

Company Number 2745594

MARTIN MOTOR SERVICES LIMITED

ABBREVIATED ACCOUNTS

For the year ended 28th February 1997



MARTIN MOTOR SERVICES LIMITED

REPORT OF THE AUDITORS TO THE DIRECTORS OF MARTIN MOTOR SERVICES LIMITED

UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the Abbreviated Accounts on pages 2 to 5 together with the full statutory accounts of the company. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph.

In our opinion the company is entitled to the exemptions as set out in the directors' statement on page 3 and the abbreviated accounts have been properly prepared in accordance with Part III of Schedule 8 to the Companies Act 1985.

On the 16th of December 1996, we reported to the shareholders on the statutory accounts of the company for the year ended 29th of February 1997 prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by Part 1 of Schedule 8. Our report under section 235 of the Companies Act 1985 was as follows:

"We have examined the Financial Statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, 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 Financial Statements and to report our opinion to you.

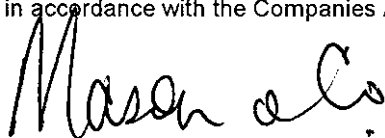
BASIS OF OPINION

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 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 at 28th of February 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



MASON & CO
Chartered Accountants and Registered Auditors
Suite 3 Ber-Mar House
Rumer Hill Business Estate
Rumer Hill Road
Cannock
Staffs. WS11 3LT

Date: 16th December 1997

MARTIN MOTOR SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 28th February 1997

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a) Basis of Preparation of Accounts

The financial statements have been prepared under the historical cost convention and incorporate the results of the principal activity which is as described in the Directors Report and which is continuing.

The company has taken advantage of the exemption in FRS1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

b) Turnover

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

c) 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 or valuation of the assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Buildings	over 99 years
Motor Vehicles	25%
Plant and Equipment	25%
Office Equipment	25%

d) Hire Purchase and Leasing

Assets purchased on Hire Purchase or finance leases are capitalised in the Balance Sheet and depreciated over their useful lives. Interest is charged to the Profit and Loss Account using the "sum of the digits" method.

e) Operating Leases

Rental 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.

f) Stocks and Work in Progress

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

MARTIN MOTOR SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

For the year ended 28th February 1997

1 ACCOUNTING POLICIES (Continued)

g) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the near future.

2 FIXED ASSETS

	Land & Buildings £	Fixtures & Fittings £	Motor Vehicles £	Plant & Machinery £	Total £
Cost:					
At 1st March 1996	173,519	6,549	4,705	23,419	208,192
Additions	10,697		1,800		12,497
Disposals					0
At 28th February 1997	184,216	6,549	6,505	23,419	220,689
Depreciation:					
At 1st March 1996	5,255	3,790	1,611	10,378	21,034
Charge for the period	1,800	684	1,111	3,264	6,859
Re Disposals					0
At 28th February 1997	7,055	4,474	2,722	13,642	27,893
Net Book Value at At 28th February 1997	177,161	2,075	3,783	9,777	192,796

Included above are the following assets held under hire purchase contracts or finance leases:

	Cost £	Depreciation for year £	Depreciation to date £
Motor Vehicles	4,499	752	2,242
Plant & Machinery	5,000	937	2,427
	9,499	1,689	4,669

The directors are of the opinion that the value of the Leasehold Property is not substantially different from that shown in the accounts.

3 DEBTORS

	1997 £	1996 £
Trade debtors	61192	81717
Prepayments and accrued income	1808	1805
	<u>63000</u>	<u>83522</u>

MARTIN MOTOR SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

For the year ended 28th February 1997

	1997 £	1996 £
4 CREDITORS: Amounts falling due within one year		
Bank loans and overdrafts (secured)	6881	11553
Net obligation under finance leases and hire purchase contracts (secured)	1717	1111
Trade creditors	42017	36478
Corporation tax	11069	8906
Other taxation and social security	9841	24435
Accruals & Deferred Income	7310	14105
Other Creditors	16809	6112
Directors loan accounts	1250	4737
	<u>96894</u>	<u>107437</u>
5 CREDITORS: Amounts falling due after more than one year		
Bank Loan (Secured)	85529	93812
Net obligation under finance leases and hire purchase contracts (secured and due between 1 and 5 years)	5517	2131
	<u>91046</u>	<u>95943</u>
6 CALLED UP SHARE CAPITAL		
Authorised		
Ordinary Shares of £1 each	<u>50000</u>	<u>50000</u>
Issued & Fully Paid		
Ordinary Shares of £1 each		
'A' Shares	32000	32000
'B' Shares	3000	3000
	<u>35000</u>	<u>35000</u>

On the 8th of April 1997 an additional 720 Ordinary 'B' shares were issued for a total of £5000 representing a total premium of £4280 over the nominal value.