

**LEEDS COMMERCIAL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**for the year ended**  
**30 SEPTEMBER 2007**  
**Company Registration Number: 587618**

WEDNESDAY



\*A5HJV03D\*

A18

28/05/2008

427

COMPANIES HOUSE

**LEEDS COMMERCIAL LIMITED**

**DIRECTORS**

C J Miller  
G M Parkin  
A Bagglely

**SECRETARY**

G M Parkin

**REGISTERED OFFICE**

The Roundhouse  
Wellington Road  
Leeds  
LS12 1DR

**AUDITORS**

Fullertons  
Chartered Accountants  
Westbourne House  
60 Bagley Lane  
Farsley  
Leeds  
LS28 5LY

**LEEDS' COMMERCIAL LIMITED**

Notice is given that the Annual General Meeting of the company will be held at the Registered Office of the company on 18 June 2008 at 10 00 am for the following purposes

- To receive and adopt the directors' report and statement of financial statements for the year ended 30 September 2007 together with the report of the auditors
- To approve directors' emoluments
- To approve a dividend
- To re-appoint Fullertons as auditors and to authorise the directors to fix their remuneration for the ensuing year

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company.

By order of the board



**GRAHAM PARKIN**

Secretary

The Roundhouse  
Wellington Road  
Leeds  
LS12 1DR

21 May 2008

**THIS PAGE DOES NOT FORM PART OF THE STATUTORY ACCOUNTS**

**LEEDS COMMERCIAL LIMITED****DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 30 September 2007

**PRINCIPAL ACTIVITIES**

The principal activity of the company is that of vehicle hirers. The company trades under the names of "Leeds Commercial", "Transhire", "South Yorkshire Commercials", "Leeds Commercial Sales", "LC Vehicle Hire" and "LC Vehicle Sales"

**MANAGING DIRECTOR'S REVIEW OF THE YEAR (2006/2007)****Review of the Year's Operations**

The company has continued to maintain five main operating depots: Leeds, Bradford, Barnsley, Sherburn and Manchester. All depots have been fully operational during the year and have contributed positively to the year's result. The company has taken the opportunity to purchase the leasehold of a depot and its facilities and are currently undergoing development.

**Description of Principle Risks**

The commercial vehicle hire market was as competitive as ever, but current indications are that rates have stabilised and will remain so during the current year. Profits achieved from vehicle disposals continue to follow the market trend.

**Turnover & Profit**

Turnover, for the first time, was just over £19 million largely as a result of the growth in the fleet and tight control of vehicle utilisation. This is an increase of over 6% on the previous year's result.

Further single digit growth is expected to continue during the coming year.

After tax profits increased to £859,221 due to the effect of profits from vehicle disposals. The current year is expected to show a similar result.

**Fleet Portfolio**

The company continues to invest heavily in the upgrading of our rental fleet particularly in view of the control of emissions regulations currently being introduced in to the commercial vehicle market. The year end fleet size is over 1500 commercial vehicles, representing an annual increase of just under 10%.

Demand for our vehicles is strong and we expect to see further moderate growth.

**Threats to Business**

The company's customer base is mainly Mid Cap 250 and is dependant upon the level of construction activity. There are signs that demand is increasing due to the works in the London area and in the North West. Other markets include local authorities and sub-contract based companies and are expected to remain constant during the next year.

**LEEDS' COMMERCIAL LIMITED****DIRECTORS' REPORT****DEVELOPMENTS DURING THE YEAR AND THE COMPANY'S POSITION AT  
30 SEPTEMBER 2007**

The results for the year are set out on page 6 and the directors consider the results to be satisfactory and are looking forward to the future with confidence

**DIVIDENDS**

Payment of a dividend of £50 52 (2006 £Nil) per share was paid for the year ended 30 September 2007  
Retained profits of £739,221 will be added to reserves

**FIXED ASSETS**

Changes in fixed assets are set out in note 6 to the accounts on page 12

**DIRECTORS**

The members of the board during the year were as follows

C J Miller  
G M Parkin  
A Baggley  
D C Miller (resigned 19 March 2008)

**AUDITORS**

Fullertons have expressed their willingness to continue in office, and in accordance with Section 385 of the Companies Act 1985, a resolution will be put to the Annual General Meeting re-appointing Fullertons as auditors to the company

