

A SMITH GT BENTLEY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

Registered number: 01112118



GRIFFIN CHAPMAN
CHARTERED ACCOUNTANTS

Colchester



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A SMITH GT BENTLEY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

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The following pages do not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix	1
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A SMITH GT BENTLEY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31ST MARCH 2000

INCORPORATED	In England on 7th May 1973
CHAIRMAN	A Smith
OTHER DIRECTORS	Mrs J Smith I C Smith
SECRETARY	I C Smith
REGISTERED OFFICE	Centre Park Frating Colchester Essex, CO7 7DL
BANKERS	Barclays Bank Plc
AUDITORS	Griffin Chapman Chartered Accountants St Martin's House 63 West Stockwell Street Colchester Essex, CO1 1HE

A SMITH GT BENTLEY LIMITED

DIRECTORS' REPORT

31ST MARCH 2000

The directors present their report and the audited financial statements for the year ended 31st March 2000.

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.

Principal activity

The principal activity of the company was that of coachbuilding and acoustic engineering.

Business review

The company's balance sheet as detailed on page 5 shows a satisfactory position, shareholders' funds amounting to £907,975.

Results and dividends

The results for the year are shown in the profit and loss account on page 4. The directors do not propose payment of an ordinary dividend.

Freehold land and buildings

In the opinion of the directors, the market value of the freehold land and buildings is in excess of the amount shown in the accounts, but as these assets are used in the company's business and no disposals are envisaged, the excess is not quantified.

A SMITH GT BENTLEY LIMITED

DIRECTORS' REPORT (continued)

31ST MARCH 2000

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:

	31st March 2000 Ordinary shares	1st April 1999 Ordinary shares
A Smith	1	1
Mrs J Smith	1	1
I C Smith	120,910	120,826

In accordance with the Articles of Association, Mr A Smith retires by rotation and offers himself for re-election.

Charitable and political donations

Payments of a charitable nature made during the year amounted to £575.

Auditors

Griffin Chapman have indicated their willingness to accept re-appointment as auditors of the company under Section 385(2) of the Companies Act 1985.

On behalf of the board



I C Smith
Secretary

Dated 25/01/01

A SMITH GT BENTLEY LIMITED

AUDITORS' REPORT

Auditors' report to the members of A Smith Great Bentley Limited

We have audited the financial statements on pages 4 to 15 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 2, 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. 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 31st March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Griffin Chapman

REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Dated 25/1/01

A SMITH GT BENTLEY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2000

	Note	2000 £	1999 £
Turnover	2	3,791,402	2,934,278
Cost of sales		(3,115,905)	(2,164,466)
Gross profit		<u>675,497</u>	<u>769,812</u>
Net operating expenses			
Administrative expenses		(636,104)	(716,182)
Operating profit	3	<u>39,393</u>	<u>53,630</u>
Investment income	5	10,342	11,784
Interest payable	6	(40,748)	(52,724)
Profit on ordinary activities before taxation		<u>8,987</u>	<u>12,690</u>
Taxation	7	307	(1,300)
Retained for the year	19	<u><u>9,294</u></u>	<u><u>11,390</u></u>

Movements in reserves are shown in the notes to the financial statements.

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

The company has no recognised gains or losses for the above financial years than those reflected in the profit and loss account above.

A SMITH GT BENTLEY LIMITED

BALANCE SHEET

AT 31ST MARCH 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	8		829,119		847,502
Investments	9		84,941		84,941
			<u>914,060</u>		<u>932,443</u>
Current assets					
Stocks	10	584,365		1,021,509	
Debtors	11	278,176		313,403	
Cash at bank and in hand		228,686		276,147	
			<u>1,091,227</u>	<u>1,611,059</u>	
Creditors: amounts falling due within one year	12	(669,628)		(1,202,080)	
Net current assets			<u>421,599</u>		<u>408,979</u>
Total assets less current liabilities			<u>1,335,659</u>		<u>1,341,422</u>
Creditors: amounts falling due after more than one year	13		(427,684)		(442,741)
Net assets			<u>907,975</u>		<u>898,681</u>
Capital and reserves					
Called up share capital	16		6,097		6,097
Share premium account	17		5,249		5,249
Other reserves	18		10,965		10,965
Profit and loss account	19		885,664		876,370
Total shareholders' funds – equity interests	15		<u>907,975</u>		<u>898,681</u>

The financial statements on pages 4 to 15 were approved by the board of directors on 25th January 2001 and signed on its behalf by:



I C Smith
Director

A SMITH GT BENTLEY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2000

	Note	2000		1999	
		£	£	£	£
Net cash inflow from operating activities	22		5,033		113,952
Returns on investments and servicing of finance					
Interest received		4,593		7,581	
Interest paid		(40,748)		(52,724)	
Other returns		5,749		4,203	
			(30,406)		(40,940)
Taxation					
Corporation tax paid			(1,506)		(51,569)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(25,406)		(13,665)	
Sale of tangible fixed assets		500		-	
			(24,906)		(13,665)
			(51,785)		7,778
Financing	22		(8,089)		(19,048)
Decrease in cash			(59,874)		(11,270)

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Turnover

Turnover represents the amount derived from the provision of goods and services 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:

Freehold land	nil
Freehold buildings	1% per annum on cost
Plant and machinery	15% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance
Fixtures and fittings	15% per annum on reducing balance
Furniture	20% per annum on cost
Computer equipment	33.3% per annum on cost

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 and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. 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.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date.

