

Registration number: 891979

# SS Motors (Fuels) Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2014



Paul A Hill & Co  
Suite L22  
South Fens Business Centre  
Fenton Way  
Chatteris  
Cambs  
PE16 6TT

## **SS Motors (Fuels) Limited**

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## **SS Motors (Fuels) Limited**

### **Directors' Report for the Year Ended 31 March 2014**

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

#### **Principal activity**

The principal activity of the company is the retail distribution of fuels and the provision of heating installation maintenance.

#### **Directors of the company**

The directors who held office during the year were as follows:

S Munns

P Munns

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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

#### **Business review**

##### ***Fair review of the business***

SS Motors (Fuels) Limited ("the company") operates as a supplier of domestic, agricultural and industrial fuels, based in Chatteris, Cambridgeshire. It also provides a boiler servicing, breakdown and replacement operation, including the replacement of fuel storage tanks.

The results for the year show a pre tax profit of £997k (2013 £893k) for the year on sales of £22.85 million (2013 £28.45 million). The company has no net debt.

##### ***Principal risks and uncertainties***

The company's fuel distribution area covers most counties in East Anglia and is a very competitive market. However, the company has a solid client base and we remain confident that we will be able to maintain our current level of performance in the future.

The key business risk and uncertainty affecting the company is the volatility of oil prices, together with the risk of bad debts in the current economic climate. However, the demand for home heating oil remains strong and our experience of bad debts has been minimal.

## **SS Motors (Fuels) Limited**

### **Directors' Report for the Year Ended 31 March 2014**

**..... continued**

#### **Financial instruments**

##### ***Objectives and policies***

The objective of the company's capital management is to ensure that it maintains strong capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised. The company considers its capital to comprise issued share capital and retained earnings.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The company is exposed to a variety of financial risks, the management of which is performed by the Board of directors.

Fuel price risk. The company manages fuel price risk by daily monitoring of prices together with forward purchasing and sales activity.

Liquidity risk. The company manages financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash safely and profitably.

Credit risk. The company's principal financial assets are cash and trade debtors; the principal credit risk arising from trade debtors. The directors sets limits for customers based on credit history and references. Credit limits are reviewed by the directors on a regular basis together with debt ageing and collection history.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Paul A Hill & Co as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 11.07.14 and signed on its behalf by:



S Munns  
Director

## **Independent Auditor's Report to the Members of SS Motors (Fuels) Limited**

We have audited the financial statements of SS Motors (Fuels) Limited for the year ended 31 March 2014, set out on pages 5 to 16. 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 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 auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 1), 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 (APB'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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the 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 March 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

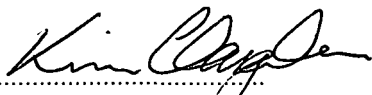
**Independent Auditor's Report to the Members of  
SS Motors (Fuels) Limited**

*..... continued*

**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.



Mrs Kim Clayden (Senior Statutory Auditor)  
For and on behalf of Paul A Hill & Co, Statutory Auditor

Suite L22  
South Fens Business Centre  
Fenton Way  
Chatteris  
Cambs  
PE16 6TT

Date: *11 July 2014*

**SS Motors (Fuels) Limited**  
**Profit and Loss Account for the Year Ended 31 March 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Turnover		22,845,456	28,451,548
Cost of sales		<u>(21,171,034)</u>	<u>(26,874,322)</u>
Gross profit		1,674,422	1,577,226
Administrative expenses		<u>(680,927)</u>	<u>(686,039)</u>
Operating profit	2	993,495	891,187
Other interest receivable and similar income	5	3,994	3,036
Interest payable and similar charges	6	<u>-</u>	<u>(749)</u>
Profit on ordinary activities before taxation		997,489	893,474
Tax on profit on ordinary activities	7	<u>(229,298)</u>	<u>(213,797)</u>
Profit for the financial year	15	<u><u>768,191</u></u>	<u><u>679,677</u></u>

Turnover and operating profit derive wholly from continuing operations.

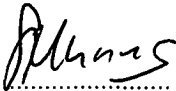
The company has no recognised gains or losses for the year other than the results above.

The notes on pages 9 to 16 form an integral part of these financial statements.

