

WINFORD ROAD GARAGES LIMITED  
(COMPANY NUMBER 902521)

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FINANCIAL STATEMENTS  
for the year ended  
30th JUNE 1995

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## C O N T E N T S

Company Information	1
Report of the Directors	2
Statement of Directors' Responsibilities	3
Report of the Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Accounts	7 - 12
Detailed Profit and Loss Account (not part of the statutory accounts)	13 - 15

WINFORD ROAD GARAGES LIMITED

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COMPANY INFORMATION

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Directors	J N Hazell G P M Taylor G M T Jeffreys D R Filer A J Hill
Secretary	J N Hazell
Registered Office	Littleton Mills Winford Bristol BS18 8HQ
Bankers	National Westminster Bank Plc 32 Corn Street Bristol BS99 7UG
Solicitors	Burges Salmon Narrow Quay House Prince Street Bristol BS1 4AH
Auditors	Burton Sweet Thornton House Richmond Hill Clifton Bristol BS8 1AT

WINFORD ROAD GARAGES LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and accounts for the year ended 30th June 1995.

Review of the Business

The principal activity of the company continued to be in the motor industry including the sale, hire and repair of motor vehicles and the sale of fuel and oil.

The results for the year and the state of the company's affairs are shown in the attached accounts.

The Retail Motor Industry has continued to face intensive price competition in all sectors. The directors are keeping every aspect of the company's operations under review. During the year a planned programme of cost cutting and restructuring initiatives has been implemented. This process is ongoing and is expected to bring about a return to profitable trading during the current financial period.

Dividends

No final dividend is recommended.

Fixed Assets

Additions to fixed assets are shown in Note 8 to the accounts

Directors

The directors at 30th June 1995 were:

J N Hazell    G P M Taylor    G M T Jeffreys    D R Filer    A J Hill


No director had any interest in the share capital of the company throughout the year.

D R Filer and A J Hill retire by rotation and, being eligible, have offered themselves for re-election.

Auditors

A resolution to re-appoint Burton Sweet as auditors will be put to the members at the Annual General Meeting.

By Order of the Board



Director

Bristol

25th April 1996

WINFORD ROAD GARAGES LIMITED

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 and 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 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.

AUDITORS' REPORT TO THE MEMBERS OF

WINFORD ROAD GARAGES

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 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 affairs of the company as at 30th June 1995 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Burton Sweet*

Bristol  
25th April 1996

Burton Sweet  
Chartered Accountants  
Registered Auditor

WINFORD ROAD GARAGES LIMITED

PROFIT AND LOSS ACCOUNT  
for the year ended  
30th JUNE 1995

	<u>Notes</u>	<u>Continuing Operations</u>	
		1995 £	1994 £
<u>TURNOVER</u>	2	4,011,480	4,163,162
<u>COST OF SALES</u>		(3,833,676)	(3,911,303)
<u>GROSS PROFIT</u>		177,804	251,859
Administrative Expenses		(237,086)	(257,477)
Other Operating Income		41,827	18,036
Operating (Loss)/Profit		(17,455)	12,418
Interest Payable	4	(36,832)	(39,998)
<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	5	(54,287)	(27,580)
Tax on Loss on Ordinary Activities	7	11,404	4,159
<u>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</u>		£ (42,883)	£ (23,421)

The company had no recognised gains or losses other than the loss for the year.

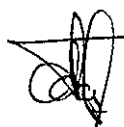
The notes on pages 7 to 12 form part of these accounts

# WINFORD ROAD GARAGES LIMITED

## BALANCE SHEET as at 30th JUNE 1995

		1995	1994
<u>FIXED ASSETS</u>	<u>Notes</u>	£	£
Tangible Assets	8	207,976	177,601
Obligations under Hire Purchase Contracts	13	(97,762)	(75,569)
		<u>110,214</u>	<u>102,032</u>
<u>CURRENT ASSETS</u>			
Stocks	9	215,910	157,631
Debtors	10	224,122	181,637
Cash at Bank and In Hand		<u>1,235</u>	<u>1,123</u>
		441,267	340,391
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	11	<u>556,911</u>	<u>370,326</u>
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		(115,644)	(29,935)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		(5,430)	72,097
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>			
Deferred Loans		(33,971)	(57,211)
<u>PROVISION FOR LIABILITIES AND CHARGES</u>			
Deferred Taxation	14	-	(11,404)
		<u>£(39,401)</u>	<u>£ 3,482</u>
<u>CAPITAL &amp; RESERVES</u>			
Called Up Share Capital	15	22,000	22,000
Profit and Loss Account		(61,401)	(18,518)
		<u>£(39,401)</u>	<u>£ 3,482</u>

