

S S MOTORS (FUELS) LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2004

891979



S S MOTORS (FUELS) LIMITED

Company Information

Directors:	M A Munns Esq Mrs S Munns P Munns Esq S Munns Esq
Secretary:	A C Laws Esq
Company Number:	891979
Registered Office:	Honeysome Road, Chatteris, Cambs, PE 16 6RZ
Auditors:	I Lancaster & Co., Chartered Accountants 3 & 5 East Park Street Chatteris, Cambs PE16 6LA

S S MOTORS (FUELS) LIMITED

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The following pages do not form part of the statutory accounts:

Trading and profit and loss account and summaries -	12 & 13
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S S MOTORS (FUELS) LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 31ST DECEMBER 2004

The Directors present their Report and the Financial Statements for the year ended 31st December 2004.

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 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

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 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.

Principal Activities and review of the business

The company's principal activity continues to be that of the retail distribution of Shell Fuels and the provision of Heating Installation Maintenance. The results for the year are set out on page 4. The directors consider the profit achieved on ordinary activities before taxation to be satisfactory. Adequate finance has been obtained to take advantage of business opportunities, and the directors consider the state of affairs to be satisfactory.

Future Developments

The company is negotiating with Shell to acquire a Freehold interest in the premises currently occupied under a tenancy.

Directors

The Directors at 31st December 2004 and their interests in the share capital of the company were as follows:-

	<u>At the Beginning of the Year</u>	<u>At the End of the Year</u>
M A Munns Esq	24	24
Mrs S Munns	2	2
P Munns Esq	12	12
S Munns Esq	12	12

Cont'd.....

S S MOTORS (FUELS) LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED
31ST DECEMBER 2004

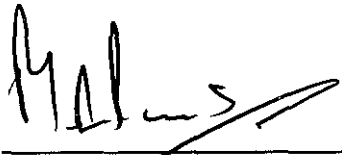
Events since the the of the year

The company has experienced a particularly busy and bouyant period of trading as a result of a cold spell in February and March 2005.

Auditors

The auditors, I Lancaster & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 13. 06. 05 and signed on its behalf.



(Director)

13. 06. 05

Date

Independent Auditors Report to the Shareholders of

S S MOTORS (FUELS) LIMITED

We have audited the financial statements of S S Motors (Fuels) Limited for the year ended 31st December 2004 on pages 3 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 5.

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, or the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors Responsibilities on page 1, the company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 the United Kingdom Auditing Standards 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 of the state of the company's affairs as at 31st December 2004 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

I LANCASTER & CO.,
CHARTERED ACCOUNTANTS
3 & 5 EAST PARK STREET
CHATTERIS, CAMBS.

DATE


2nd June 2005

S S MOTORS (FUELS) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2004

		2004	2003
		£	£
Turnover	Fuel Oil	7407772.52	6378611.27
	Maintenance	<u>513413.03</u>	<u>475009.25</u>
		7921185.55	6853620.52
Cost of Sales -	Fuel Oil	5865127.46	4884870.05
	Maintenance	<u>357325.54</u>	<u>346764.59</u>
		<u>6222453.00</u>	<u>5231634.64</u>
GROSS PROFIT		1698732.55	1621985.88
Administration Expenses		1483161.80	1393626.56
Operating Profit		<u>215570.75</u>	<u>228359.32</u>
Interest Received		69057.95	46195.30
Miscellaneous Income		<u>1989.29</u>	<u>2471.75</u>
		<u>71047.24</u>	<u>48667.05</u>
Profit on Ordinary Activities before Taxation		286617.99	277026.37
Taxation	On Profits for Year	55919.47	52584.57
	Transfer from / to Deferred Tax Reserve	<u>-29708.34</u>	<u>46316.07</u>
Profit on Ordinary Activities after Taxation		260406.86	178125.73
Dividends		-	-
Retained Profit for the Year		<u>260406.86</u>	<u>178125.73</u>
Balance brought forward		1998694.95	1820569.22
Balance carried forward		<u>2259101.81</u>	<u>1998694.95</u>

None of the company's activities were acquired or discontinued during the year and there were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 5 to 11 form part of these financial statements.

S S MOTORS (FUELS) LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2004

	<u>NOTES</u>	2004	2003
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets as per Schedule	23	476032.80	482058.64
<u>CURRENT ASSETS</u>			
Investments		150000.00	150000.00
Stock on Hand	1.5	113969.81	117164.13
Debtors and Prepayments	10	1097793.95	841130.81
Cash at Bank		1836870.80	1660388.66
Cash in Hand		6871.43	2979.28
		<u>3205505.99</u>	<u>2771662.88</u>
<u>CREDITORS</u>			
Amounts falling due within one year	11	<u>1377461.73</u>	<u>1180342.98</u>
<u>NET CURRENT ASSETS</u>		<u>1828044.26</u>	<u>1591319.90</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>2304077.06</u>	<u>2073378.54</u>
<u>CREDITORS</u>			
Amounts falling due after more than one year	12	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>		<u>2304077.06</u>	<u>2073378.54</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	15	50.00	50.00
Deferred Taxation Reserve	14	44925.25	74633.59
Profit and Loss Account		<u>2259101.81</u>	<u>1998694.95</u>
		<u>2304077.06</u>	<u>2073378.54</u>

The Financial Statements were approved by the board on 13.06.05 and signed on its behalf.


