

Registered number: 01341846

Ambrosetti (UK) Limited

Abbreviated accounts

for the year ended 29 February 2008

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Ambrosetti (UK) Limited

Company information

Directors	M McGuirk J C Lovett FCA ATII (resigned 29 February 2008) S M Loats D Preston
Secretary	M G Hart
Company number	01341846
Registered office	The Auto Centre Ramsgate Road Richborough Sandwich Kent CT13 9QN
Auditors	Reeves + Neylan LLP Chartered Accountants & Registered Auditors 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Barclays Bank PLC 9 St George's Street Canterbury Kent CT1 2JX

Ambrosetti (UK) Limited

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Ambrosetti (UK) Limited

Directors' report for the year ended 29 February 2008

The directors present their report and the financial statements for the year ended 29 February 2008

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 judgments and 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 proper accounting records that 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 1985. 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.

Principal activities

The principal activity remained unchanged and comprised the provision of rectification services on cars for the motor industry.

Business review

Turnover at £11m remains consistent with trading levels in the prior period (2007 £11m). Gross margins increased by 0.4% and profit before taxation rose by £39,372. However with no external debt at 29 February 2008, and shareholders funds of almost £1.41m, the company remains financially strong.

Results and dividends

The profit for the year, after taxation, amounted to £167,832 (2007 - £136,632).

The directors did not recommend the payment of a dividend for the year (2007 £nil).

Directors

The directors who served during the year were

M McGuirk
J C Lovett FCA ATII (resigned 29 February 2008)
S M Loats
D Preston

No director held any interest in the share capital of the company at any time during the year. M McGuirk and J C Lovett served as directors of the parent company. Their interests in the share capital of the parent company are disclosed in the director's report of that company. No right to subscribe for shares in or debentures of the company was granted or exercised by the directors during the year.

Ambrosetti (UK) Limited

Directors' report for the year ended 29 February 2008

Financial instruments

The company uses various financial instruments which included cash, trade debtors, trade creditors, and amounts due to group undertakings that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risk arising from the company's financial instruments is credit risk. The directors review and agree policies for managing this risk and they are summarised below. These policies have remained unchanged from previous years.

Credit risk

The principal credit risk arises from the company's trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the finance function on a regular basis in conjunction with debt ageing and collection history.

During the year ended 29 February 2008 a significant number of sales were made to Ford Motor Company Limited. At the year end there was a concentration of credit risk with a balance of £1,121,444 (2007 £1,414,717) being due from that company.

The company has given an unlimited guarantee to secure bank borrowings of group and former group undertakings. If those group and former group undertakings default on those borrowings the company will be required to make good.

At 29 February 2008 these borrowings amounted to £3,419,000 (2007 £3,507,000). The directors believe the financial condition of those group and former group undertakings is such that this guarantee will not be called upon.

Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 11 August 2008 and signed on its behalf



D Preston
Director

Ambrosetti (UK) Limited

**Independent auditors' report to Ambrosetti (UK) Limited
Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Ambrosetti (UK) Limited for the year ended 29 February 2008 set out on pages 4 to 14, together with the financial statements of the company for the year ended 29 February 2008 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. 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

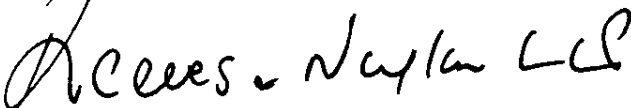
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 'The special auditors' report on abbreviated accounts in the United Kingdom' issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 14 have been properly prepared in accordance with that provision.



Reeves + Neylan LLP

Chartered Accountants & Registered Auditors

Canterbury

14 August 2008

Ambrosetti (UK) Limited

**Abbreviated profit and loss account
for the year ended 29 February 2008**

	Note	2008 £	2007 £
Gross profit		3,789,935	3,718,276
Administrative expenses		(3,612,481)	(3,571,479)
Operating profit	2	177,454	146,797
Interest payable	5	(8,456)	(17,169)
Profit on ordinary activities before taxation		168,998	129,628
Tax on profit on ordinary activities	6	(1,166)	7,004
Profit on ordinary activities after taxation	14	167,832	136,632

All amounts relate to continuing operations

There were no recognised gains and losses for 2008 or 2007 other than those included in the profit and loss account

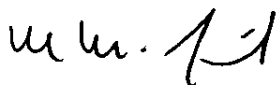
The notes on pages 6 to 14 form part of these financial statements

Ambrosetti (UK) Limited

**Abbreviated balance sheet
as at 29 February 2008**

	Note	29 February 2008 £	28 February 2007 £
Fixed assets			
Tangible fixed assets	7	537,556	676,801
Current assets			
Stocks	8	149,981	142,079
Debtors	9	2,798,667	2,364,400
Cash at bank and in hand		213,176	283,423
		<u>3,161,824</u>	<u>2,789,902</u>
Creditors: amounts falling due within one year	10	<u>(1,544,672)</u>	<u>(1,473,525)</u>
Net current assets		<u>1,617,152</u>	<u>1,316,377</u>
Total assets less current liabilities		<u>2,154,708</u>	<u>1,993,178</u>
Creditors: amounts falling due after more than one year	11	(746,819)	(746,819)
Provisions for liabilities			
Deferred tax	12	-	(6,302)
Net assets		<u><u>1,407,889</u></u>	<u><u>1,240,057</u></u>
Capital and Reserves			
Called up share capital	13	450,000	450,000
Profit and loss account	14	957,889	790,057
Shareholders' funds	15	<u><u>1,407,889</u></u>	<u><u>1,240,057</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 11 August 2008