**STATEMENT OF DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent,

State whether applicable 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

**LEEDS' COMMERCIAL LIMITED****DIRECTORS' REPORT (Continued)****STATEMENT OF DIRECTORS RESPONSIBILITIES (continued)**

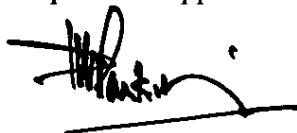
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each of the persons who are directors at the time when the directors report is approved

So far as the 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 he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board of directors on 21 May 2008 and signed on its behalf

A handwritten signature in black ink, appearing to read 'Graham Parkin', is written over a horizontal line.

**GRAHAM PARKIN**

Secretary

The Roundhouse  
Wellington Road  
LEEDS  
LS12 1DR

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF****LEEDS COMMERCIAL LIMITED**

We have audited the financial statements of Leeds Commercial Limited for the year ended 30 September 2007 on pages 7 to 18. These financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and the accounting policies set out on pages 11 and 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 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**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 4 and 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

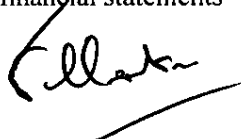
**Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion, the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and the information given in the Directors' Report is consistent with the financial statements.

**FULLERTONS**

Chartered Accountants  
Registered Auditor  
Westbourne House  
60 Bagley Lane  
Farsley  
Leeds  
LS28 5LY

21 May 2008

**LEEDS COMMERCIAL LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2007**

	Notes	2007 £	2006 £
Turnover	1	19,173,710	17,969,506
		-----	-----
Staff costs	19	(3,032,482)	(2,702,822)
Depreciation	6	(8,719,726)	(7,808,963)
Other operating charges		(6,363,241)	(6,233,779)
		-----	-----
		(18,115,449)	(16,745,564)
		-----	-----
Operating profit	2	1,058,261	1,223,942
Profit on disposal of fixed assets		1,481,605	758,216
		-----	-----
Profit before interest		2,539,866	1,982,158
Interest payable and similar charges	3	(1,329,093)	(1,150,128)
Interest receivable		27,384	26,443
		-----	-----
Profit on ordinary activities before taxation		1,238,157	858,473
Taxation on profit on ordinary activities	4	(378,936)	(255,000)
		-----	-----
Profit on ordinary activities after taxation		859,221	603,473
Dividend	5	(120,000)	-
		-----	-----
Amount transferred to reserves	16	739,221	603,473
		=====	=====

None of the company's activities were acquired or discontinued during the year and there were no recognised gains or losses for 2007 or 2006 other than those included in the profit and loss account

The notes on pages 11 to 18 form part of the financial statements



**LEEDS COMMERCIAL LIMITED****BALANCE SHEET AT 30 SEPTEMBER 2007**

	Notes	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	6	28,310,626	24,554,691
Investments	7	-	60,530
		-----	-----
		28,310,626	24,615,221
<b>CURRENT ASSETS</b>			
Stocks	8	126,270	120,193
Debtors	9	4,152,618	4,089,321
Cash at bank and in hand		511,062	474,111
		-----	-----
		4,789,950	4,683,625
<b>CREDITORS</b> (amounts falling due within one year)	10	(12,577,903)	(11,156,891)
		-----	-----
<b>NET CURRENT LIABILITIES</b>		(7,787,953)	(6,473,266)
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		20,522,673	18,141,955
<b>CREDITORS</b> (amounts falling due after more than one year)	11	(14,095,318)	(12,064,348)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	14	(481,844)	(271,317)
		-----	-----
<b>NET ASSETS</b>		5,945,511	5,806,290
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	2,025	2,375
Capital redemption reserve		2,975	2,625
Profit and loss account	16	5,940,511	5,801,290
		-----	-----
<b>SHAREHOLDERS' FUNDS</b>	17	5,945,511	5,806,290
		=====	=====

All share capital relates to equity interests

The financial statements were approved by the board of directors on 21 May 2008 and signed on its behalf