(Director)

The notes on pages 5 to 11 form part of these Financial Statements.

S S MOTORS (FUELS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2004

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements.

The financial statements are prepared under the historical cost convention.

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 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:-

Motor Vehicles	25% per annum on reducing balance basis
Plant & Equipment	25% per annum on reducing balance basis
Office Equipment	25% per annum on reducing balance basis

1.4 Leasing and hire purchase contracts (when applicable)

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.

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.7 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 they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

1.8 Pensions

The company operates a defined contribution pension scheme administered by Axa Sun Life on behalf of two directors and the pension charge represents the amount payable by the company to the fund in respect of the year.

2 TURNOVER

The whole of the turnover is attributable to the principal activity of the company, the retail distribution of Fuels and the provision Heating Installation and Maintenance. A geographical analysis of turnover is as follows:-

	2004 £	2003 £
United Kingdom	7407772	6378611
Europe	-	-

3 OPERATING PROFIT

2004 £	2003 £
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The Operating Profit is stated after charging:-

Depreciation of tangible fixed assets -		
- owned by the company	126235	130346
- held under finance leases	-	-
Auditors Remuneration	9000	9250
Directors emoluments (inc. Benefits in Kind)	468412	431519
Pension costs	10012	10024

During the year retirement benefits were accruing to 2 directors (2003 - 2) in respect of money purchase pension schemes.

4 STAFF COSTS

	2004 £	2003 £
Staff costs, including directors' remuneration, were as follows:-		
Wages and Salaries	849124	799799
Social Security Costs	112731	102861
Other Pensions Costs	<u>10012</u>	<u>10024</u>
	<u>971867</u>	<u>912684</u>

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

	2004 £	2003 £
Office and Administration	7	7
Sales, Marketing and Distribution	<u>19</u>	<u>19</u>
	<u>26</u>	<u>26</u>

5 DIRECTORS REMUNERATION

	2004 £	2003 £
Emoluments	458400	421495
Contributions under money purchase schemes	<u>10012</u>	<u>10024</u>
	<u>468412</u>	<u>431519</u>

During the year, retirement benefits were accruing to 2 directors (2003 2) in respect of money purchase pension schemes.

6 INTEREST PAYABLE

	2004 £	2003 £
On bank loans and overdrafts	-	-
On finance leases and hire purchase contracts	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

7 TAXATION

	2004 £	2003 £
UK Corporation Tax	55919	52585
Transfer from/to deferred taxation reserve	<u>-29708</u>	<u>46316</u>
	<u>26211</u>	<u>98901</u>

The tax assessed for the period differs from the standard rate of UK taxation applicable to the company of 19 % (2003 19%) . The differences are explained below.

	2004 £	2003 £
Profit on ordinary activities before tax	286618	277026
Profit on ordinary activities multiplied by standard rate of 19% (2003 19%)	54457	52635
Expenses not deductible for tax purposes	-	-
Capital allowance for period in excess of depreciation	1462	-30
Adjustments to tax charge in respect of prior years	<u>-</u>	<u>-</u>
Current Tax charge for the Period	<u>55919</u>	<u>-30</u>

8 DIVIDENDS

	2004 £	2003 £
Interim Dividend	Nil	Nil
Preference Dividend	<u>Nil</u>	<u>Nil</u>
	<u>Nil</u>	<u>Nil</u>

9 STOCKS

	2004 £	2003 £
Raw materials	113970	117164
Work in Progress	<u>-</u>	<u>-</u>
	<u>113970</u>	<u>117164</u>

10 DEBTORS

	2004 £	2003 £
Due after more than one year -		
Other Debtors	-	-
Due within one year -		
Trade Debtors	966831	739266
Prepayments and accrued income	50364	40146
Other debtors	<u>80599</u>	<u>61719</u>
	<u>1097794</u>	<u>841131</u>

11 CREDITORS : Amounts falling due within one year	2004 £	2003 £
Bank Loan and Overdrafts	-	-
Net obligations under finance leases and hire purchase contracts	-	-
Trade creditors	921969	763277
Accruals	18300	9300
Directors Loan Accounts	192675	188353
Corporation Tax	55919	52605
Other creditors	188599	166808
	1377462	1180343

Included within other creditors is an amount of £186,289 (2003 £165,388) relating to social security and other taxes.

12 CREDITORS: Amounts falling due after more than one year	2004 £	2003 £
Bank Loans	-	-
Net obligations under finance leases and hire purchase contracts	-	-
	-	-

13 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS	2004 £	2003 £
There are none	-	-

14 DEFERRED TAXATION	2004 £	2003 £
Balance at 1st January 2004	-74634	-28317
Credit for the year	29709	-46317
Balance at 31st December 2004	44925	-74634

The provision for deferred taxation is made up of accelerated capital allowances.

