
Director

Company Registration No. 01049663

DT (AUTOMOTIVES) LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		2,480,145		2,763,869
Returns on investments and servicing of finance				
Interest received	216,102		234,935	
Net cash inflow for returns on investments and servicing of finance		216,102		234,935
Taxation		(557,249)		(494,144)
Capital expenditure				
Payments to acquire intangible assets	-		(10,985)	
Payments to acquire tangible assets	(621,678)		(332,200)	
Receipts from sales of tangible assets	-		1	
Net cash outflow for capital expenditure		(621,678)		(343,184)
Equity dividends paid		(2,000,000)		(1,500,000)
Net cash (outflow)/inflow before management of liquid resources and financing		(482,680)		661,476
Financing				
New long term bank loan	2,200,000		-	
Repayment of long term bank loan	(1,110,000)		(370,000)	
Repayment of other short term loans	(370,000)		-	
Net cash inflow/(outflow) from financing		720,000		(370,000)
Increase in cash in the year		237,320		291,476

DT (AUTOMOTIVES) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

1 Reconciliation of operating profit to net cash outflow from operating activities	2014	2013
	£	£
Operating profit	2,579,052	1,784,543
Depreciation of tangible assets	196,727	202,314
Amortisation of intangible assets	1,098	1,099
Loss on disposal of tangible assets	-	246
Increase in stocks	(630,391)	(29,184)
Decrease in debtors	1,074,219	1,315,613
Decrease in creditors within one year	(740,560)	(510,762)
Net cash inflow from operating activities	2,480,145	2,763,869

2 Analysis of net debt	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	-	29,023	-	29,023
Bank overdrafts	(208,297)	208,297	-	-
	(208,297)	237,320	-	29,023
Bank deposits	-	-	-	-
Debt:				
Debts falling due within one year	(370,000)	(70,000)	-	(440,000)
Debts falling due after one year	(1,110,000)	(650,000)	-	(1,760,000)
	(1,480,000)	(720,000)	-	(2,200,000)
Net debt	(1,688,297)	(482,680)	-	(2,170,977)

3 Reconciliation of net cash flow to movement in net debt	2014	2013
	£	£
Increase in cash in the year	237,320	291,476
Cash (inflow)/outflow from (increase)/decrease in debt	(720,000)	370,000
Movement in net debt in the year	(482,680)	661,476
Opening net debt	(1,688,297)	(2,349,773)
Closing net debt	(2,170,977)	(1,688,297)

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 Turnover

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

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 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	50 Years straight line
Plant and machinery	15% Straight line
Fixtures, fittings & equipment	15%-33% Straight line
Motor vehicles	25% Straight line

1.6 Leasing

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

1.7 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.

1.8 Deferred taxation

The group's share of profits less losses of associated undertakings is included in the consolidated profit and loss account, and the group's share of their net assets is included in the consolidated balance sheet. These amounts are taken from the latest audited financial statements of the undertakings concerned.

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

2 Turnover

Geographical market

	Turnover	
	2014	2013
	£	£
United Kingdom	25,867,430	22,882,890
Europe	2,765,674	2,567,855
Rest of the world	2,976,160	3,073,328
	<u>31,609,264</u>	<u>28,524,073</u>

3 Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Amortisation of intangible assets	1,098	1,099
Depreciation of tangible assets	196,727	202,314
Loss on disposal of tangible assets	-	246
Operating lease rentals		
- Plant and machinery	66,049	16,631
- Other assets	3,985	-
	<u>197,819</u>	<u>219,290</u>

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts

	13,000	13,000
Other accountancy services	18,320	14,300
	<u>31,320</u>	<u>27,300</u>

4 Investment income

	2014	2013
	£	£
Income from participating interests	212,669	233,066
Bank interest	2,540	1,869
Other interest	893	-
	<u>216,102</u>	<u>234,935</u>

5 Interest payable

	2014	2013
	£	£
On bank loans and overdrafts	<u>28,574</u>	<u>59,260</u>

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

6	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	519,386	456,108
	Total current tax	519,386	456,108
	Deferred tax		
	Deferred tax charge/credit current year	79,073	18,429
		598,459	474,537
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	2,766,580	1,960,218
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2013 - 23.00%)	580,982	450,850
	Effects of:		
	Non deductible expenses	813	1,564
	Depreciation add back	41,543	46,589
	Capital allowances	(115,868)	(47,733)
	Other tax adjustments	11,916	4,838
		(61,596)	5,258
	Current tax charge for the year	519,386	456,108
7	Dividends	2014 £	2013 £
	Ordinary interim paid	2,000,000	1,500,000