**CHRISTOPHER JOHN MILLER**  
Director

The notes on pages 11 to 18 form part of the financial statements

**LEEDS COMMERCIAL LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2007**

	Notes	2007 £	2006 £
Net cash inflow from operating activities	A	10,046,608	8,810,048
<b>Returns on investments and servicing of finance</b>			
Interest paid less received		(1,301,709)	(1,123,685)
Dividends paid		(120,000)	(120,000)
		-----	-----
Net cash outflow from returns on investments and servicing of finance		(1,421,709)	(1,243,685)
<b>Taxation</b>			
Corporation tax (paid)		(222,107)	(207,937)
		-----	-----
Tax paid		(222,107)	(207,937)
<b>Investing activities</b>			
Purchase of own shares		(600,000)	-
Payments to acquire assets		(16,285,579)	(12,888,009)
Receipts from sales of assets		5,291,523	3,424,374
Disposal of investment property		60,530	-
		-----	-----
Net cash outflow from investing activities		(11,533,526)	(9,463,635)
		-----	-----
Net cash (outflow) before financing	C	(3,130,734)	(2,105,209)
<b>Financing</b>			
New hire purchase agreements		11,426,344	10,468,656
New loan finance		400,000	-
Capital element of hire purchase and loan repayments		(8,658,659)	(8,855,997)
		-----	-----
Net cash inflow/(outflow) from Financing		3,167,685	1,612,659
		-----	-----
Increase/(decrease) in cash and cash equivalent assets	B,C	36,951	(492,550)
		=====	=====

The notes on page 10 form part of this cash flow statement

**LEEDS COMMERCIAL LIMITED****NOTES TO THE CASH FLOW STATEMENT****A) RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2007 £	2006 £
Operating profit	1,058,261	1,223,942
Depreciation charges	8,719,726	7,808,963
Decrease/(increase) in stocks	(6,077)	21,951
(Increase) in debtors	(63,297)	(574,951)
Increase in creditors	337,995	330,143
	<u>10,046,608</u>	<u>8,810,048</u>

**B) ANALYSIS OF CHANGES IN CASH AND IN NET DEBT**

	Balance 1 October 2006 £	Cash flows £	Other changes £	Balance 30 September 2007 £
Cash in hand	474,111	36,951	-	511,062
Bank overdraft	-	-	-	-
	<u>474,111</u>	<u>36,951</u>	<u>-</u>	<u>511,062</u>
Debt due within one year	(8,728,245)	2,707,295	(3,844,010)	(9,864,960)
Debt due after one year	(12,064,348)	5,951,364	(7,982,334)	(14,095,318)
	<u>(20,318,482)</u>	<u>8,695,610</u>	<u>(11,826,344)</u>	<u>(23,449,216)</u>

**C) RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2007 £	2006 £
Increase/(decrease) in cash in the period	36,951	(492,550)
New hire purchase agreements	(11,426,344)	(10,468,656)
New loan finance	(400,000)	-
Cash paid in repaying finance leases and loans	8,658,659	8,855,997
	<u>(3,130,734)</u>	<u>(2,105,209)</u>
Change in net debt	(3,130,734)	(2,105,209)
Net debt at 1 October 2006	(20,318,482)	(18,213,273)
	<u>(23,449,216)</u>	<u>(20,318,482)</u>
Net debt at 30 September 2007	<u>(23,449,216)</u>	<u>(20,318,482)</u>

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****1 ACCOUNTING POLICIES****Basis of preparation of financial statements**

These financial statements are prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards

**Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company during the year, net of value added tax and trade discounts

**Tangible fixed assets and depreciation**

Fixed assets are stated at cost less depreciation calculated at rates estimated to write off the assets over their expected useful lives. The rates of depreciation applied are

Vehicles	25% per annum reducing balance basis
Equipment and fittings	25% per annum reducing balance basis
Freehold land and buildings	2% per annum straight line basis

**Leasing and hire purchase contracts**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts 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. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**Stocks**

Stocks, comprising vehicles for resale and vehicle spares, are valued at the lower of purchase invoice cost and net realisable value.

**Pension scheme**

The company operates a defined contribution scheme on behalf of its employees. Employees are not required to join the scheme, but where they do, the company makes a contribution on their behalf when employees contribute above certain limits. Certain directors are members of a non-contributory pension scheme, the assets of which are held separately from the company.

