

**L & F COMMERCIAL PARTS  
SPECIALISTS LIMITED**

**FINANCIAL STATEMENTS**

**30 JUNE 1998**

**Registered number: 3029286**

**HOUGHTON STONE**

**REGISTERED AUDITORS**

**Hambrook**



**L & F COMMERCIAL PARTS SPECIALISTS LIMITED**

**FINANCIAL STATEMENTS**

**for the year ended 30 June 1998**

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**The following page does not form part of the statutory accounts**

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**COMPANY INFORMATION**

**30 June 1998**

NUMBER	3029286
DIRECTORS	M Leach R Ford D Ford
SECRETARY	M Leach
REGISTERED OFFICE	The Conifers Filton Road Hambrook Bristol BS16 1QG
BANKERS	Lloyds Bank Plc Westbury-on-Trym Branch 15 High Street Westbury-on-Trym Bristol BS9 3DA
AUDITORS	Houghton Stone Registered Auditors The Conifers Filton Road Hambrook Bristol BS16 1QG

## DIRECTORS' REPORT

30 June 1998

The directors present their report and the audited financial statements for the year ended 30 June 1998.

**Principal activity**

The principal activity of the company that of commercial vehicle parts distributors.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	30 June 1998 Ordinary shares	1 July 1997 Ordinary shares
M Leach	1	1
R Ford	1	1
D Ford	1	1

**Auditors**

Houghton Stone have agreed to offer themselves for re-appointment as auditors of the company.

**Small company exemptions**

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

On behalf of the board



M Leach  
Secretary

The Conifers  
Filton Road  
Hambrook  
Bristol BS16 1QG

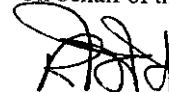
**L & F COMMERCIAL PARTS SPECIALISTS LIMITED****STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and 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 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 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.

On behalf of the board



R Ford  
Director

**L & F COMMERCIAL PARTS SPECIALISTS LIMITED****AUDITORS' REPORT****Auditors' report to the members of  
L & F Commercial Parts Specialists Limited**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and 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 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**

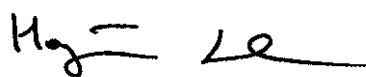
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and 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 error or other irregularity. However, the evidence available to us was limited because records of stock on hand at 30 June 1998 were not retained. There were no satisfactory audit procedures that we could adopt to confirm the stock valuation.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Qualified opinion arising from limitation in audit scope**

Except for any adjustment that might have been found to be necessary had we been able to obtain sufficient evidence concerning closing stock, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
6/4/99

**Houghton Stone  
Registered Auditors**

The Conifers  
Filton Road  
Hambrook  
Bristol BS16 1QG

## L &amp; F COMMERCIAL PARTS SPECIALISTS LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 30 June 1998

	Note	1998 £	1997 £
Turnover		485,744	453,953
Cost of sales		(331,505)	(307,845)
Gross profit		154,239	146,108
Net operating expenses			
Administrative expenses		(150,612)	(142,450)
Operating profit	2	3,627	3,658
Interest payable	4	(3,835)	(1,823)
(Loss)/profit on ordinary activities before taxation		(208)	1,835
Taxation	5	43	(656)
(Loss)/profit on ordinary activities after taxation		(165)	1,179
retained for the year	13		

Movements in reserves are shown in note 13.

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

There are no recognised gains and losses in 1998 or 1997 other than the loss for the year.

L & F COMMERCIAL PARTS SPECIALISTS LIMITED

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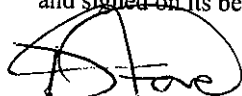
BALANCE SHEET

at 30 June 1998

	Note	1998		1997	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		11,610		14,866
<b>Current assets</b>					
Stocks	7	52,500		55,500	
Debtors	8	90,483		80,451	
Cash at bank and in hand		213		208	
		<u>143,196</u>		<u>136,159</u>	
<b>Creditors: amounts falling due within one year</b>	9	(135,413)		(118,830)	
<b>Net current assets</b>			7,783		17,329
<b>Total assets less current liabilities</b>			<u>19,393</u>		<u>32,195</u>
<b>Creditors: amounts falling due after more than one year</b>	10		(13,932)		(26,526)
<b>Provision for liabilities and charges</b>			(470)		(513)
			<u>4,991</u>		<u>5,156</u>
<b>Capital and reserves</b>					
Called up share capital	12		3		3
Profit and loss account	13		4,988		5,153
<b>Total shareholders' funds</b>	11		<u>4,991</u>		<u>5,156</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 11 were approved by the board of directors on 6.4.99 and signed on its behalf by:



D Ford  
Director



## NOTES ON FINANCIAL STATEMENTS

30 June 1998

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

**Tangible fixed assets**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Motor vehicles	25% on reducing balance basis
Fixtures and fittings	15% on reducing balance basis

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

**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****Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

## NOTES ON FINANCIAL STATEMENTS

30 June 1998

**2 Operating profit**

	1998 £	1997 £
Operating profit is stated after crediting		
Profit on sale of assets	-	543
and after charging	<u>          </u>	<u>          </u>
Auditors' remuneration	5,250	5,333
Operating leases		
Rent	5,510	5,649
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets (note 6)		
Owned assets	2,212	2,616
Leased assets	1,044	306
	<u>          </u>	<u>          </u>
	3,256	2,922
	<u>          </u>	<u>          </u>

**3 Directors**

	1998 £	1997 £
Directors' emoluments	74,193	75,607
	<u>          </u>	<u>          </u>

**Defined contribution pension scheme**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £6,156 (1997 £7,182). Contributions totalling £0 (1997 £0) were payable to the fund at 30 June 1998 and are included in creditors.

**4 Interest payable**

	1998 £	1997 £
Interest payable	3,835	1,823
	<u>          </u>	<u>          </u>

**5 Taxation**

	1998 £	1997 £
Corporation tax on loss on ordinary activities at 21% (1997 21%)	-	17
Deferred taxation	(43)	513
	<u>          </u>	<u>          </u>
	(43)	530
Under provision in earlier years	-	126
	<u>          </u>	<u>          </u>
	(43)	656
	<u>          </u>	<u>          </u>

## NOTES ON FINANCIAL STATEMENTS

30 June 1998

## 6 Tangible fixed assets

	Plant and Machinery etc £
<b>Cost</b>	
1 July 1997 and 30 June 1998	18,510
<b>Depreciation</b>	
1 July 1997	3,644
Charge for year	3,256
30 June 1998	6,900
<b>Net book amount</b>	
30 June 1998	11,610
1 July 1997	14,866

The net book amount of fixed assets includes £3,545 (1997 £4,589) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 2.

## 7 Stocks

	1998 £	1997 £
Stocks	52,500	55,500

## 8 Debtors

	1998 £	1997 £
<b>Amounts falling due within one year</b>		
Trade debtors	90,483	80,451

## NOTES ON FINANCIAL STATEMENTS

30 June 1998

## 9 Creditors: amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	44,693	37,952
Trade creditors	81,705	65,258
Corporation tax	17	17
Other taxation and social security	7,137	10,150
Accruals and deferred income	863	4,455
Obligations under finance leases and hire purchase contracts - note 10	998	998
	<u>135,413</u>	<u>118,830</u>

## 10 Creditors: amounts falling due after more than one year

	1998 £	1997 £
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## Other liabilities

Bank loans	12,933	24,529
Obligations under finance leases and hire purchase contracts	999	1,997
	<u>13,932</u>	<u>26,526</u>

## Maturity of debt included above

In one year or less, or on demand	11,303	11,303
Between one and two years	12,933	24,529
	<u>24,236</u>	<u>35,832</u>

Obligations under finance leases  
and hire purchase contracts

Amounts included above are repayable over varying periods by monthly instalments as follows:

In the next year	998	999
In the second to fifth years	999	1,997
	<u>1,997</u>	<u>2,995</u>

Bank overdraft and loans are secured by a Debenture over the company's assets. The directors have also provided a joint and several guarantee to the bank.

## NOTES ON FINANCIAL STATEMENTS

30 June 1998

**11 Reconciliation of movements in shareholders' funds**

	1998 £	1997 £
(Loss)/profit for the financial year representing a Net (subtraction from)/addition to shareholders' funds	(165)	1,179
Opening shareholders' funds	5,156	3,977
Closing shareholders' funds	<u>4,991</u>	<u>5,156</u>

**12 Called up share capital**

	1998		1997
	Number of shares	£	Number of shares
<b>Authorised</b>			
Ordinary shares of £1 each	100	100	100
<b>Allotted called up and fully paid</b>			
Ordinary shares of £1 each	3	3	3

**13 Profit and loss account**

	1998 £
1 July 1997	5,153
Retained loss for the year	(165)
30 June 1998	<u>4,988</u>