M McGuirk
Director

The notes on pages 6 to 14 form part of these financial statements

**Notes to the abbreviated accounts
for the year ended 29 February 2008**

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

The revenue recognised is measured by reference to the amounts likely to be chargeable to customers, less a suitable allowance to recognise the uncertainties remaining in the completion of the obligations. Contingent income is recognised only when the contingent element is assured

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

S/Term Leasehold Property	-	Term of lease
Plant & machinery	-	1% - 2% per month on cost
Fixtures & fittings	-	25% per annum on cost

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.6 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

Notes to the abbreviated accounts
for the year ended 29 February 2008

1. Accounting policies (continued)

1.7 Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value

Short term contract work in progress is stated at the lower of cost and net realisable value. Cost comprises materials, labour and those overheads directly related to the contract. Net realisable value represents anticipated proceeds after selling costs.

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Pensions

Defined Benefit Scheme

The pension costs charged against profits represent the amount of the contributions payable to a scheme operated by the parent undertaking in respect of the accounting period.

Other schemes

The pension costs charged against profits represents the amount of the contributions payable to personal pension schemes on behalf of certain employees in respect of the accounting period.

2. Operating profit

The operating profit is stated after charging/(crediting)

	2008 £	2007 £
Depreciation of tangible fixed assets		
- owned by the company	229,868	153,249
- held under finance leases	-	85,821
Auditors' remuneration	6,000	9,800
Operating lease rentals		
- other operating leases	768,000	768,000
Profit/loss on sale of tangible assets	(2,909)	(5,260)
	<u> </u>	<u> </u>

Ambrosetti (UK) Limited

Notes to the abbreviated accounts for the year ended 29 February 2008

3. Staff costs

Staff costs, including directors' remuneration, were as follows

	2008 £	2007 £
Wages and salaries	3,382,383	2,727,180
Social security costs	341,419	283,222
Other pension costs	30,233	32,254
	<u>3,754,035</u>	<u>3,042,656</u>

The average monthly number of employees, including the directors, during the year was as follows

	2008 No.	2007 No
Management and administration	27	27
Production	111	97
	<u>138</u>	<u>124</u>

4. Directors' remuneration

	2008 £	2007 £
Emoluments	<u>165,623</u>	<u>137,224</u>

During the year, 2 directors (2007 2) participated in a defined benefit pension scheme operated by the parent undertaking, Ramac Holdings (Trading) Limited. The company incurred a cost of £25,658 (2007 £26,941) in respect of pension contributions payable on behalf of the directors.

5 Interest payable

	2008 £	2007 £
On finance leases and hire purchase contracts	<u>8,456</u>	<u>17,169</u>

Ambrosetti (UK) Limited

Notes to the abbreviated accounts for the year ended 29 February 2008

6 Taxation

	2008 £	2007 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	7,468	7,125
Deferred tax (see note 12)		
Origination and reversal of timing differences	(6,302)	(14,129)
Tax on profit on ordinary activities	<u>1,166</u>	<u>(7,004)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2007 - lower than) the standard rate of corporation tax in the UK (30%). The differences are explained below

	2008 £	2007 £
Profit on ordinary activities before tax	<u>168,998</u>	<u>129,628</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007 - 30%)	50,699	38,888
Effects of:		
Expenses not deductible for tax purposes	3,319	602
Movement in general provisions	(250)	250
Change of tax rates	(3,782)	(4,125)
Excess of depreciation over capital allowances	14,775	13,878
Losses claimed under group relief	(57,293)	(42,368)
Current tax charge for the year (see note above)	<u>7,468</u>	<u>7,125</u>

Ambrosetti (UK) Limited

**Notes to the abbreviated accounts
for the year ended 29 February 2008**

7. Tangible fixed assets

	Short term leasehold improvement £	Plant and machinery £	Furniture, fittings and equipment £	Total £
Cost				
At 1 March 2007	61,175	878,668	874,600	1,814,443
Additions	-	27,170	66,344	93,514
Disposals	-	-	(25,676)	(25,676)
At 29 February 2008	<u>61,175</u>	<u>905,838</u>	<u>915,268</u>	<u>1,882,281</u>
Depreciation				
At 1 March 2007	61,175	490,561	585,906	1,137,642
Charge for the year	-	109,112	120,756	229,868
On disposals	-	-	(22,785)	(22,785)
At 29 February 2008	<u>61,175</u>	<u>599,673</u>	<u>683,877</u>	<u>1,344,725</u>
Net book value				
At 29 February 2008	<u>-</u>	<u>306,165</u>	<u>231,391</u>	<u>537,556</u>
At 28 February 2007	<u>-</u>	<u>388,107</u>	<u>288,694</u>	<u>676,801</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	29 February 2008 £	28 February 2007 £
Plant and machinery	<u>-</u>	<u>339,242</u>