**SS Motors (Fuels) Limited**  
**(Registration number: 891979)**  
**Balance Sheet at 31 March 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible fixed assets	8	<u>583,257</u>	<u>612,863</u>
<b>Current assets</b>			
Stocks	9	160,883	158,436
Debtors	10	1,325,037	2,131,111
Cash at bank and in hand		<u>3,177,986</u>	<u>3,030,543</u>
		4,663,906	5,320,090
Creditors: Amounts falling due within one year	11	<u>(2,109,839)</u>	<u>(3,338,868)</u>
Net current assets		<u>2,554,067</u>	<u>1,981,222</u>
Total assets less current liabilities		3,137,324	2,594,085
Provisions for liabilities	12	<u>(35,143)</u>	<u>(30,095)</u>
Net assets		<u><u>3,102,181</u></u>	<u><u>2,563,990</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	36,000	36,000
Capital redemption reserve	15	14,000	14,000
Profit and loss account	15	<u>3,052,181</u>	<u>2,513,990</u>
Shareholders' funds	16	<u><u>3,102,181</u></u>	<u><u>2,563,990</u></u>

Approved by the Board on 11.07.14 and signed on its behalf by:

  
.....  
S Munns  
Director



**SS Motors (Fuels) Limited**  
**Cash Flow Statement for the Year Ended 31 March 2014**

**Reconciliation of operating profit to net cash flow from operating activities**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Operating profit	993,495	891,187
Depreciation, amortisation and impairment charges	173,684	154,835
Loss on disposal of fixed assets	1,538	962
(Increase)/decrease in stocks	(2,447)	32,595
Decrease/(increase) in debtors	806,074	(291,052)
(Decrease)/increase in creditors	(1,227,258)	1,136,112
Net cash inflow from operating activities	<u>745,086</u>	<u>1,924,639</u>

**Cash flow statement**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Net cash inflow from operating activities	<u>745,086</u>	<u>1,924,639</u>
<b>Returns on investments and servicing of finance</b>		
Interest received	3,994	3,036
Interest paid	-	(749)
	<u>3,994</u>	<u>2,287</u>
Taxation paid	<u>(226,021)</u>	<u>(85,036)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(149,617)	(98,358)
Sale of tangible fixed assets	4,001	21,402
	<u>(145,616)</u>	<u>(76,956)</u>
Equity dividends paid	<u>(230,000)</u>	<u>(234,000)</u>
Net cash inflow before management of liquid resources and financing	<u>147,443</u>	<u>1,530,934</u>
Increase in cash	<u>147,443</u>	<u>1,530,934</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

**SS Motors (Fuels) Limited**  
**Cash Flow Statement for the Year Ended 31 March 2014**

**..... continued**

**Reconciliation of net cash flow to movement in net funds**

	Note	2014 £	2013 £
Increase in cash		<u>147,443</u>	<u>1,530,934</u>
Movement in net funds	19	147,443	1,530,934
Net funds at 1 April	19	<u>3,030,543</u>	<u>1,499,609</u>
Net funds at 31 March	19	<u><u>3,177,986</u></u>	<u><u>3,030,543</u></u>

**SS Motors (Fuels) Limited**  
**Notes to the Financial Statements for the Year Ended 31 March 2014**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land and buildings	4% straight line on buildings
Plant and equipment	10% reducing balance
Office equipment	10% reducing balance
Motor vehicles	25% reducing balance

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

**Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

**Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

## SS Motors (Fuels) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

#### Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

#### 2 Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Auditor's remuneration	9,250	9,250
Loss on sale of tangible fixed assets	1,538	962
Depreciation of owned assets	<u>173,684</u>	<u>154,835</u>

#### 3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Administration and support	10	10
Sales, marketing and distribution	<u>21</u>	<u>22</u>
	<u>31</u>	<u>32</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	527,799	558,686
Staff pensions	<u>100,000</u>	<u>150,000</u>
	<u>627,799</u>	<u>708,686</u>

#### 4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration (including benefits in kind)	68,876	58,994
Company contributions paid to money purchase schemes	<u>100,000</u>	<u>150,000</u>

# SS Motors (Fuels) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

### 5 Other interest receivable and similar income

	2014 £	2013 £
Bank interest receivable	<u>3,994</u>	<u>3,036</u>

### 6 Interest payable and similar charges

	2014 £	2013 £
Interest on other loans	<u>-</u>	<u>749</u>
	<u>-</u>	<u>749</u>

### 7 Taxation

#### Tax on profit on ordinary activities

	2014 £	2013 £
<b>Current tax</b>		
Corporation tax charge	222,287	224,058
Adjustments in respect of previous years	<u>1,963</u>	<u>59</u>
UK Corporation tax	224,250	224,117
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>5,048</u>	<u>(10,320)</u>
Total tax on profit on ordinary activities	<u>229,298</u>	<u>213,797</u>

## SS Motors (Fuels) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

#### Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 23% (2013 - 24%).

