

COMPANY REGISTRATION NUMBER 00652878

# LENHAM GARAGES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2014

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# LENHAM GARAGES LIMITED

## FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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# **LENHAM GARAGES LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

R.F. Tolhurst  
K.N. Abrehart  
A.M. Burgess  
S. Phibbs

### **COMPANY SECRETARY**

A.M. Burgess

### **REGISTERED OFFICE**

Ashcombe House  
5 The Crescent  
Leatherhead  
Surrey  
KT22 8DY

### **AUDITOR**

Menzies LLP  
Chartered Accountants  
Ashcombe House  
5 The Crescent  
Leatherhead  
Surrey  
KT22 8DY

### **BANKERS**

Barclays Bank plc  
4th Floor  
Bridgewater House  
Counterslip  
Finzels Reach  
Bristol  
BS1 6BX

# **LENHAM GARAGES LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 AUGUST 2014**

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The directors present their report and the financial statements of the company for the year ended 31 August 2014.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of the provision of garage services.

### **DIRECTORS**

The directors who served the company during the year and up to the date of this report are listed on page 1.

### **GOING CONCERN**

As at the balance sheet date, the company had liabilities in excess of its assets, the overall deficiency being £52,786.

It is the directors' belief that the company will continue to be able to operate in the future due to the continued support of other companies within the Lenham "Group", and because of the continuing availability of borrowing facilities.

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

### **AUDITOR**

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# LENHAM GARAGES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2014

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## SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed by order of the directors



A.M. Burgess  
Company Secretary

Approved by the directors on ..... 19/5/2015 .....

# **LENHAM GARAGES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LENHAM GARAGES LIMITED**

**YEAR ENDED 31 AUGUST 2014**

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We have audited the financial statements of Lenham Garages Limited for the year ended 31 August 2014 on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# LENHAM GARAGES LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LENHAM GARAGES LIMITED *(continued)*

YEAR ENDED 31 AUGUST 2014

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### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.

*Menzies LLP*

PETER EARLE FCA (Senior  
Statutory Auditor)  
For and on behalf of  
MENZIES LLP  
Chartered Accountants  
& Statutory Auditor

Ashcombe House  
5 The Crescent  
Leatherhead  
Surrey  
KT22 8DY

19 May 2015

# LENHAM GARAGES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 AUGUST 2014

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	Note	2014 £	2013 £
<b>TURNOVER</b>		1,246,293	1,125,950
Cost of sales		974,913	840,935
<b>GROSS PROFIT</b>		271,380	285,015
Administrative expenses		261,647	276,537
<b>OPERATING PROFIT</b>	<b>2</b>	9,733	8,478
Interest payable and similar charges		3,146	3,147
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		6,587	5,331
Tax on profit on ordinary activities		1,318	1,066
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>5,269</u>	<u>4,265</u>

The notes on pages 8 to 11 form part of these financial statements.



# LENHAM GARAGES LIMITED

## BALANCE SHEET

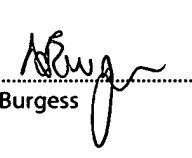
31 AUGUST 2014

	Note	2014 £	£	2013 £	£
<b>FIXED ASSETS</b>					
Tangible assets	3		20,271		14,295
Investments	4		163,019		163,019
			<u>183,290</u>		<u>177,314</u>
<b>CURRENT ASSETS</b>					
Stocks		62,325		56,423	
Debtors	5	326,744		225,063	
Cash at bank and in hand		10,501		12,435	
		<u>399,570</u>		<u>293,921</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>634,845</u>		<u>528,496</u>	
<b>NET CURRENT LIABILITIES</b>			(235,275)		(234,575)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(51,985)		(57,261)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred taxation	7		801		794
			<u>(52,786)</u>		<u>(58,055)</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	11		1,000		1,000
Profit and loss account	12		(53,786)		(59,055)
<b>DEFICIT</b>			<u>(52,786)</u>		<u>(58,055)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 10/5/2015, and are signed on their behalf by:

  
R.F. Tolhurst

  
A.M. Burgess

Company Registration Number: 00652878

The notes on pages 8 to 11 form part of these financial statements.

# LENHAM GARAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

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### 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 April 2008).

#### Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year in the normal course of business, net of trade discounts, VAT and other sales and related taxes.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment	-	10% on cost
Motor Vehicles	-	30% on reducing balance
Computer Equipment	-	25% on cost

#### Stocks

Stocks are valued at the lower of cost and net realisable value as follows:

Parts and raw materials - on a first-in first-out basis.

