

1454802

MIKE SAUNDERS MOTORS LTD

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST OCTOBER 1994

W.R.KING & CO.
CERTIFIED ACCOUNTANTS



MIKE SAUNDERS MOTORS LTD

DIRECTORS:	Mr.M.Saunders Mrs.W.Saunders Mr.W.D.Fowler
REGISTERED NUMBER:	1454802
REGISTERED OFFICE:	44,Victoria Gardens Neath West.Glam.
BANKERS:	Barclays Bank Plc. The Parade Neath West.Glam.
AUDITORS:	W.R.King & Co. Certified Accountants 44 VICTORIA GARDENS NEATH WEST GLAMORGAN SA11 3BH

MIKE SAUNDERS MOTORS LTD
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1994

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MIKE SAUNDERS MOTORS LTD
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST OCTOBER 1994

The directors present their annual report with the accounts of the company for the Year ended 31st October 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the Year under review was that of car sales and repairs.

REVIEW OF BUSINESS

A summary of the results for the Year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisitions and disposals of fixed assets during the Year are shown in note 3.

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

DIRECTORS

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

	Ordinary Shares of £1 each	
	1994	1993
Mr.M.Saunders	99	99
Mrs.W.Saunders	1	1
Mr.W.D.Fowler	-	-

AUDITORS

The Auditors, W.R.King & Co., are deemed to be re-appointed in accordance with Section 385 of The Companies Act 1985.

Signed on behalf of The
Board of Directors

W. Saunders.

Secretary

MIKE SAUNDERS MOTORS LTDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with 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.

By Order of the Board

AUDITORS' REPORT TO THE SHAREHOLDERS OF
MIKE SAUNDERS MOTORS LTD

We have audited the financial accounts on pages 4 to 8 which have been prepared under the historical cost convention [as modified by the revaluation of certain fixed assets] and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st October 1994 and of its loss and cash flow for the Year then ended and have been properly prepared in accordance with the Companies Act 1985.

W.R.KING & CO.
Registered Auditors
Certified Accountants
44 VICTORIA GARDENS
NEATH
WEST GLAMORGAN
SA11 3BH



MIKE SAUNDERS MOTORS LTDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
TURNOVER		477,455	393,183
Cost of Sales		403,949	338,222
<u>GROSS PROFIT</u>		73,506	54,961
Net Operating Expenses			
Administrative Expenses		75,788	64,754
<u>OPERATING LOSS</u>		(2,282)	(9,793)
Interest Payable		170	170
<u>LOSS ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		(2,452)	(9,963)
Tax on Ordinary Activities		2,000	-
<u>LOSS ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		£ (4,452)	£ (9,963)
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		8,083	18,045
Loss for the Year		(4,452)	(9,963)
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 3,631	£ 8,082

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

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 8 form part of these accounts.

MIKE SAUNDERS MOTORS LTDBALANCE SHEET
AS AT 31ST OCTOBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
FIXED ASSETS			
Tangible Assets	3	42,744	43,861
CURRENT ASSETS			
Stock and Work in Progress	4	45,158	49,213
Debtors	5	22,760	8,000
		67,918	57,213
CREDITORS : Amounts Falling Due within One Year	6	(94,322)	(80,283)
NET CURRENT LIABILITIES		(26,404)	(23,070)
TOTAL ASSETS LESS CURRENT LIABILITIES		16,340	20,791
CREDITORS : Amounts Falling Due After more than One Year (Including Convertible Debt)		(12,609)	(12,609)
		£ 3,731	£ 8,182
CAPITAL AND RESERVES			
Share Capital	7	100	100
Profit and Loss Account		3,631	8,082
TOTAL SHAREHOLDERS' FUNDS		£ 3,731	£ 8,182
Signed on behalf of the board of directors			



Mr. M. Saunders
Director

Approved by the board:

The notes on pages 6 to 8 form part of these accounts.

MIKE SAUNDERS MOTORS LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1994**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and Fittings	20% on cost
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No depreciation is provided on freehold land.

Stocks and Work in Progress

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.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the Year.

2. DIRECTORS' REMUNERATION

	<u>1994</u>	<u>1993</u>
	£	£
Directors' Remuneration	14,060	12,660
Directors' Pension Scheme	1,151	1,147
	<u>15,211</u>	<u>13,807</u>

Number of Directors whose total emoluments, excluding Pension Contributions, were within the ranges:

£nil - £5,000	2	2
£5,001 - £10,000	-	-
£10,001 - £15,000	1	1
	<u>3</u>	<u>3</u>

MIKE SAUNDERS MOTORS LTD

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1994

3. TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant & Equipment	Fixtures & Fittings	Property	TOTAL
	£	£	£	£	£
COST OR VALUATION					
At 1st November 1993	-	-	15,636	38,268	53,904
Additions in Year	-	-	-	-	-
At 31st October 1994	-	-	15,636	38,268	53,904
DEPRECIATION					
At 1st November 1993	-	-	10,042	-	10,042
Charge for Year	-	-	1,118	-	1,118
At 31st October 1994	-	-	11,160	-	11,160
NET BOOK VALUE					
At 31st October 1994	-	-	4,476	38,268	42,744
At 31st October 1993	-	-	5,593	38,268	43,861

4. STOCKS

	<u>1994</u> £	<u>1993</u> £
Raw Materials and Consumables	45,158	49,213

5. DEBTORS

	<u>1994</u> £	<u>1993</u> £
Amounts due within one year:		
Trade Debtors	7,535	8,000
Other Debtors	15,225	-
	22,760	8,000

6. CREDITORS

	<u>1994</u> £	<u>1993</u> £
Amounts falling due within one year:		
Bank Loans and Overdrafts (see below)	83,580	73,460
Trade Creditors	7,488	4,600
Other Creditors:		
Social Security and Other Taxes	2,846	1,326
Other Creditors	408	897
	94,322	80,283
Bank Overdraft	83,580	72,959
Hire Purchase	-	501
	83,580	73,460

MIKE SAUNDERS MOTORS LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 19947. SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
	£	£
Authorised	1,000	1,000
	<u> </u>	<u> </u>
Allotted, Issued and Fully Paid	100	100
	<u> </u>	<u> </u>

MIKE SAUNDERS MOTORS LTDTRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 1994

	£	<u>1994</u>	£	£	<u>1993</u>	£
Sales			477,455			393,183
COST OF SALES						
Spares and Components		54,059			38,643	
Cars for Resale		349,890			299,579	
			403,949			338,222
GROSS PROFIT			73,506			54,961
LESS OVERHEADS						
Salaries and Wages		18,304			15,019	
Motor Running Expenses		3,406			2,368	
Repairs and Renewals		1,943			797	
Telephone Charges		2,532			2,696	
Printing and Stationery		1,364			244	
Advertising		3,578			3,219	
Heating and Lighting		1,441			1,271	
Insurances		5,070			4,682	
Rent and Rates		9,860			9,524	
Bank Charges		8,771			6,381	
Hire Purchase Interest		170			170	
Sundry Expenses		1,356			1,412	
Cleaning and Materials		984			949	
Directors' Remuneration		14,060			12,660	
Directors' Pension Scheme		1,151			1,147	
Auditors Remuneration		850			850	
Depreciation Fixtures & Fittings		1,118			1,535	
			75,958			64,924
NET LOSS FOR THE YEAR			£ 2,452			£ 9,963

This page does not form part of the statutory accounts.