15 SHARE CAPITAL

	2004	2003
	£	£
Authorised Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Issued and Fully Paid Ordinary Shares of £1 each	<u>50</u>	<u>50</u>

16 CONTINGENT LIABILITIES

There were no contingent liabilities apparent at the accounting date.

17 CAPITAL COMMITMENTS

There will be a commitment to acquire the Freehold Premises currently occupied by the company.
The cost will be around £250,000.

18 OTHER COMMITMENTS

There are none apparent at the accounting date.

19 PENSION COMMITMENTS

The Company has a commitment to make contributions of £10,000 per annum for the benefit of two directors, under a money purchase arrangement.

20 TRANSACTIONS WITH DIRECTORS

All directors have maintained current accounts with the Company, which at all times have remained in a credit position.

21 POST BALANCE SHEET EVENTS

There have been no material Post Balance Sheet Events.

22 RELATED PARTIES

See note 20 above.

FIXED ASSETS SCHEDULE

	<u>Opening Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Closing Balance</u>
<u>COST</u>				
Office Equipment	56479.17	3794.02		60273.19
Motor Vehicles	952467.05	127395.02	93644.50	986217.57
Plant & Equipment	60068.03	2278.15		62346.18
	<u>1069014.25</u>	<u>133467.19</u>	<u>93644.50</u>	<u>1108836.94</u>
<u>DEPRECIATION</u>	<u>Opening Balance</u>	<u>Depreciation on Disposals</u>	<u>Depreciation for Year</u>	<u>Closing Balance</u>
Office Equipment	37555.58		2271.76	39827.34
Motor Vehicles	511859.19	80386.91	121483.15	552955.43
Plant & Equipment	37540.84		2480.53	40021.37
	<u>586955.61</u>	<u>80386.91</u>	<u>126235.44</u>	<u>632804.14</u>
<u>NET BOOK VALUE</u>	<u>Opening Balance</u>			<u>Closing Balance</u>
Office Equipment	18923.59			20445.85
Motor Vehicles	440607.86			433262.14
Plant & Equipment	22527.19			22324.81
	<u>482058.64</u>			<u>476032.80</u>

S S MOTORS (FUELS) LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2004

	2004		2003	
	£	£	£	£
<u>TURNOVER:</u>				
Sales		7407772.52		6378611.27
Stock as at 1st January 2004	74664.13		96479.75	
Purchases and Sub-Contractors	<u>5860933.14</u>		<u>4863054.43</u>	
	5935597.27		4959534.18	
Less: Stock as at 31st December 2004	<u>70469.81</u>		<u>74664.13</u>	
		5865127.46		4884870.05
		<hr/>		<hr/>
		1542645.06		1493741.22
Boiler Maintenance Receipts	513413.03		475009.25	
Boiler Maintenance Expenses	<u>357325.54</u>		<u>346764.59</u>	
		156087.49		128244.66
		<hr/>		<hr/>
Gross Profit		1698732.55		1621985.88
Wages and National Insurance		479891.61		454655.69
		<hr/>		<hr/>
		1218840.94		1167330.19
<u>Other Income:</u>				
Bank Interest Received	69057.95		46195.30	
Bad Debts Recovered	1260.64		1059.16	
Insurance Commission	285.00		290.00	
Discounts Received	443.65		506.83	
Reduction in Bad Debt Provision	<u>-</u>		<u>615.76</u>	
		71047.24		48667.05
		<hr/>		<hr/>
Carried forward		1289888.18		1215997.24

S S MOTORS (FUELS) LIMITED**DETAILED PROFIT AND LOSS ACCOUNT**

FOR THE YEAR ENDED 31ST DECEMBER 2004

	2004		2003	
	£	£	£	£
Brought forward		1289888.18		1215997.24
<u>Less Expenses</u>				
Directors Remuneration	371361.00		342654.00	
Directors National Insurance	49484.93		44094.45	
Directors Pension Scheme	10012.46		10024.00	
Rent and Rates	39548.83		38373.40	
Repairs	125.00		1408.20	
Motor Expenses	243824.15		236310.18	
Depot Expenses	9902.12		6341.66	
Light and Heat	2682.35		3225.41	
Telephone	8885.70		8528.69	
Insurances	40237.70		28548.05	
Printing and Stationery	9985.72		6199.61	
Advertising	17623.41		15211.62	
Postages	15635.07		14512.94	
Audit and Accountancy	9000.00		9250.00	
Legal Fees	1939.72		2419.64	
Bank Charges	9363.11		8865.76	
Sundry Expenses	20715.89		22367.62	
Cleaning and Cleaning Materials	3078.70		2896.58	
Bad Debts Written Off	7468.26		7354.84	
Discounts Allowed	128.58		38.19	
Loss on Disposal of Fixed Assets	6032.05		2720.40	
Depreciation	126235.44		127625.63	
		<u>1003270.19</u>		<u>938970.87</u>
NET PROFIT FOR THE YEAR		<u>286617.99</u>		<u>277026.37</u>