8. Stocks

	29 February 2008 £	28 February 2007 £
Raw materials and consumables	66,163	41,692
Work in progress	83,818	100,387
	<u>149,981</u>	<u>142,079</u>

Ambrosetti (UK) Limited

Notes to the abbreviated accounts for the year ended 29 February 2008

9. Debtors

	29 February 2008 £	28 February 2007 £
Trade debtors	1,817,644	1,931,073
Amounts owed by group undertakings	137,722	53,060
Amounts owed by related undertakings	745,879	228,945
Prepayments and accrued income	97,422	151,322
	<u>2,798,667</u>	<u>2,364,400</u>

10 Creditors: Amounts falling due within one year

	29 February 2008 £	28 February 2007 £
Net obligations under finance leases and hire purchase contracts	-	48,231
Trade creditors	731,315	718,989
Amounts owed to group undertakings	159,438	28,150
Corporation tax	7,468	7,125
Social security and other taxes	267,340	258,871
Other creditors	38,456	-
Accruals and deferred income	340,655	412,159
	<u>1,544,672</u>	<u>1,473,525</u>

11. Creditors: Amounts falling due after more than one year

	29 February 2008 £	28 February 2007 £
Bank loans	<u>746,819</u>	<u>746,819</u>

Creditors include amounts not wholly repayable within 5 years as follows

	29 February 2008 £	28 February 2007 £
Subordinated creditor (interest free)	<u>746,819</u>	<u>746,819</u>

The loans stated above are interest free

Ambrosetti (UK) Limited

Notes to the abbreviated accounts for the year ended 29 February 2008

12. Deferred taxation

	29 February 2008	28 February 2007
	£	£
At 1 March 2007	6,302	(20,431)
Released during the year	(6,302)	(14,129)
	<hr/>	<hr/>
At 29 February 2008	-	6,302
	<hr/> <hr/>	<hr/> <hr/>

The provision for deferred taxation is made up as follows

	29 February 2008	28 February 2007
	£	£
Accelerated capital allowances	-	6,302
	<hr/>	<hr/>

A deferred tax asset of £2,243 has not been recognised in these accounts

13. Share capital

	29 February 2008	28 February 2007
	£	£
Authorised		
500,000 Ordinary Shares shares of £1 each	500,000	500,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
450,000 Ordinary Shares shares of £1 each	450,000	450,000
	<hr/>	<hr/>

14. Reserves

	Profit and loss account
	£
At 1 March 2007	790,057
Profit for the year	167,832
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At 29 February 2008	957,889
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Ambrosetti (UK) Limited

Notes to the abbreviated accounts for the year ended 29 February 2008

15 Reconciliation of movement in shareholders' funds

	29 February 2008 £	28 February 2007 £
Opening shareholders' funds	1,240,057	1,103,425
Profit for the year	167,832	136,632
Closing shareholders' funds	<u>1,407,889</u>	<u>1,240,057</u>

16. Pension commitments

Defined Benefit Scheme

The pension costs charged against profits represent the amount of the contributions payable to a scheme operated by the parent undertaking in respect of the accounting period

Other Schemes

The pension costs charged against profits represents the amount of the contributions payable to personal pension schemes on behalf of certain employees in respect of the accounting period

17. Operating lease commitments

At 29 February 2008 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	29 February 2008 £	28 February 2007 £
Expiry date: Between 2 and 5 years	<u>948,000</u>	<u>768,000</u>

18. Related party transactions

As a wholly owned subsidiary of Ramac Holdings (Trading) Limited, the company is exempt from the requirements of Financial Reporting Standard No 8 to disclose transactions with other members of the group. Group accounts are available from Companies House

During the year the company conducted business with Middlebroad Limited (a company in which M McGuirk is a 35% shareholder) and its subsidiary undertaking and Ramac Group Limited, (a company in which M McGuirk is a 95% shareholder) and its subsidiary undertakings

Ambrosetti (UK) Limited

**Notes to the abbreviated accounts
for the year ended 29 February 2008**

During the year the following transactions took place between Ambrosetti (UK) Limited and Middlebroad Limited and its subsidiary undertaking

	2008 £	2007 £
Rent and services paid by Ambrosetti (UK) Limited	<u>630,000</u>	<u>450,000</u>

At the balance sheet date the following amounts were due to / (from) Ambrosetti (UK) Limited:

	2008 £	2007 £
Ramac Group Limited and its subsidiary undertakings	<u>739,425</u>	<u>228,945</u>

19. Ultimate parent undertaking and controlling party

The ultimate controlling party is M McGuirk, a director and majority shareholder of Ramac Holdings (Trading) Limited, the ultimate parent undertaking