All differences are taken to the profit and loss account.

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.

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

2 Turnover

The turnover for the year was derived from the company's principal activity.

The analysis of turnover by geographical area is as follows: -

	2000 £	1999 £
United Kingdom	2,774,786	2,742,706
Other E C countries	929,676	97,077
Other	86,940	94,495
	<u>3,791,402</u>	<u>2,934,278</u>

3 Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Auditors' remuneration	6,750	6,500
Operating leases:		
Hire of plant and machinery	2,315	887
Hire of assets other than plant & machinery	450	119
Loss on sale of assets	380	-
Loss on foreign exchange	427	-
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 8):		
Owned assets	42,908	46,441
	<u> </u>	<u> </u>

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

4 Directors and employees

	2000	1999
Staff costs including directors' emoluments	£	£
Wages and salaries	1,473,200	1,474,226
Social security costs	143,173	147,595
Pension costs	52,457	55,060
	<u>1,668,830</u>	<u>1,676,881</u>
Average monthly number employed including executive directors:	Number	Number
Production staff	63	64
Office and management	15	15
	<u>78</u>	<u>79</u>
Directors	£	£
Emoluments	74,760	118,550
Company contributions to money purchase pension schemes	-	4,000
Benefits in kind	7,691	7,150
	<u>82,451</u>	<u>129,700</u>
During the year the following number of directors accrued retirement benefits under:		
Money purchase pension schemes	<u>1</u>	<u>1</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 £52,457 (1999 £55,060) including contributions in respect of employees. No contributions were payable to the fund at 31st March 2000.

5 Investment income

	2000	1999
	£	£
Interest receivable	4,593	7,581
Other non-trading income	249	-
Rental income	5,500	4,203
	<u>10,342</u>	<u>11,784</u>

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

6 Interest payable

	2000	1999
	£	£
Bank interest	424	351
Bank loan interest	34,876	45,808
Other loans	5,448	6,535
Other interest	-	30
	<u>40,748</u>	<u>52,724</u>

7 Taxation

	2000	1999
	£	£
Corporation tax on ordinary activities at 20% (1999 21%)	(307)	1,506
Adjustments in respect of prior periods	-	(206)
	<u>(307)</u>	<u>1,300</u>

The movement on unprovided deferred taxation for the year in respect of accelerated capital allowances over corresponding depreciation was £1,572 (1999 - £2,704).

8 Tangible fixed assets

	Motor Vehicles £	Plant and Machinery £	Furniture Fixtures & Fittings £	Land and Buildings £	Total £
Cost					
1st April 1999	113,653	315,168	138,918	707,694	1,275,433
Additions	-	20,151	5,255	-	25,406
Disposals	(5,701)	-	-	-	(5,701)
31st March 2000	<u>107,952</u>	<u>335,319</u>	<u>144,173</u>	<u>707,694</u>	<u>1,295,138</u>
Depreciation					
1st April 1999	52,148	236,099	113,616	26,068	427,931
Charge for the year	15,596	15,888	4,907	6,517	42,908
Disposals	(4,821)	-	-	-	(4,821)
31st March 2000	<u>62,923</u>	<u>251,987</u>	<u>118,523</u>	<u>32,585</u>	<u>466,018</u>
Net book amount					
31st March 2000	<u>45,029</u>	<u>83,331</u>	<u>25,650</u>	<u>675,109</u>	<u>829,119</u>
1st April 1999	<u>61,505</u>	<u>79,069</u>	<u>25,302</u>	<u>681,626</u>	<u>847,502</u>

The net book value of land and buildings at 31st March 2000 comprised:-

	2000	1999
	£	£
Freehold	<u>675,109</u>	<u>681,626</u>

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

8 Tangible fixed assets (cont'd)

The cost of depreciable assets included in land and buildings at 31st March 2000 was £651,694 (1999 - £651,694).

The freehold property was valued by Fenn Wright Spurlings, Surveyors, at £620,000 on 19th October 1995. The directors however, believe that the actual market value to be closer to the value shown above.