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****1 ACCOUNTING POLICIES (continued)****Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. In accordance with FRS19, deferred tax is not recognised on revaluation gains. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the period in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2 OPERATING PROFIT**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
The operating profit on ordinary activities is stated after charging		
Auditors' remuneration	13,995	13,750
Depreciation of		
- Owned assets	1,424,155	1,377,947
- Assets held under finance leases and hire purchase contracts	7,295,571	6,431,016
Operating lease rentals		
- Hire of vehicles	197,801	235,396
- Other	250,289	248,483
	<u>=====</u>	<u>=====</u>

**3 INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
On bank overdraft and loan	56,951	64,786
On hire purchase obligations	1,272,142	1,085,342
	<u>-----</u>	<u>-----</u>
	<u>1,329,093</u>	<u>1,150,128</u>

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****4 TAXATION**

	2007 £	2006 £
Current year taxation	168,409	215,162
Transfer from deferred taxation (note 14)	210,527	39,838
	<u>378,936</u>	<u>255,000</u>
Reconciliation of tax charge		
Corporation tax at 30% on accounting profit	371,447	257,542
Effect of marginal rate reductions	(23,505)	(19,720)
Effect of capital allowances movement	(193,621)	(33,895)
Effect of other adjustments	21,618	11,235
Effect of capital disposals	(7,530)	-
Current year taxation	<u>168,409</u>	<u>215,162</u>

Full provision is made for deferred taxation as shown in note 15

**5 DIVIDENDS**

	2007 £	2006 £
At £50 53 (2006 £nil) per share	<u>120,000</u>	<u>-</u>

**6 TANGIBLE FIXED ASSETS**

	Leasehold land and buildings £	Freehold land and buildings £	Equipment and fittings £	Vehicles £	Total £
<b>Cost</b>					
At 1 October 2006	-	1,471,577	461,302	42,319,516	44,252,395
Additions	794,801	-	83,607	15,407,171	16,285,579
Disposals	-	-	-	(8,924,160)	(8,924,160)
At 30 September 2007	<u>794,801</u>	<u>-</u>	<u>544,909</u>	<u>48,802,527</u>	<u>51,613,814</u>
<b>Depreciation</b>					
At 1 October 2006	-	76,244	271,702	19,349,758	19,697,704
Provision for the year	4,141	29,431	60,325	8,625,829	8,719,726
Disposals	-	-	-	(5,114,242)	(5,114,242)
At 30 September 2007	<u>4,141</u>	<u>105,675</u>	<u>332,027</u>	<u>22,861,345</u>	<u>23,303,188</u>
<b>Net book value at</b>					
30 September 2007	<u>790,660</u>	<u>1,365,902</u>	<u>212,882</u>	<u>25,941,182</u>	<u>28,310,626</u>
<b>Net book value at</b>					
30 September 2006	<u>-</u>	<u>1,395,333</u>	<u>189,600</u>	<u>22,969,758</u>	<u>24,554,691</u>

The net book value of vehicles includes £21,668,717 (2006 £19,084,377) of assets held under finance leases and hire purchase contracts

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****7 INVESTMENTS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Freehold property at cost	-	60,530
	<u>          </u>	<u>          </u>

**8 STOCKS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Stock of vehicles for resale	-	3,500
Consumable spares	126,270	116,693
	<u>          </u>	<u>          </u>
	<u>126,270</u>	<u>120,193</u>

**9 DEBTORS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,764,839	3,703,359
Other debtors	26,528	43,723
Prepayments and accrued income	361,251	342,239
	<u>          </u>	<u>          </u>
	<u>4,152,618</u>	<u>4,089,321</u>

**10 CREDITORS (amounts falling due within one year)**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (note 12)	129,279	94,050
Obligations under finance leases and hire purchase contracts (note 13)	9,735,681	8,634,195
Trade creditors	1,736,746	1,178,713
Other creditors	78,470	95,569
Other taxes and social security	176,530	409,165
Accruals and deferred income	559,064	529,368
Corporation tax	162,133	215,831
	<u>          </u>	<u>          </u>
	<u>12,577,903</u>	<u>11,156,891</u>

The bank borrowings are secured by means of a debenture over the company's assets, including first legal charges over the freehold and leasehold properties, but excluding vehicles

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****11 CREDITORS (amounts falling due after more than one year)**

	2007 £	2006 £
Bank loan (note 12)	1,041,197	766,852
Obligations under finance leases and hire purchase contracts (note 13)	13,054,121	11,297,496
	<u>14,095,318</u>	<u>12,064,348</u>

**12 BANK LOAN**

	2007 £	2006 £
The bank loan is repayable		
Within one year	129,279	94,050
Between one and two years	142,548	102,150
Between two and five years	467,451	312,150
Over five years	431,198	352,552
	<u>1,170,476</u>	<u>860,902</u>

The company has bank mortgages repayable by instalments at an interest rate of 1.5% above bank base rates. The loans mature in 2013 and 2017 respectively.

