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Registered

**ALLIED VEHICLES LIMITED**

***Registered number: 147093***

**Directors' Report and Financial Statements**

**For the year ended 31 January 2003**



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COMPANIES HOUSE 17/09/03



**SCOTT-MONCRIEFF**

CHARTERED ACCOUNTANTS

EDINBURGH AND GLASGOW

**ALLIED VEHICLES LIMITED**

**Financial Statements**

**For the year ended 31 January 2003**

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# **ALLIED VEHICLES LIMITED**

## **Company Information**

### **Directors**

G Facenna  
M A Facenna  
G C Gillies  
C C Brown  
L Brown  
M Roe

### **Secretary**

C C Brown

### **Registered office**

230 Balmore Road  
Glasgow  
G22 6LJ

### **Registered number**

147093

### **Auditors**

Scott-Moncrieff  
Chartered Accountants  
Registered Auditor  
25 Bothwell Street  
Glasgow  
G2 6NL

### **Principal banker**

Bank of Scotland  
701 Great Western Road  
Glasgow  
G12 8RB

# ALLIED VEHICLES LIMITED

## Report of the Directors

The directors present their report and the audited financial statements for the year ended 31 January 2003.

### Principal activity

The principal activity and core business of the company continued to be the sale and repair of motor vehicles and other ancillary vehicles.

### Review of business

The net profit after providing for taxation amounted to £257,920.

### Dividends

The directors do not recommend the payment of a dividend for the year.

### Directors and their interests

The directors in office and their beneficial interests in the share capital of the company at the beginning of the year and balance sheet date were as follows:

#### Ordinary Shares of £1 each

	31 January 2003	1 February 2002
G Facenna	10,000	10,000
M A Facenna	10,000	10,000
G C Gillies	-	-
C C Brown	5,000	5,000
L Brown	5,000	5,000
M Roe	10,001	10,001

### 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

### Auditors

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants, as auditors will be put to members at the annual general meeting.

By order of the board



C C Brown  
Secretary

9 September 2003

## ALLIED VEHICLES LIMITED

### **Independent auditor's report to the shareholders of Allied Vehicles Limited**

We have audited the financial statements of Allied Vehicles Limited for the year ended 31 January 2003 set out on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom 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 as at 31 January 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Scott-Moncrieff

**Chartered Accountants**

**Registered Auditor**

**25 Bothwell Street**

**Glasgow**

**G2 6NL**

*9 September 2003*

# ALLIED VEHICLES LIMITED

## Profit and Loss Account

For the year ended 31 January 2003

	Note	2003 £	2002 £
<b>Turnover</b>		27,192,162	24,794,804
Cost of sales		21,293,422	19,540,385
<b>Gross profit</b>		5,898,740	5,254,419
Administrative expenses		5,597,541	4,963,787
Other operating income		301,199 58,844	290,632 30,085
<b>Operating profit</b>	2	360,043	320,717
Investment income		26,628	62,208
Interest payable and similar charges	5	(10,057)	(14,962)
<b>Profit on ordinary activities before taxation</b>		376,614	367,963
Taxation	6	118,694	115,288
<b>Profit on ordinary activities after taxation</b>		257,920	252,675
<b>Dividends</b>		-	110,000
<b>Transfer to reserves</b>	16	257,920	142,675

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

There were no recognised gains and losses for the above two years other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements.

# ALLIED VEHICLES LIMITED

## Balance Sheet

At 31 January 2003

	Note	£	2003 £	£	2002 £
<b>Fixed assets</b>					
Tangible assets	8		937,340		702,575
Investments	9		1		1
			<u>937,341</u>		<u>702,576</u>
<b>Current assets</b>					
Stocks	10	1,005,234		1,053,263	
Debtors	11	1,564,039		1,041,355	
Cash at bank and in hand		421,726		1,035,976	
			<u>2,990,999</u>	<u>3,130,594</u>	
Creditors: amounts falling due within one year	12	(2,691,185)		(2,750,997)	
<b>Net current assets</b>			<u>299,814</u>		<u>379,597</u>
<b>Total assets less current liabilities</b>			<u>1,237,155</u>		<u>1,082,173</u>
Creditors: amounts falling due after more than one year	13		(78,323)		(97,323)
Provisions for liabilities and charges	14		(348,635)		(432,573)
<b>Net assets</b>			<u><u>810,197</u></u>		<u><u>552,277</u></u>
<b>Capital and reserves - equity</b>					
Called up share capital	15		40,001		40,001
Profit and loss account	16		770,196		512,276
<b>Shareholders' funds</b>	17		<u><u>810,197</u></u>		<u><u>552,277</u></u>