The differences are reconciled below:

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>997,489</u>	<u>893,474</u>
Corporation tax at standard rate	229,422	214,434
Capital allowances in excess of depreciation	(2,382)	12,350
Expenses not deductible for tax purposes	-	2,691
Small companies rate relief	<u>(2,785)</u>	<u>(5,358)</u>
Total current tax	<u>224,255</u>	<u>224,117</u>

#### 8 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2013	261,146	85,745	1,240,631	84,652	1,672,174
Additions	-	-	148,090	1,527	149,617
Disposals	-	-	(73,577)	-	(73,577)
At 31 March 2014	<u>261,146</u>	<u>85,745</u>	<u>1,315,144</u>	<u>86,179</u>	<u>1,748,214</u>
<b>Depreciation</b>					
At 1 April 2013	63,465	65,889	866,075	63,882	1,059,311
Charge for the year	10,446	1,986	159,142	2,110	173,684
Eliminated on disposals	-	-	(68,038)	-	(68,038)
At 31 March 2014	<u>73,911</u>	<u>67,875</u>	<u>957,179</u>	<u>65,992</u>	<u>1,164,957</u>
<b>Net book value</b>					
At 31 March 2014	<u>187,235</u>	<u>17,870</u>	<u>357,965</u>	<u>20,187</u>	<u>583,257</u>
At 31 March 2013	<u>197,681</u>	<u>19,856</u>	<u>374,556</u>	<u>20,770</u>	<u>612,863</u>

# SS Motors (Fuels) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2014

..... continued

### 9 Stocks

	2014 £	2013 £
Stocks	<u>160,883</u>	<u>158,436</u>

### 10 Debtors

	2014 £	2013 £
Trade debtors	1,103,939	1,798,553
Other debtors	127,898	239,817
Prepayments and accrued income	<u>93,200</u>	<u>92,741</u>
	<u>1,325,037</u>	<u>2,131,111</u>

### 11 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	1,621,574	2,818,819
Corporation tax	222,287	224,058
Other taxes and social security	18,343	23,962
Directors' current accounts	230,055	256,265
Accruals and deferred income	<u>17,580</u>	<u>15,764</u>
	<u>2,109,839</u>	<u>3,338,868</u>

### 12 Provisions

	Deferred tax £	Total £
At 1 April 2013	30,095	30,095
Charged to the profit and loss account	<u>5,048</u>	<u>5,048</u>
At 31 March 2014	<u>35,143</u>	<u>35,143</u>

# SS Motors (Fuels) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2014

..... continued

### Analysis of deferred tax

	2014 £	2013 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>35,142</u>	<u>30,752</u>

### 13 Share capital

#### Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary A shares of £1 each	1,800	1,800	1,800	1,800
Ordinary B shares of £1 each	1,800	1,800	1,800	1,800
Ordinary C shares of £1 each	15,200	15,200	15,200	15,200
Ordinary D shares of £1 each	15,200	15,200	15,200	15,200
Ordinary E shares of £1 each	1,000	1,000	1,000	1,000
Ordinary F shares of £1 each	1,000	1,000	1,000	1,000
	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>

### 14 Dividends

	2014 £	2013 £
<b>Dividends paid</b>		
Current year interim dividend paid	<u>230,000</u>	<u>234,000</u>

### 15 Reserves

	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2013	14,000	2,513,990	2,527,990
Profit for the year	-	768,191	768,191
Dividends	-	(230,000)	(230,000)
At 31 March 2014	<u>14,000</u>	<u>3,052,181</u>	<u>3,066,181</u>



## SS Motors (Fuels) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

#### 16 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Profit attributable to the members of the company	768,191	679,677
Dividends	(230,000)	(234,000)
Net addition to shareholders' funds	538,191	445,677
Shareholders' funds at 1 April	2,563,990	2,118,313
Shareholders' funds at 31 March	3,102,181	2,563,990

#### 17 Pension schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £100,000 (2013 - £150,000).

Contributions totalling £nil (2013 - £nil) were payable to the scheme at the end of the year.

#### 18 Commitments

##### Operating lease commitments

As at 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2014 £	2013 £
<b>Land and buildings</b>		
Within one year	6,300	6,300

# SS Motors (Fuels) Limited

## Notes to the Financial Statements for the Year Ended 31 March 2014

..... continued

### 19 Analysis of net funds

	At 1 April 2013 £	Cash flow £	At 31 March 2014 £
Cash at bank and in hand	3,030,543	147,443	3,177,986
Net funds	<u>3,030,543</u>	<u>147,443</u>	<u>3,177,986</u>

### 20 Related party transactions

#### Directors' advances and credits

	2014 Advance/ Credit £	2014 Repaid £	2013 Advance/ Credit £	2013 Repaid £
<b>S Munns</b>				
Advance to employee on 30 April 2012 fully repaid on 11 May 2012 including interest of £373.90	-	-	132,271	132,271
<b>P Munns</b>				
Advance to employee on 30 April 2012 fully repaid on 11 May 2012 including interest of £374.72	-	-	132,565	132,565

### 21 Control

The company is controlled by the directors who own 84.44% of the called up share capital.