Approved by the Board on 25th April 1996



)  
) Directors

The notes on pages 7 to 12 form part of these accounts



WINFORD ROAD GARAGES LIMITED

NOTES to the ACCOUNTS  
for the year ended  
30th June 1995

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts are prepared under the historical cost convention.

b) Accounting Standards

The accounts are prepared in accordance with applicable Accounting Standards. The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from preparing a cash flow statement on the grounds that it is a small company.

c) Depreciation

Depreciation is provided on all tangible fixed assets, other than hire vehicles which will not be held for more than twelve months, at rates calculated to write off the net cost, less estimated residual value, of each asset evenly over its estimated useful life, as follows:

Plant and Machinery	- over 10 years
Fixtures, Fittings and Office Equipment	- over 5 to 10 years
Motor Vehicles	- over 4 years

d) Stocks

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

Motor Vehicles	- purchase cost
Parts	- purchase cost on a first-in first-out basis
Petrol	- purchase cost on a first-in first-out basis
Work in Progress	- cost of direct materials and labour plus attributable overheads based on the normal level of activity.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

e) Deferred Taxation

Deferred taxation is provided on the liability method on all timing differences.

f) Leasing and Hire Purchase Commitments

Assets obtained under finance leases and hire purchase agreements are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to profit and loss over the period of the lease or hire and represents a constant proportion of the balance of capital repayments outstanding.

These obligations are disclosed as a reduction in the net book value of the tangible assets or stock to which they relate. In this respect the directors have taken advantage of Section 228(5) of the Companies Act 1985 in amending the layout set out in Schedule 4 to the Act.

The Directors are of the opinion that in the circumstances this presentation more accurately reflects the Company's position.

g) Pension Scheme

The Company Operates a managed defined contribution scheme covering the directors and some employees. The pension cost represents the contributions payable to the pension scheme in respect of the accounting period.

# WINFORD ROAD GARAGES LIMITED

## NOTES to the ACCOUNTS for the year ended 30th JUNE 1995

### 2. TURNOVER

Turnover represents the invoiced amounts of goods sold and services provided stated net of value added tax. The analysis of turnover by activity is as follows:

	1994 £	1994 £
Motor Vehicles	2,266,399	2,446,167
Labour	374,092	393,484
Parts	406,499	386,575
Fuel	857,315	795,895
Vehicle Hire	107,175	141,041
	<u>£4,011,480</u>	<u>£4,163,162</u>

All turnover is attributable to activity in the United Kingdom.

### 3. STAFF COSTS

	1995 £	1994 £
Wages and Salaries	297,783	334,124
Social Security Costs	23,715	27,840
Other Pension Costs	18,998	19,107
	<u>£340,496</u>	<u>£381,071</u>

The average weekly number of employees (including Directors) during the year was:

Office and Management	6	6
Workshop and Sales	20	24
	<u>26</u>	<u>30</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	1995 £	1994 £
On Bank Overdraft and Loans wholly repayable within five years	18,991	17,457
On Hire Purchase	17,841	22,541
	<u>£36,832</u>	<u>£39,998</u>

WINFORD ROAD GARAGES LIMITED

NOTES to the ACCOUNTS  
for the year ended  
30th JUNE 1995

5. LOSS ON ORDINARY ACTIVITIES

BEFORE TAXATION

	1995 £	1994 £
The loss before taxation is stated after charging and after crediting:		
Other assistance monies receivable	(23,240)	(23,239)
Directors' Emoluments (Note 6)	108,892	107,683
Management charge to associated company	(40,000)	(15,000)
Auditors' Remuneration	5,326	5,850
Depreciation of Tangible Fixed Assets:		
Owned Assets	19,537	18,382
Assets held under hire purchase contracts	11,902	7,997

6. DIRECTORS' REMUNERATION

The number of directors whose emoluments fall in the following bands is as follows:

	1995	1994
£ 0 - £ 5,000	1	1
£10,001 - £15,000	-	-
£15,001 - £20,000	1	1
£20,001 - £25,000	3	3

Emoluments of the highest paid director	<u>£23,012</u>	<u>£23,002</u>
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7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £	1994 £
Corporation Tax @ 25%	-	-
Transfer from Deferred Taxation:-		
Relating to Ordinary Activities	(11,404)	(4,159)
	<u>£(11,404)</u>	<u>£(4,159)</u>