Approved by the board on 9 September 2003

G Facenna  
Director



The notes on pages 7 to 14 form part of these financial statements.

# ALLIED VEHICLES LIMITED

## Cash Flow Statement

For the year ended 31 January 2003

### Reconciliation of operating profit to operating cash flow

	2003	2002
£	£	£
Operating profit	360,043	320,717
Depreciation	163,806	113,930
Disposal of fixed assets	(2,141)	1,288
Change in stocks	48,029	(148,937)
Change in debtors	(522,684)	122,223
Change in creditors	(35,384)	638,008
Provisions	(86,100)	115,500
Operating cash flow	<u>(74,431)</u>	<u>1,162,729</u>

### Cash flow statement

Operating cash flow	(74,431)	1,162,729
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### Returns on investment and servicing of finance

Interest received	26,628	62,208
Interest paid	(9,351)	(14,791)
Interest element of hire purchase contracts	<u>(706)</u>	<u>(171)</u>
Net cash flow from returns on investment and servicing of finance	16,571	47,246
Taxation	(136,154)	(71,056)

### Capital expenditure and financial investment

Purchase of tangible fixed assets	(399,434)	(74,164)
Sale of tangible fixed assets	<u>3,004</u>	<u>17</u>
Net cash flow from capital expenditure and financial investment	(396,430)	(74,147)
Equity dividends paid	-	(110,000)
	<u>(590,444)</u>	<u>954,772</u>

### Financing

Loan repayments	(23,806)	(150,672)
Capital element of finance lease repayments	<u>-</u>	<u>(12,086)</u>
Net cash flow from financing	(23,806)	(162,758)
Net cash flow for the year	<u>(614,250)</u>	<u>792,014</u>

The notes on pages 7 to 14 form part of these financial statements.



# **ALLIED VEHICLES LIMITED**

## **Notes to the Financial Statements**

**For the year ended 31 January 2003**

### **1 Accounting policies**

#### ***Basis of accounting***

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

#### ***Consolidation***

The company and its subsidiary comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

#### ***Turnover***

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

#### ***Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost of tangible fixed assets as follows:

Freehold properties - 2-4% straight line  
Short leasehold properties - the life of the lease  
Plant and machinery - 15-20% reducing balance  
Motor vehicles - 25% reducing balance

#### ***Operating leases***

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### ***Stocks***

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

#### ***Deferred taxation***

Deferred taxation is provided for at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods that differ from those in which they are included in the financial statements.

#### ***Investments***

Fixed asset investments are stated at cost, less any provisions required where there has been a permanent diminution in their value.

#### ***Pension costs***

The company operates two defined contribution pension schemes in respect of its employees. The assets of the schemes are held separately from those of the company. The pension cost charge represents the amount of the contributions payable to the schemes in respect of the year.

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 2 Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation of tangible assets	163,806	113,930
Research and development	84,485	34,459
Operating lease charges	87,324	68,419
Auditors' remuneration - audit	10,500	10,000
and after crediting/(charging):		
Profit/(loss) on sale of tangible fixed assets	<u>2,141</u>	<u>(1,288)</u>

### 3 Directors' remuneration

	2003 £	2002 £
Directors' emoluments	451,883	555,343
Pension costs	<u>17,800</u>	<u>113,941</u>
	<u>469,683</u>	<u>669,284</u>

6 directors are members of defined contribution pension schemes.

During the year amounts of £Nil (2002 £15,000) were paid to directors as compensation for loss of office.