9 Fixed asset investments

		Investments other than loans £
Cost		
31st March 1999 and 31st March 2000		84,941
Net book amount		
31st March 2000		84,941
<i>1st April 1999</i>		<i>84,941</i>
	2000	1999
	£	£
Listed investments included above	-	-
Fixed asset investments - cost	84,941	84,941
Fixed asset investments - directors opinion of market value	120,000	100,000

10 Stocks

	2000	1999
	£	£
Work in progress	397,004	845,894
Raw materials	187,361	175,615
	584,365	1,021,509

11 Debtors

	2000	1999
	£	£
Amounts falling due within one year		
Trade debtors	271,494	301,080
Other debtors	786	5,534
Prepayments and accrued income	5,896	6,789
	278,176	313,403

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

12 Creditors: amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	103,160	83,779
Payments on account	191,599	658,051
Trade creditors	192,446	171,873
Corporation tax	-	1,506
Other taxation and social security	96,367	183,035
Other creditors	58,756	56,927
Accruals and deferred income	27,300	46,909
	<u>669,628</u>	<u>1,202,080</u>

The bank loan is secured by a fixed charge on the freehold property and a debenture giving a floating charge over the company's assets.

Other creditors totalling £56,927 are secured by a debenture giving a floating charge over the company's assets.

13 Creditors: amounts falling due after more than one year

	2000	1999
	£	£
Bank loan (secured - see note 12)	418,350	433,241
Other loans	9,334	9,500
	<u>427,684</u>	<u>442,741</u>

Maturity of debt

In one year or less, or on demand - see note 12	26,016	19,048
In more than two years but not more than five years	143,398	132,890
In more than five years	284,286	309,851
	<u>453,700</u>	<u>461,789</u>

Amounts falling due after more than five years:

Bank loan	<u>284,286</u>	<u>309,851</u>
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The bank loan repayment and interest terms were re-negotiated in April 1999. The bank loan is repayable at £13,254.04 per quarter with interest being charged at a rate equal to 2.25% above Barclays Base rate.

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

14 Deferred taxation

	2000		1999	
	Amount Unprovided £	Amount provided £	Amount unprovided £	Amount provided £
Corporation tax deferred by				
Capital allowances in excess of depreciation	50,603	-	49,031	-
Other timing differences	-	-	-	-
	<u>50,603</u>	<u>-</u>	<u>49,031</u>	<u>-</u>

Deferred taxation is based on a corporation tax rate of 20% (1999 21%).

15 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	9,294	11,390
Net addition to shareholders' funds	<u>9,294</u>	<u>11,390</u>
Opening shareholders' funds	898,681	887,291
Closing shareholders' funds	<u>907,975</u>	<u>898,681</u>

16 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares of 5p each	<u>1,000,000</u>	<u>50,000</u>	<u>1,000,000</u>	<u>50,000</u>
Allotted, called up and fully paid				
Equity shares				
Ordinary shares of 5p each	<u>121,944</u>	<u>6,097</u>	<u>121,944</u>	<u>6,097</u>

17 Share premium account

	2000 £
1st April 1999 and 31st March 2000	<u>5,249</u>

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

18 Other reserves

2000
Revaluation
reserve
£

1st April 1999
and
31st March 2000

10,965

19 Profit and loss account

2000
£

1st April 1999
Retained profit for the year

876,370

9,294

31st March 2000

885,664

20 Control relationships

The company is under the control of Mr I C Smith who owns 99.15% of the issued share capital.

21 Transactions with related parties

Other creditors includes the following amount which is owed to individuals who are directors of the company:-

£

Mr A & Mrs J Smith

56,927

Interest is paid on this loan on an annual basis at 3% above the Barclays base rate. The amount paid in the year was £4,772.

During the year the company sold a motor car to Mr I C Smith, a director of the company. The agreed price was £500.

22 Notes to the cash flow statement

Reconciliation of operating profit to operating cash flows

	2000 £	1999 £
Operating profit	39,393	53,630
Depreciation charges	42,908	46,441
Loss on sale of fixed assets	380	-
Decrease/(increase) in stocks	437,144	(427,318)
Decrease/(increase) in debtors	35,534	(139,023)
(Decrease)/increase in creditors	(550,326)	580,222
Net cash inflow from operating activities	5,033	113,952

A SMITH GT BENTLEY LIMITED

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

22 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash at bank and in hand	276,147	(47,461)	228,686
Bank overdrafts	(64,731)	(12,413)	(77,144)
		<u>(59,874)</u>	
Debt due within 1 year	(19,048)	(6,968)	(26,016)
Debt due after 1 year	(442,741)	15,057	(427,684)
		<u>8,089</u>	
Total	<u>(250,373)</u>	<u>(51,785)</u>	<u>(302,158)</u>

Reconciliation of net cash flow to movement in net debt

	2000 £	1999 £
Decrease in cash in the year	(59,874)	(11,270)
Cash outflow from decrease in debt and lease financing	8,089	19,048
Change in net debt resulting from cash flows	<u>(51,785)</u>	<u>7,778</u>
Net debt at 1st April 1999	(250,373)	(258,151)
Net debt at 31st March 2000	<u>(302,158)</u>	<u>(250,373)</u>