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

8 Intangible fixed assets

	Development Costs £
Cost	
At 1 January 2014 & at 31 December 2014	10,985
Amortisation	
At 1 January 2014	1,099
Charge for the year	1,098
At 31 December 2014	2,197
Net book value	
At 31 December 2014	8,788
At 31 December 2013	9,886

9 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2014	3,607,805	924,536	578,086	51,305	5,161,732
Additions	18,100	239,035	81,791	282,750	621,676
At 31 December 2014	3,625,905	1,163,571	659,877	334,055	5,783,408
Depreciation					
At 1 January 2014	72,156	699,693	422,948	38,545	1,233,342
Charge for the year	39,379	62,172	68,048	27,126	196,725
At 31 December 2014	111,535	761,865	490,996	65,671	1,430,067
Net book value					
At 31 December 2014	3,514,370	401,706	168,881	268,384	4,353,341
At 31 December 2013	3,535,649	224,843	155,138	12,760	3,928,390

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

10	Stocks	2014 £	2013 £
	Finished goods and goods for resale	4,503,910	3,873,519

11	Debtors	2014 £	2013 £
	Trade debtors	118,898	93,046
	Amounts owed by parent and fellow subsidiary undertakings	5,139,488	6,337,819
	Other debtors	144,514	59,856
	Prepayments and accrued income	486,985	473,383
		5,889,885	6,964,104

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

	2014 £	2013 £
Amounts owed by group undertakings	5,639,488	6,319,315

Included in prepayments and accrued income is £400,702 (2013: £395,592) relating to deferred advertising expenditure.

12	Creditors: amounts falling due within one year	2014 £	2013 £
	Bank loans and overdrafts	440,000	578,297
	Trade creditors	3,276,777	3,126,050
	Amounts owed to parent and fellow subsidiary undertakings	552,640	313,203
	Corporation tax	50,867	88,730
	Other taxes and social security costs	217,721	258,442
	Directors' current accounts	4,412,888	5,569,358
	Other creditors	97,557	107,485
	Accruals and deferred income	202,091	97,122
		9,250,541	10,138,687

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

13 Creditors: amounts falling due after more than one year	2014 £	2013 £
Bank loans	1,760,000	1,110,000
Analysis of loans		
Wholly repayable within five years	2,200,000	1,480,000
Included in current liabilities	2,200,000 (440,000)	1,480,000 (370,000)
	1,760,000	1,110,000
Loan maturity analysis		
In more than one year but not more than two years	440,000	370,000
In more than two years but not more than five years	1,320,000	740,000

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 £2,200,000 which is secured against the two properties.

14 Provisions for liabilities	Deferred tax liability £
Balance at 1 January 2014	31,519
Profit and loss account	79,073
Balance at 31 December 2014	110,592

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	110,592	31,519

15 Share capital	2014 £	2013 £
Allotted, called up and fully paid		
20,000 Ordinary £1 shares of £1 each	20,000	20,000

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2014	3,475,693
Profit for the year	2,168,121
Dividends paid	(2,000,000)
Balance at 31 December 2014	<u>3,643,814</u>

17 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	2,168,121	1,485,681
Dividends	(2,000,000)	(1,500,000)
Net addition to/(depletion in) shareholders' funds	<u>168,121</u>	<u>(14,319)</u>
Opening shareholders' funds	<u>3,495,693</u>	<u>3,510,012</u>
Closing shareholders' funds	<u>3,663,814</u>	<u>3,495,693</u>

18 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Operating leases which expire:				
Within one year	16,022	-	56,460	15,334
Between two and five years	-	-	41,778	20,613
	<u>16,022</u>	<u>-</u>	<u>98,238</u>	<u>35,947</u>

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

19 Directors' remuneration	2014	2013
	£	£
Remuneration for qualifying services	443,716	532,076

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

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

Remuneration for qualifying services	151,637	151,704
--------------------------------------	---------	---------

20 Employees

Number of employees

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

	2014	2013
	Number	Number
Sales	39	38
Administration	97	91
Management	18	16
	154	145

Employment costs

	2014	2013
	£	£
Wages and salaries	4,056,713	3,906,655

21 Control

The company's immediate and ultimate parent company is Demon Tweeks Limited.
The ultimate controlling party is J G Minshaw by virtue of his interest in Demon Tweeks Limited.

DT (AUTOMOTIVES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

22 Related party relationships and transactions

During the year the company owed money to J G Minshaw, a director. The balance is as disclosed in note 12.

The company has taken advantage of the exemption available to not disclose transactions with group companies.