**13 HIRE PURCHASE CONTRACTS**

The maturity of these amounts is as follows

	2007 £	2006 £
Within one year	9,837,699	8,715,096
Within two to five years	13,156,138	11,378,397
	<u>22,993,837</u>	<u>20,093,493</u>
Less Finance charges allocated to future periods	204,035	161,802
	<u>22,789,802</u>	<u>19,931,691</u>

Finance leases and hire purchase contracts are analysed as follows

Current obligations	9,735,681	8,634,195
Non-current obligations	13,054,121	11,297,496
	<u>22,789,802</u>	<u>19,931,691</u>

All hire purchase obligations mature between two and five years and are secured on the assets to which they relate. Most hire purchase contracts are subject to variable rates of interest.



**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****14 PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2007</b>
	<b>£</b>
<b>Deferred taxation:</b>	
At 1 October 2006	271,317
Transfer to profit and loss account	210,527
	-----
At 30 September 2007	481,844
	=====

The provision of deferred taxation is made up as follows:

	<b>Provided</b>	
	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	481,844	271,317
Current year taxation	-	-
	-----	-----
	481,844	271,317
	=====	=====

**15 CALLED UP SHARE CAPITAL**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Allotted and fully paid		
Ordinary shares of £1 each	2,025	2,375
	=====	=====
Authorised		
Ordinary shares of £1 each	10,000	10,000
	=====	=====

**16 PROFIT AND LOSS ACCOUNT**

	<b>2007</b>
	<b>£</b>
At 1 October 2006	5,801,290
Retained profit for the year	739,221
Purchase of own shares	(600,000)
	-----
At 30 September 2007	5,940,511
	=====

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	859,221	603,473
Dividends	(120,000)	-
Purchase of own shares	(600,000)	-
	-----	-----
Net additions to shareholders' funds	139,221	603,473
Opening shareholders' funds	5,806,290	5,202,817
	-----	-----
Closing shareholders' funds	<u>5,945,511</u>	<u>5,806,290</u>

**18 DIRECTORS' EMOLUMENTS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Management emoluments	392,557	344,208
Pension contributions	-	34,000
	-----	-----
	<u>392,557</u>	<u>378,208</u>
	=====	=====
Highest paid director (excluding pension contributions)	<u>231,658</u>	<u>217,067</u>
	=====	=====

**19 PARTICULARS OF EMPLOYEES**

The average number of persons (including directors) employed by the company during the year was

	<b>2007</b>	<b>2006</b>
Category		
Directors	4	4
Office staff	13	12
Sales	13	13
Mechanics	71	70
	-----	-----
	<u>101</u>	<u>99</u>
	=====	=====

**Their total remuneration was:**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,669,029	2,327,361
Social security costs	291,229	284,413
Other pension costs	72,224	91,048
	-----	-----
	<u>3,032,482</u>	<u>2,702,822</u>
	=====	=====

**LEEDS COMMERCIAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS****20 CAPITAL COMMITMENTS**

At the year end the company had capital commitments not provided for in these accounts as follows

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided for in these accounts	1,670,148	2,011,599
	<u>=====</u>	<u>=====</u>

**21 OTHER COMMITMENTS**

At 30 September 2007 the company had the following annual commitments under non-cancellable operating leases as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Expiry date:</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	10,000	10,000	136,121	160,297
Between two and five years	-	-	99,522	62,944
After more than five years	240,750	240,750	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

**22 RELATED PARTIES - Transactions Involving Directors**

Included in other creditors (note 10) are loans due to certain directors, analysed as follows

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
C J Miller	21,654	9,120
	<u>=====</u>	<u>=====</u>