

14 54802

MIKE SAUNDERS MOTORS LTD

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST OCTOBER 1995

W.R.KING & CO.
CERTIFIED ACCOUNTANTS



MIKE SAUNDERS MOTORS LTD

DIRECTORS: Mr.M.Saunders
Mrs.W.Saunders (resigned Aug 1995)
Mr.M.Saunders (appointed Aug 1995)
Mr.V.H.Johnson

REGISTERED NUMBER: 01454802

AUDITORS: W.R.King & Co.
REGISTERED OFFICE: 44,Victoria Gardens
Neath
West.Glam

BANKERS: Barclays Bank Plc.
The Parade
Neath

AUDITORS: W.R.King & Co.
Certified Accountants
44 VICTORIA GARDENS
NEATH
WEST GLAMORGAN
SA11 3BH

MIKE SAUNDERS MOTORS LTD
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1995

CONTENTS

1. Report of the Directors
 2. Statement of Directors Responsibilities
 3. Report of the Auditors
 4. Profit and Loss Account
 5. Balance Sheet
 - 6,7,8. Notes to Accounts
- The following page does not form part of the Statutory Accounts
9. Trading and Profit and Loss Account

MIKE SAUNDERS MOTORS LTD
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST OCTOBER 1995

The directors present their annual report with the accounts of the company for the Year ended 31st October 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the Year under review was that of car sales and repairs.

REVIEW OF BUSINESS

A summary of the results for the Year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisitions and disposals of fixed assets during the Year are shown in note 3.

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

DIRECTORS


The directors in office in the Year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	1995	1994
Mr.M.Saunders	99	99
Mrs.W.Saunders	-	1
Mr.M.Saunders	1	-
Mr.V.Johnson	-	-

AUDITORS

The Auditors, W.R.King & Co., are deemed to be re-appointed in accordance with Section 385 of The Companies Act 1985.

Signed on behalf of The
Board of Directors

X W.h. Saunders. 
Secretary

MIKE SAUNDERS

MIKE SAUNDERS MOTORS LTDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with 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.

x MM Saunders T

By Order of the Board

MARK SAUNDERS

AUDITORS' REPORT TO THE SHAREHOLDERS OF
MIKE SAUNDERS MOTORS LTD

We have audited the financial accounts on pages 4 to 8 which have been prepared under the historical cost convention [as modified by the revaluation of certain fixed assets] and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

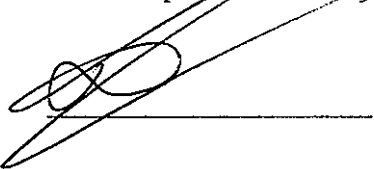
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st October 1995 and of its loss and cash flow for the Year then ended and have been properly prepared in accordance with the Companies Act 1985.



W.R.KING & CO.
Registered Auditors
Certified Accountants
44 VICTORIA GARDENS
NEATH
WEST GLAMORGAN
SA11 3BH

21/10/96

MIKE SAUNDERS MOTORS LTDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
TURNOVER		376,046	477,455
Cost of Sales		301,900	403,949
<u>GROSS PROFIT</u>		74,146	73,506
Net Operating Expenses			
Administrative Expenses		98,833	75,788
<u>OPERATING LOSS</u>		(24,687)	(2,282)
Interest Payable		-	170
<u>LOSS ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		(24,687)	(2,452)
Tax on Ordinary Activities		314	2,000
<u>LOSS ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		£ (25,001)	£ (4,452)
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		3,631	8,083
Loss for the Year		(25,001)	(4,452)
<u>RETAINED (LOSS)/PROFIT CARRIED FORWARD</u>		£ (21,370)	£ 3,631

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 8 form part of these accounts.

MIKE SAUNDERS MOTORS LTDBALANCE SHEET
AS AT 31ST OCTOBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible Assets	3	43,626	42,744
CURRENT ASSETS			
Stock and Work in Progress	4	63,593	45,158
Debtors	5	11,475	22,760
		75,068	67,918
CREDITORS : Amounts Falling Due within One Year	6	(127,355)	(94,322)
NET CURRENT LIABILITIES		(52,287)	(26,404)
TOTAL ASSETS LESS CURRENT LIABILITIES		(8,661)	16,340
CREDITORS : Amounts Falling Due After more than One Year (Including Convertible Debt)		(12,609)	(12,609)
		£ (21,270)	£ 3,731
CAPITAL AND RESERVES			
Share Capital	7	100	100
Profit and Loss Account		(21,370)	3,631
TOTAL SHAREHOLDERS' FUNDS		£ (21,270)	£ 3,731
Signed on behalf of the board of directors			

Mr. M. Saunders
Mr. M. Saunders
Director

Approved by the board:

The notes on pages 6 to 8 form part of these accounts.