The emoluments of the highest paid director were £151,745 (2002 : £216,062)

### 4 Staff costs and numbers

Staff costs were as follows:

	2003 £	2002 £
Wages and salaries	2,727,806	2,497,244
Social security costs	328,141	292,994
Pension costs	<u>50,832</u>	<u>131,195</u>
	<u>3,106,779</u>	<u>2,921,433</u>

The average monthly number of employees was 172 (2002 152).

The staff of the company worked in the following activities:

Administration and management	118	110
Production	<u>54</u>	<u>42</u>
	<u>172</u>	<u>152</u>

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 5 Interest payable and similar charges

	2003 £	2002 £
Bank loans and overdrafts	9,351	11,972
Other loans	-	2,819
Lease finance charges	706	171
	<u>10,057</u>	<u>14,962</u>

### 6 Taxation

	2003 £	2002 £
UK corporation tax - current year	92,851	112,473
UK corporation tax - adjustment to prior years	23,681	-
Deferred taxation	2,162	2,815
	<u>118,694</u>	<u>115,288</u>

The tax assessed for the year differs from the standard rate of tax as follows.

	2003 £	2002 £
Profit on ordinary activities before tax	<u>376,614</u>	<u>367,963</u>
Profit on ordinary activities at standard rate of tax 30% ( 2002 30%)	112,984	110,389
Expenses not deductible for tax purposes	11,615	50,837
Capital allowances in excess of depreciation	(1,133)	(2,695)
Other short term timing differences	(1,028)	(120)
Small companies' relief	(29,587)	(45,938)
	<u>92,851</u>	<u>112,473</u>

### 7 Pension costs

The pension cost charge for the year amounted to £50,832 (2002 £131,195).

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 8 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 February 2002	445,688	712,779	103,457	1,261,924
Additions	227,358	157,077	14,999	399,434
Disposals	-	(2,675)	-	(2,675)
At 31 January 2003	<u>673,046</u>	<u>867,181</u>	<u>118,456</u>	<u>1,658,683</u>
<b>Depreciation</b>				
At 1 February 2002	143,065	361,081	55,203	559,349
Charge for the year	52,761	95,230	15,815	163,806
Eliminated on disposal	-	(1,812)	-	(1,812)
At 31 January 2003	<u>195,826</u>	<u>454,499</u>	<u>71,018</u>	<u>721,343</u>
<b>Net book value</b>				
At 31 January 2003	<u>477,220</u>	<u>412,682</u>	<u>47,438</u>	<u>937,340</u>
At 31 January 2002	<u>302,623</u>	<u>351,698</u>	<u>48,254</u>	<u>702,575</u>

The net book value of land and buildings is split as follows:

	2003 £	2002 £
Freehold	424,779	302,623
Short leasehold	52,441	-
	<u>£477,220</u>	<u>£302,623</u>

### 9 Fixed asset investments

	2003 £	2002 £
Shares in group undertakings	<u>1</u>	<u>1</u>

The company owns 100% of the ordinary share capital of Ashfield Motors Limited (formerly Bumperworld Limited), a dormant company with capital and reserves of £1 as at 31 January 2003.

### 10 Stocks

	2003 £	2002 £
Raw materials and consumables	154,347	139,192
Work in progress	55,877	43,573
Finished goods and goods for resale	795,010	870,498
	<u>1,005,234</u>	<u>1,053,263</u>

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 11 Debtors

	2003 £	2002 £
Trade debtors	1,065,713	846,477
Other debtors	374,707	125,092
Prepayments and accrued income	123,619	69,786
	<u>1,564,039</u>	<u>1,041,355</u>

### 12 Creditors: amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	58,054	62,860
Trade creditors	1,805,003	1,902,281
Corporation tax	92,851	112,473
Other taxation and social security	254,849	95,231
Other creditors	177,822	142,585
Accruals and deferred income	302,606	435,567
	<u>2,691,185</u>	<u>2,750,997</u>

Included within creditors is a bank loan of £97,323 (2002 £116,323) which has been secured by standard securities over certain of the company's properties and by a bond and floating charge over the whole assets of the company. The loan is repayable by monthly instalments.

