

Millstream Motor Company Limited
Company No. 02264725

Financial Statements

For the Year ended 31st March 1999



Vincent Clemas
CHARTERED ACCOUNTANTS

MILLSTREAM MOTOR COMPANY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

	Page
Company Information	1
Report of the Director	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5
Report of the Accountants	11
Trading and Profit and Loss Account	12

MILLSTREAM MOTOR COMPANY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 1999

DIRECTOR:	D Bundy
SECRETARY:	Mrs D Bundy
REGISTERED OFFICE:	Unit 9 Millstream Trading Estate Christchurch Road Ringwood Hampshire BH24 3SB
REGISTERED NUMBER:	02264725 (England and Wales)
ACCOUNTANTS:	Vincent Clemas Chartered Accountants Lynes House 51 - 53 High Street Ringwood BH24 1BT
BANKERS:	Royal Bank of Scotland plc 14 Minster Street Salisbury Wiltshire

MILLSTREAM MOTOR COMPANY LIMITED

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31ST MARCH 1999

The director presents his report with the financial statements of the company for the year ended 31st March 1999.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the repair of motor vehicles.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31st March 1999.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

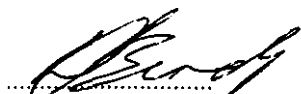
DIRECTOR

D Bundy was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.3.99	1.4.98
Ordinary £1 shares	1	1

ON BEHALF OF THE BOARD:



Mrs D Bundy - SECRETARY

Dated:

MILLSTREAM MOTOR COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1999

		<u>1999</u>	<u>1998</u>
	Notes	£	£
TURNOVER		269,793	277,676
Cost of sales		<u>165,925</u>	<u>158,259</u>
GROSS PROFIT		103,868	119,417
Administrative expenses		<u>90,340</u>	<u>103,812</u>
OPERATING PROFIT	3	13,528	15,605
Interest receivable and similar income		<u>31</u>	<u>-</u>
		13,559	15,605
Interest payable and similar charges	4	<u>9,965</u>	<u>8,230</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,594	7,375
Tax on profit on ordinary activities	5	<u>1,352</u>	<u>(1,137)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		2,242	8,512
Retained profit brought forward		<u>36,715</u>	<u>28,203</u>
RETAINED PROFIT CARRIED FORWARD		<u>£38,957</u>	<u>£36,715</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

MILLSTREAM MOTOR COMPANY LIMITED

BALANCE SHEET
31ST MARCH 1999

		<u>1999</u>		<u>1998</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible Assets	6		107,933		102,030
CURRENT ASSETS:					
Stocks	7	6,500		17,000	
Debtors	8	39,711		38,543	
Cash in hand		<u>27</u>		<u>27</u>	
		46,238		55,570	
CREDITORS: Amounts falling due within one year	9	<u>87,138</u>		<u>89,679</u>	
NET CURRENT LIABILITIES:			<u>(40,900)</u>		<u>(34,109)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			67,033		67,921
CREDITORS: Amounts falling due after more than one year	10		(19,677)		(24,159)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		<u>(8,397)</u>		<u>(7,045)</u>
			<u>£38,959</u>		<u>£36,717</u>
CAPITAL AND RESERVES:					
Called up share capital	15		2		2
Profit and loss account			<u>38,957</u>		<u>36,715</u>
Shareholders' funds	18		<u>£38,959</u>		<u>£36,717</u>

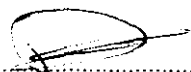
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31st March 1999.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:



- DIRECTOR

Approved by the Board on 31.3.99

The notes form part of these financial statements

MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST MARCH 1999**

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold property	- in accordance with the term of the lease
Plant and Machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock 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

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

2. STAFF COSTS

	1999	1998
	£	£
Wages and salaries	<u>32,323</u>	<u>26,514</u>

The average monthly number of employees during the year was as follows:

	1999	1998
Direct Labour	<u>4</u>	<u>5</u>

MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1999	1998
	£	£
Depreciation - owned assets	10,185	7,896
Depreciation - assets on hire purchase contracts	15,114	15,435
Profit on disposal of fixed assets	<u>(1,267)</u>	<u>-</u>
Director's emoluments	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1999	1998
	£	£
Bank Interest	2,101	1,595
Bank Loan Interest	297	-
Hire Purchase	6,270	6,635
Leasing	<u>1,297</u>	<u>-</u>
	<u>9,965</u>	<u>8,230</u>

5. TAXATION

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	1999	1998
	£	£
Corporation Tax	-	55
Over provision	-	(292)
Deferred taxation	<u>1,352</u>	<u>(900)</u>
	<u>1,352</u>	<u>(1,137)</u>

Deferred tax, due to claiming accelerated wear and tear allowances, has been calculated as £8,397 using a rate of 21%.

MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

6. TANGIBLE FIXED ASSETS

	<u>Leasehold Property</u>	<u>Plant and Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Totals</u>
	£	£	£	£	£
COST:					
At 1st April 1998	3,806	78,437	7,731	123,409	213,383
Additions	-	2,228	312	31,295	33,835
Disposals	<u>(3,806)</u>	<u>-</u>	<u>-</u>	<u>(11,094)</u>	<u>(14,900)</u>
At 31st March 1999	<u>-</u>	<u>80,665</u>	<u>8,043</u>	<u>143,610</u>	<u>232,318</u>
DEPRECIATION:					
At 1st April 1998	3,806	45,230	4,329	57,988	111,353
Charge for year	-	5,315	557	19,427	25,299
Eliminated on disposals	<u>(3,806)</u>	<u>-</u>	<u>-</u>	<u>(8,461)</u>	<u>(12,267)</u>
At 31st March 1999	<u>-</u>	<u>50,545</u>	<u>4,886</u>	<u>68,954</u>	<u>124,385</u>
NET BOOK VALUE:					
At 31st March 1999	<u>-</u>	<u>30,120</u>	<u>3,157</u>	<u>74,656</u>	<u>107,933</u>
At 31st March 1998	<u>-</u>	<u>33,207</u>	<u>3,402</u>	<u>65,421</u>	<u>102,030</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Totals</u>
	£	£	£
COST:			
At 1st April 1998	10,525	89,160	99,685
Additions	-	31,295	31,295
Disposals	<u>-</u>	<u>(11,094)</u>	<u>(11,094)</u>
At 31st March 1999	<u>10,525</u>	<u>109,361</u>	<u>119,886</u>
DEPRECIATION:			
At 1st April 1998	1,732	33,596	35,328
Charge for year	<u>1,318</u>	<u>13,796</u>	<u>15,114</u>
At 31st March 1999	<u>3,050</u>	<u>47,392</u>	<u>50,442</u>
NET BOOK VALUE:			
At 31st March 1999	<u>7,475</u>	<u>61,969</u>	<u>69,444</u>
At 31st March 1998	<u>8,793</u>	<u>55,564</u>	<u>64,357</u>

7. STOCKS

	1999	1998
	£	£
Raw Materials and Consumables	6,000	13,000
Work in progress	<u>500</u>	<u>4,000</u>
	<u>6,500</u>	<u>17,000</u>

MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999 £	1998 £
Trade Debtors	20,673	36,741
Director's Current Account	17,768	-
Prepayments	<u>1,270</u>	<u>1,802</u>
	<u><u>39,711</u></u>	<u><u>38,543</u></u>

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999 £	1998 £
Bank Loans and Overdrafts (see note 11)	12,365	3,736
Hire Purchase Contracts (see note 12)	31,697	24,369
Trade Creditors	22,160	31,564
Director's Current Account	-	15,801
Corporation Tax	-	55
Taxation and Social Security	1,100	726
Value Added Tax	7,902	6,636
Accrued Expenses	<u>11,914</u>	<u>6,792</u>
	<u><u>87,138</u></u>	<u><u>89,679</u></u>

**10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	1999 £	1998 £
Bank Loans (see note 11)	3,623	-
Hire Purchase Contracts (see note 12)	<u>16,054</u>	<u>24,159</u>
	<u><u>19,677</u></u>	<u><u>24,159</u></u>

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	1999 £	1998 £
Amounts falling due within one year or on demand:		
Bank Overdrafts	9,454	3,736
Bank Loans	<u>2,911</u>	<u>-</u>
	<u><u>12,365</u></u>	<u><u>3,736</u></u>

Amounts falling due between two and five years:

Bank Loans	<u><u>3,623</u></u>	<u><u>-</u></u>
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MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

11. LOANS AND OVERDRAFTS - continued

The company entered into a loan with its bank on 29th October 1998 for £7,500. The bank charges the loan interest quarterly on a fluctuating rate basis. The periodic payments of capital and interest are currently £2,911 per annum.

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	1999 £	1998 £
Gross obligations repayable:		
Within one year	35,442	28,993
Between one and five years	<u>16,772</u>	<u>26,176</u>
	<u>52,214</u>	<u>55,169</u>
Finance charges repayable:		
Within one year	3,745	4,624
Between one and five years	<u>718</u>	<u>2,017</u>
	<u>4,463</u>	<u>6,641</u>
Net obligations repayable:		
Within one year	31,697	24,369
Between one and five years	<u>16,054</u>	<u>24,159</u>
	<u>47,751</u>	<u>48,528</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	1999 £	1998 £
Bank Overdraft	9,454	3,736
Bank Loan	<u>6,534</u>	<u>-</u>
	<u>15,988</u>	<u>3,736</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	1999 £	1998 £
Deferred taxation	<u>8,397</u>	<u>7,045</u>
	Deferred taxation £	
Balance at 1st April 1998	7,045	
Movement to Profit and Loss	<u>1,352</u>	
Balance at 31st March 1999	<u>8,397</u>	

MILLSTREAM MOTOR COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1999

15. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	1999	1998
		value:	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal	1999	1998
		value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

16. TRANSACTIONS WITH DIRECTOR

a) The company trades with the director and these transactions are reflected in the financial statements.

	1999	1998
	£	£
Sales	13,878	35,443
Purchases	6,250	13,750
Trade Debtors	-	7,166

b) The company employs the director's wife at an annual salary 5,450 5,349

c) The company rents a unit owned by the director and his wife. The rent charged in the year was £8,750.

17. POST BALANCE SHEET EVENTS

The director's loan was repaid by December 1999.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999	1998
	£	£
Profit for the financial year	<u>2,242</u>	<u>8,512</u>
NET ADDITION TO SHAREHOLDER'S FUNDS	2,242	8,512
Opening shareholder's funds	<u>36,717</u>	<u>28,205</u>
CLOSING SHAREHOLDER'S FUNDS	<u>38,959</u>	<u>36,717</u>
Equity Interests	<u>38,959</u>	<u>36,717</u>