

MOBILE MECHANIC SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005



Company Number: 4590052

REPORT OF THE DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 31 December 2005.

Principal activities

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

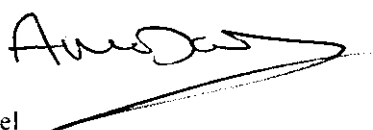
Directors

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

| | <u>Number of Ordinary Shares of £1 each</u> | |
|--------------|--|----------------------|
| | <u>31.12.05</u> | <u>1.1.05</u> |
| Mr A M Doel | 50 | 50 |
| Mrs M I Doel | 50 | 50 |

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

Signed on behalf of the director


A M Doel
Secretary

MOBILE MECHANIC SERVICES LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2005**

| | <u>Note</u> | <u>2005</u> | <u>2004</u> |
|--|-------------|----------------|---------------|
| Turnover | 1 | 54640 | 51160 |
| Cost of sales | | (36705) | (35149) |
| Gross profit | | 17935 | 16011 |
| Administrative expenses | | (12584) | (11753) |
| Operating profit | 2 | 5351 | 4258 |
| Interest payable | | (1269) | (473) |
| Profit on ordinary activities before taxation | | 4082 | 3785 |
| Taxation | | 0 | (475) |
| Profit for the financial year/period after taxation | | 4082 | 3310 |
| Dividends paid | | 0 | (2500) |
| Retained profit for the financial year | 9 | 4082 | 810 |
| Retained profit at 1 January 2005 | | 8616 | 7806 |
| Retained profit at 31 December 2005 | | £ 12698 | £ 8616 |

There are no recognised gains or losses other than the profit for the year.

The notes on pages 5 to 7 form an integral part of these accounts.

BALANCE SHEET **31 DECEMBER 2005**

| | <u>Note</u> | <u>2005</u> | <u>2004</u> |
|--|-------------|-----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 4 | <u>4332</u> | <u>5398</u> |
| Current assets | | | |
| Stock | 1 | 2979 | 2550 |
| Debtors | 5 | 27617 | 16525 |
| Cash in hand | | <u>250</u> | <u>500</u> |
| | | 30846 | 19575 |
| Creditors: amounts falling due within one year | 6 | <u>(21893)</u> | <u>(14240)</u> |
| Net current assets | | <u>8953</u> | <u>5335</u> |
| Total assets less current liabilities | | 13285 | 10733 |
| Creditors: amounts falling due after more than one year | 7 | <u>(487)</u> | <u>(2017)</u> |
| | | <u>£ 12798</u> | <u>£ 8716</u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 100 | 100 |
| Profit and Loss Account | 9 | <u>12698</u> | <u>8616</u> |
| | | <u>£ 12798</u> | <u>£ 8716</u> |

The notes on pages 5 to 7 form an integral part of these accounts.

The financial statements were approved by the Board of Directors on

For the year in question, the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing accounts 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 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Signed on Behalf of the Board of Directors:

.....  Director

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2005

1. Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover is the total amount, excluding Value Added Tax, receivable by the company for services provided.

Stock

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.

Tangible fixed assets

Depreciation is provided to write off the cost of assets less their estimated residual value over their expected useful lives at their following annual rates:

| | |
|---------------------|-------------|
| Motor vehicle | 25% on cost |
| Plant and equipment | 25% on cost |

Deferred taxation

Deferred taxation arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax would be provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing difference reverse, based on current tax rates and laws.

However, as in the present circumstances of the company this would give rise to a deferred tax asset, the recovery of which would be uncertain, no provision is considered necessary.

| | <u>2005</u> | <u>2004</u> |
|--|---------------|---------------|
| 2. Operating profit | | |
| The operating profit is stated after charging: | | |
| Depreciation | <u>£ 2764</u> | <u>£ 2174</u> |
| 3. Directors' emoluments | <u>£ 7585</u> | <u>£ 7391</u> |

NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31 DECEMBER 2005 Continued/

| 4. Tangible assets | <u>Computers</u> | <u>Plant & Equipment</u> | <u>Motor Vehicles</u> | <u>TOTAL</u> |
|--|------------------|------------------------------|-----------------------|----------------|
| Cost. | | | | |
| As at 1 January 2005 | 0 | 6098 | 2600 | 8698 |
| Additions during year | <u>658</u> | <u>1040</u> | <u>0</u> | <u>1698</u> |
| As at 31 December 2005 | <u>£ 658</u> | <u>£ 7138</u> | <u>£ 2600</u> | <u>£ 10396</u> |
| Depreciation. | | | | |
| As at 1 January 2005 | 0 | 2600 | 700 | 3300 |
| Charge for year | <u>329</u> | <u>1785</u> | <u>650</u> | <u>2764</u> |
| As at 31 December 2005 | <u>£ 329</u> | <u>£ 4385</u> | <u>£ 1350</u> | <u>£ 6064</u> |
| Net book value. | | | | |
| As at 31 December 2005 | <u>£ 329</u> | <u>£ 2753</u> | <u>£ 1250</u> | <u>£ 4332</u> |
| As at 31 December 2004 | <u>£ 0</u> | <u>£ 3498</u> | <u>£ 1900</u> | <u>£ 5398</u> |
| | | | <u>2005</u> | <u>2004</u> |
| 5. Debtors | | | | |
| Trade debtors | | | 27481 | 16525 |
| Other debtors | | | <u>136</u> | <u>0</u> |
| | | | <u>£ 27617</u> | <u>£ 16525</u> |
| 6. Creditors: amounts falling due within one year | | | | |
| Bank loan and overdraft | | | 12167 | 7236 |
| Hire purchase | | | 1526 | 993 |
| Trade creditors | | | 4497 | 3435 |
| Directors' loan account | | | 1993 | 388 |
| Taxation | | | 339 | 710 |
| Other creditors | | | <u>1371</u> | <u>1478</u> |
| | | | <u>£ 21893</u> | <u>£ 14240</u> |
| 7. Creditors: amounts falling due after more than one year | | | | |
| Bank loan | | | 0 | 1050 |
| Hire purchase | | | <u>487</u> | <u>967</u> |
| | | | <u>£ 487</u> | <u>£ 2017</u> |

NOTES TO THE ACCOUNTS**FOR THE YEAR ENDED 31 DECEMBER 2005 Continued/****8. Called up share capital****Ordinary Shares of £1 Each**

| | | |
|------------------------------------|--------------|--------------|
| Authorised | <u>£ 100</u> | <u>£ 100</u> |
| Allotted, called up and fully paid | <u>£ 100</u> | <u>£ 100</u> |

100 shares were issued during the period, at par.

9. Shareholders' funds

| | <u>Share Capital</u> | <u>Profit and Loss Account</u> | <u>Share- holders' Funds</u> |
|------------------------|--------------------------|--|--------------------------------------|
| At 1 January 2005 | 100 | 8616 | 8716 |
| Profit for the year | | <u>4082</u> | <u>4082</u> |
| As at 31 December 2005 | <u>£ 100</u> | <u>£ 12698</u> | <u>£ 12798</u> |

10. Related party transactions**Controlling party**

Mr A M Doel and Mrs M I Doel, directors of the company, each hold 50% of the company's issued share capital.