# WINFORD ROAD GARAGES LIMITED

NOTES to the ACCOUNTS  
for the year ended  
30th JUNE 1995

## 8. TANGIBLE FIXED ASSETS

		Fixtures, Fittings & Office Equipment £	Plant & Machinery £	Motor Vehicles £	Total £
Cost					
At 1st July 1994		86,055	83,381	137,605	307,041
Additions		5,759	22,999	118,699	147,457
Disposals		-	-	(94,607)	(94,607)
At 30th June 1995	£	91,814	106,380	161,697	359,891
Depreciation					
At 1st July 1994		53,977	56,678	18,785	129,440
Charge for the year		8,302	4,416	18,721	31,439
Disposals				(8,964)	(8,964)
At 30th June 1995	£	62,279	61,094	28,542	151,915
Net Book Value					
At 30th June 1995	£	29,535	45,286	133,155	207,976
Net Book Value					
At 30th June 1994	£	32,078	26,703	118,820	177,601

The net book value of motor vehicles includes an amount of £119,548 (1994:£98,762) in respect of assets held under Hire Purchase contracts.

## 9. STOCKS

	1995 £	1994 £
Raw Materials and Consumables	12,463	6,569
Work in Progress	6,474	3,347
Goods for Resale	242,435	284,639
Less Amounts due under Hire Purchase. (Note 13)	(45,462)	(136,924)
	<u>£215,910</u>	<u>£157,631</u>

# WINFORD ROAD GARAGES LIMITED

## NOTES to the ACCOUNTS for the year ended 30th JUNE 1995

10. <u>DEBTORS</u>	1995 £	1994 £
Trade Debtors	180,221	137,835
Prepayments & Accrued Income	43,901	43,802
	<u>£224,122</u>	<u>£181,637</u>
11. <u>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	1995 £	1994 £
Bank Overdraft (Note 12)	203,016	88,588
Trade Creditors	286,011	205,478
Other Creditors (including Taxation, Social Security & Hire Purchase)	55,469	62,425
Accruals and Deferred Income	12,415	13,835
	<u>£556,911</u>	<u>£370,326</u>
12. <u>BANK OVERDRAFT</u>		
The bank overdraft is secured by a debenture charging all of the company's assets.		
13. <u>OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS</u>	1995 £	1994 £
Amounts Repayable within 1 year	<u>£186,326</u>	<u>£255,901</u>
14. <u>DEFERRED TAXATION</u>	1995 £	1994 £
Capital Allowances in advance of Depreciation	28,741	31,300
Notional Credit for Corporation Tax Losses	(9,543)	(698)
ACT recoverable	(19,198)	(19,198)
	<u>£ -</u>	<u>£11,404</u>

# WINFORD ROAD GARAGES LIMITED

## NOTES to the ACCOUNTS for the year ended 30th JUNE 1995

15. <u>SHARE CAPITAL</u>	1995 £	1994 £
Authorised:	<u>£50,000</u>	<u>£50,000</u>
Allotted, Issued & Fully Paid:		
'B' Deferred Shares of £1 each	20,000	20,000
Ordinary Shares of 10p each	2,000	2,000
	<u>£22,000</u>	<u>£22,000</u>
16. <u>TRANSACTIONS WITH DIRECTORS</u>		
The company leases property at open market rent from Lectern Properties Limited and Winford Red Limited, companies of which Mr J N Hazell, Mr G P M Taylor and Mr G M T Jeffreys are directors and shareholders.		
17. <u>ULTIMATE HOLDING COMPANY</u>		
Premieredge Limited, a company incorporated in the United Kingdom, is the ultimate holding company.		
18. <u>CONTINGENT LIABILITY</u>		
The company has guaranteed liabilities of Winford Red Limited and Lectern Properties Limited amounting to £316,286 (1994:£331,043)		
19. <u>PROFIT AND LOSS ACCOUNT</u>	1995 £	1994 £
At 1st July 1994	(18,518)	4,903
Retained Loss	(42,883)	(23,421)
at 30th June 1995	<u>£(61,401)</u>	<u>(18,518)</u>
20. <u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Loss for financial year	(42,883)	(23,421)
balance at 30th June 1994	3,482	26,903
Balance at 30th June 1995	<u>£(39,401)</u>	<u>£3,482</u>
Shareholders funds consist of Equity Interests Only		