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

# LENHAM GARAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 1. ACCOUNTING POLICIES *(continued)*

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	2014 £	2013 £
Directors' remuneration	-	-
Staff pension contributions	1,283	383
Depreciation of owned fixed assets	3,539	3,552
Auditor's fees	6,300	6,300

### 3. TANGIBLE FIXED ASSETS

	Office Equipment £	Motor Vehicles £	Computer Equipment £	Total £
<b>COST</b>				
At 1 September 2013	90,564	47,106	14,969	152,639
Additions	9,516	-	-	9,516
Disposals	-	(23,706)	-	(23,706)
<b>At 31 August 2014</b>	<b>100,080</b>	<b>23,400</b>	<b>14,969</b>	<b>138,449</b>
<b>DEPRECIATION</b>				
At 1 September 2013	78,188	45,194	14,962	138,344
Charge for the year	2,966	573	-	3,539
On disposals	-	(23,705)	-	(23,705)
<b>At 31 August 2014</b>	<b>81,154</b>	<b>22,062</b>	<b>14,962</b>	<b>118,178</b>
<b>NET BOOK VALUE</b>				
<b>At 31 August 2014</b>	<b>18,926</b>	<b>1,338</b>	<b>7</b>	<b>20,271</b>
At 31 August 2013	12,376	1,912	7	14,295

# LENHAM GARAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 4. INVESTMENTS

	Vintage vehicles £
<b>COST</b>	
At 1 September 2013 and 31 August 2014	<u>163,019</u>
<b>NET BOOK VALUE</b>	
At 31 August 2014 and 31 August 2013	<u>163,019</u>

### 5. DEBTORS

	2014 £	2013 £
Trade debtors	303,324	204,437
Other debtors	<u>23,420</u>	<u>20,626</u>
	<u>326,744</u>	<u>225,063</u>

### 6. CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	612,911	507,329
Corporation tax	1,311	1,323
Other creditors	<u>20,623</u>	<u>19,844</u>
	<u>634,845</u>	<u>528,496</u>

### 7. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	<u>801</u>	<u>794</u>
	<u>801</u>	<u>794</u>

### 8. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2014 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2014 £	2013 £
Operating leases which expire:		
Within 1 year	<u>65,685</u>	<u>65,685</u>

### 9. CONTINGENCIES

A contingent liability exists at the accounting date in respect of unlimited cross-guarantees given to other companies with common shareholders, which comprise the Lenham "Group", in order to secure their banking facilities.

# LENHAM GARAGES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2014

### 10. RELATED PARTY TRANSACTIONS

During the year there were transactions with companies in which R.F.Tolhurst, a majority shareholder, and his sister, D.J.Abrehart, have controlling interests. R.F.Tolhurst is also a director of Lenham Storage Company Limited, Lenham Storage (Southern) Limited, Lee Davey Caravans Limited and Freightflow International Limited. D.J.Abrehart is also a director of Lenham Storage Company Limited.

Total sales in the period to Lenham Storage Company Limited amounted to £930,081 (2013: £804,931), and sales to Lenham Storage (Southern) Limited amounted to £58,403 (2013: £45,952). Total purchases in the period from Lenham Storage Company Limited amounted to £19,482 (2013: £28,029).

Included within trade debtors are the following balances due from these related companies:

	2014
Lenham Storage Company Limited	£236,357
Lenham Storage (Southern) Limited	£11,886

Included within trade creditors are the following balances due to these related companies:

	2014
Lenham Storage Company Limited	£484,999

All of the above transactions were undertaken on a commercial basis and at arm's length.

### 11. SHARE CAPITAL

Allotted, called up and fully paid:

	2014	£	2013	£
	No		No	
Ordinary shares of £0.50 each	<u>2,000</u>	<u>1,000</u>	<u>2,000</u>	<u>1,000</u>

### 12. PROFIT AND LOSS ACCOUNT

	2014	2013
	£	£
Balance brought forward	(59,055)	(63,320)
Profit for the financial year	<u>5,269</u>	<u>4,265</u>
Balance carried forward	<u>(53,786)</u>	<u>(59,055)</u>

### 13. ULTIMATE CONTROLLING PARTY

R. F. Tolhurst is considered to be the ultimate controlling party by virtue of his majority shareholding.

### 14. GOING CONCERN

As at the balance sheet date, the company had liabilities in excess of its assets, the overall deficiency being £52,786.

It is the directors' belief that the company will continue to be able to operate in the future due to the continued support of other companies within the Lenham "Group", and because of the continuing availability of borrowing facilities.

# **LENHAM GARAGES LIMITED**

## **MANAGEMENT INFORMATION**

**YEAR ENDED 31 AUGUST 2014**

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**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 4 to 5.**