MIKE SAUNDERS MOTORS LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 19951. ACCOUNTING POLICIES**Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

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

Fixtures and Fittings	20% on cost
-----------------------	-------------

No depreciation is provided on freehold land.

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.

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the Year.

2. DIRECTORS' REMUNERATION

	<u>1995</u>	<u>1994</u>
	£	£
Directors' Remuneration	35,610	14,060
Directors' Pension Scheme	1,154	1,151
	<u>36,764</u>	<u>15,211</u>

Number of Directors whose total emoluments, excluding Pension Contributions, were within the ranges:

£nil - £5,000	1	2
£5,001 - £10,000	1	-
£10,001 - £15,000	-	1
£15,001 - £20,000	-	-
£20,001 - £25,000	-	-
£25,001 - £30,000	1	-
	<u>1</u>	<u>-</u>

MIKE SAUNDERS MOTORS LTD

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1995

3. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant & Equipment £	Fixtures & Fittings £	Property £	TOTAL £
COST OR VALUATION					
At 1st November 1994	-	-	15,636	38,268	53,904
Additions in Year	-	-	2,000	-	2,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st October 1995	-	-	17,636	38,268	55,904
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1st November 1994	-	-	11,160	-	11,160
Charge for Year	-	-	1,118	-	1,118
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st October 1995	-	-	12,278	-	12,278
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31st October 1995	-	-	5,358	38,268	43,626
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st October 1994	-	-	4,476	38,268	42,744
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

4. STOCKS

	<u>1995</u> £	<u>1994</u> £
Raw Materials and Consumables	63,593	45,158
	<hr/>	<hr/>

5. DEBTORS

	<u>1995</u> £	<u>1994</u> £
Amounts due within one year:		
Trade Debtors	12,250	7,535
Other Debtors	(775)	15,225
	<hr/>	<hr/>
	11,475	22,760
	<hr/>	<hr/>

MIKE SAUNDERS MOTORS LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 19956. CREDITORS

Amounts falling due within one year:	<u>1995</u> £	<u>1994</u> £
Bank Loans and Overdrafts (see below)	101,156	83,580
Trade Creditors	11,476	7,488
Other Creditors:		
Social Security and Other Taxes	3,067	2,846
Other Creditors	1,270	408
Accruals	10,386	-
	<u>127,355</u>	<u>94,322</u>
Bank Overdraft	101,156	83,580
	<u>101,156</u>	<u>83,580</u>

The bank loan and overdraft are secured by a fixed and floating charge over the other assets and related undertakings of the company.

7. SHARE CAPITAL

	<u>1995</u> £	<u>1994</u> £
Authorised	1000	1000
Allotted, Issued and Fully Paid	100	100

MIKE SAUNDERS MOTORS LTDTRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 1995

	£	<u>1995</u>	£	£	<u>1994</u>	£
Sales			376,046			477,455
COST OF SALES						
Spares and Components		54,389			54,059	
Cars for Resale		247,511			349,890	
			<u>301,900</u>			<u>403,949</u>
GROSS PROFIT			74,146			73,506
LESS OVERHEADS						
Salaries and Wages		18,608			18,304	
Subcontractors		4,270			-	
Motor Running Expenses		2,266			3,406	
Repairs and Renewals		1,725			1,943	
Telephone Charges		2,821			2,532	
Printing and Stationery		907			1,364	
Advertising		3,509			3,578	
Heating and Lighting		1,866			1,441	
Insurances		5,931			5,070	
Rent and Rates		7,260			9,860	
Bank Charges		9,380			8,771	
Hire Purchase Interest		-			170	
Sundry Expenses		1,558			1,907	
Cleaning and Materials		-			433	
Directors' Remuneration		35,610			14,060	
Directors' Pension Scheme		1,154			1,151	
Auditors Remuneration		850			850	
Depreciation Fixtures & Fittings		1,118			1,118	
			<u>98,833</u>			<u>75,958</u>
NET LOSS FOR THE YEAR			<u>£ 24,687</u>			<u>£ 2,452</u>

This page does not form part of the statutory accounts.