

B. & C. SAUNDERS LIMITED
FINANCIAL STATEMENTS
for the year ended 31 July 1997
Company number: 1211877



B. & C. SAUNDERS LIMITED

DIRECTORS' REPORT

for the year ended 31 July 1997

The directors present their report and the financial statements for the year ended 31 July 1997.

Principal activity

The principal activity of the company during the year continued to be that of motor engineers.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary shares of £1 each	
	31 July 1997	31 July 1996
B W Saunders	1	1
C J Saunders	1	1

Audit exemption

The company has decided not to appoint auditors.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 19 November 1998 and signed on its behalf by



B W SAUNDERS
Director

B. & C. SAUNDERS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 July 1997

	Notes	1997 £	1996 £
TURNOVER		224,697	206,521
Cost of sales		(156,294)	(143,946)
GROSS PROFIT		68,403	62,575
Administrative expenses		(51,262)	(50,780)
OPERATING PROFIT	2	17,141	11,795
Interest payable		(5,833)	(6,206)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,308	5,589
Taxation	3	-	-
RETAINED PROFIT FOR THE YEAR	9	£ 11,308	£ 5,589

The notes on pages 5 to 9 form part of these financial statements.

B. & C. SAUNDERS LIMITED

BALANCE SHEET

as at 31 July 1997

	Notes	1997		1996	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		40,190		42,323
CURRENT ASSETS					
Stocks		32,426		32,467	
Debtors	5	47,015		36,393	
Cash at bank and in hand		350		350	
		79,791		69,210	
CREDITORS: amounts falling due within one year	6	62,878		67,468	
NET CURRENT ASSETS			16,913		1,742
TOTAL ASSETS LESS CURRENT LIABILITIES			57,103		44,065
CREDITORS: amounts falling due after more than one year	7		28,666		26,936
			£ 28,437		£ 17,129
CAPITAL AND RESERVES					
Called up share capital	8		2		2
Profit and loss account	9		28,435		17,127
Shareholders funds			£ 28,437		£ 17,129

The directors:

- 1 confirm that for the year ended 31 July 1997 the company was entitled to the exemption under subsection 1 of section 249A of the Companies Act 1985.
- 2 confirm that no notice requiring an audit had been deposited under subsection 2 of section 249B of the Act in relation to the accounts for the financial year.
- 3 acknowledge their responsibility for:
 - a) ensuring that the company keeps accounting records which comply with section 221 of the Act; and

continued on page 4

B. & C. SAUNDERS LIMITED

BALANCE SHEET
(continued)

as at 31 July 1997

- b) preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

Approved by the board on 19 November 1998 and signed on its behalf by



B W SAUNDERS
Director

The notes on pages 5 to 9 form part of these financial statements.

B. & C. SAUNDERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 July 1997

1 Accounting policies**Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

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

Turnover

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	2% on cost
Plant and equipment	15% on cost
Motor vehicles	25% on cost

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised in the balance sheet as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives.

The corresponding lease or hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Operating lease rentals are charged to the profit and loss account as incurred.

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 items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

B. & C. SAUNDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 1997

2 Operating profit

The operating profit is stated after charging:

	1997 £	1996 £
Depreciation of tangible fixed assets		
- owned by the company	2,783	3,384
Hire of plant and machinery	2,177	-
Directors' remuneration	28,620	28,890
	<u> </u>	<u> </u>

3 Taxation

	1997 £	1996 £
Current year taxation		
UK corporation tax on profit on ordinary activities at 23.0% (1995 24.67%)	£ -	£ -
	<u> </u>	<u> </u>

At 31 July 1997, there were losses of £25,091 (1996 £37,832) available to be carried forward.

4 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 August 1996	47,952	35,592	83,544
Additions	-	650	650
	<u> </u>	<u> </u>	<u> </u>
At 31 July 1997	47,952	36,242	84,194
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 August 1996	7,670	33,551	41,221
Charge for the year	959	1,824	2,783
	<u> </u>	<u> </u>	<u> </u>
At 31 July 1997	8,629	35,375	44,004
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 July 1997	£ 39,323	£ 867	£ 40,190
	<u> </u>	<u> </u>	<u> </u>
At 31 July 1996	£ 40,282	£ 2,041	£ 42,323
	<u> </u>	<u> </u>	<u> </u>

B. & C. SAUNDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 1997

5 Debtors

	1997 £	1996 £
Amounts due within one year:		
Trade debtors	32,721	26,579
Other debtors	204	204
Prepayments and accrued income	14,090	9,610
	<u>£ 47,015</u>	<u>£ 36,393</u>

6 Creditors: amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts (see below)	28,533	32,279
Trade creditors	23,361	23,875
Other taxation and social security	6,097	6,537
Accruals and deferred income	4,605	4,495
Directors' current accounts	282	282
	<u>£ 62,878</u>	<u>£ 67,468</u>

Bank loans and overdrafts comprises:

Bank loan (secured)	5,700	10,320
Bank overdraft (secured)	22,833	21,959
	<u>£ 28,533</u>	<u>£ 32,279</u>

7 Creditors: amounts falling due after more than one year

	1997 £	1996 £
Bank loan (secured)	<u>£ 28,666</u>	<u>£ 26,936</u>

The bank loan is repayable by instalments as follows:

Between one and two years	5,700	10,320
Between two and five years	22,966	16,616
	<u>£ 28,666</u>	<u>£ 26,936</u>

B. & C. SAUNDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 1997

8 Called up share capital

Equity shares

Authorised

Ordinary shares of £1

1997	1996
£ 100	£ 100

Allotted

Ordinary shares of £1 each, fully paid

£ 2	£ 2
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9 Profit and loss account

	1997 £	1996 £
Balance at 1 August 1996	17,127	11,538
Retained profit for the year	11,308	5,589
Balance at 31 July 1997	£ 28,435	£ 17,127

10 Financial commitments

Future capital expenditure

	1997	1996
Authorised, but not contracted for	£ 10,000	£ 10,000

11 Control

Throughout the period covered by these financial statements, the company was under the joint control of its two directors, whose shareholdings are shown in the directors' report on page 1. Directors' current accounts at note 6 to the financial statements represents the following balances due to the directors:

	1997 £	1996 £
B W Saunders	11	11
C J Saunders	271	271
	£ 282	£ 282

No interest is payable on these balances and no formal repayment terms exist.

B. & C. SAUNDERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****for the year ended 31 July 1997****12 Related party transactions**

During the year, there were transactions between the company and B & C Saunders (Light Haulage), a trading partnership operated by the company's two directors. Details of transactions during the year and the balance at 31 July 1997 were as follows:

- (i) B & C Saunders Limited supplied goods and services to B & C Saunders (Light Haulage) with an aggregate value of £22,370.
- (ii) Trade debtors at 31 July 1997 includes a balance of £11,502 due from B & C Saunders (Light Haulage).