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

	2003 £	2002 £
Bank loans	<u>78,323</u>	<u>97,323</u>
Amounts are due within the following periods:		
Between one and two years	19,000	19,000
Between two and five years	57,000	57,000
In five years or more	2,323	21,323
	<u>78,323</u>	<u>97,323</u>

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 14 Provisions for liabilities and charges

Total provisions for liabilities and charges:

	2003 £	2002 £
Deferred tax	21,935	19,773
Vehicle buy back provision	326,700	412,800
	<u>348,635</u>	<u>432,573</u>

Deferred tax provided in the accounts comprises:

	2003 £	2002 £
Accelerated capital allowances	21,935	19,653
Short term timing differences	-	120
	<u>21,935</u>	<u>19,773</u>

The movement in the deferred tax provision during the year was as follows:

	£
At 1 February 2002	19,773
Movement in the year	<u>2,162</u>
At 31 January 2003	<u>21,935</u>

The movement in the provision for vehicle buy back during the year was as follows:

At 1 February 2002	412,800
Movement in the year	<u>(86,100)</u>
At 31 January 2003	<u>326,700</u>

### 15 Share capital

	2003 £	2002 £
Authorised		
Equity		
100,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
	2003 £	2002 £
Allotted, called up and fully paid		
Equity		
40,001 Ordinary Shares of £1 each	<u>40,001</u>	<u>40,001</u>

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 16 Reserves

	Profit and loss account £
At 1 February 2002	512,276
Transfer for the year	257,920
At 31 January 2003	<u>770,196</u>

### 17 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	257,920	252,675
Dividends	-	110,000
Net addition to shareholders' funds	257,920	142,675
Opening shareholders' funds	552,277	409,602
Closing shareholders' funds	<u>810,197</u>	<u>552,277</u>

### 18 Reconciliation of net cash flow to movement in net funds/(debt)

	2003 £	2002 £
Change in cash in the year	(614,250)	792,014
Change in debt financing	23,806	162,758
Movement in net funds/(debt) in the period	(590,444)	954,772
Net funds/(debt) brought forward	875,793	(78,979)
Net funds carried forward	<u>285,349</u>	<u>875,793</u>

### 19 Analysis of changes in net funds

	Brought forward £	Cash flow £	Other changes £	Carried forward £
Cash	1,035,976	(614,250)	-	421,726
Debt due within one year	(62,860)	23,806	(19,000)	(58,054)
Debt due after one year	(97,323)	-	19,000	(78,323)
	<u>875,793</u>	<u>(590,444)</u>	<u>-</u>	<u>285,349</u>

# ALLIED VEHICLES LIMITED

## Notes to the Financial Statements

For the year ended 31 January 2003

### 20 Operating lease commitments

The company has commitments under operating leases for the next year for leases expiring as follows:

	2003		2002	
	Land & buildings £	Other leases £	Land & buildings £	Other leases £
Within one year	1,690	96,246	9,000	55,697
Between two and five years	35,364	-	-	-
Over five years	44,000	-	-	-
	<u>81,054</u>	<u>96,246</u>	<u>9,000</u>	<u>55,697</u>

Other revenue commitments at the year end were as follows:

	2003 £	2002 £
Vehicle buy back commitment	<u>1,513,750</u>	<u>2,188,750</u>

### 21 Related parties

Mr G Facenna and Mr M A Facenna both directors of the company are shareholders of Dunbritton Properties Limited.

During the year Dunbritton Properties Limited borrowed sums amounting to £390,358 (2002: £nil) from the company. In addition the company paid £29,207 (2002 £nil) for services on behalf of Dunbritton Properties Limited.

Dunbritton Properties Limited invoiced the company £27,109 (2002 £nil) in respect of services rendered and the company invoiced £9,409 (2002 £nil) in respect of services provided to Dunbritton Properties Limited.

The amount due to the company from Dunbritton Properties Limited as at 31 January 2003 is £82,734 (2002: £nil).