

Monnington Motors Limited

Annual Report

Year Ended 30 September 2003

Company Registration Number 01646936



Monnington Motors Limited

Financial Statements

Year Ended 30 September 2003

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Monnington Motors Limited

Directors' Report

Year Ended 30 September 2003

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 September 2003.

Principal Activities

The principal activity of the company during the year was vehicle servicing and repairs.

The Directors and their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 September 2003	At 1 October 2002
A W Monnington	51	51
P I Monnington	<u>50</u>	<u>50</u>

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



A W Monnington
Company Secretary

Monnington Motors Limited

Profit and Loss Account

Year Ended 30 September 2003

	Note	2003 £	2002 £
Turnover		465,154	441,831
Cost of sales		(292,924)	(259,085)
Gross Profit		172,230	182,746
Administrative expenses		(163,602)	(161,148)
Operating Profit	2	8,628	21,598
Interest receivable		344	233
Interest payable		(3,341)	(2,540)
Profit on Ordinary Activities Before Taxation		5,631	19,291
Tax on profit on ordinary activities	4	58	(4,712)
Profit on Ordinary Activities after Taxation		5,689	14,579
Equity dividends paid		(4,040)	—
Retained Profit for the Financial Year		1,649	14,579

Monnington Motors Limited

Balance Sheet

30 September 2003

	Note	2003 £	2002 £
Fixed Assets			
Tangible assets	5	<u>23,128</u>	<u>27,232</u>
Current Assets			
Stocks		19,510	29,216
Debtors	6	27,331	21,705
Cash at bank and in hand		<u>34,204</u>	<u>31,371</u>
		81,045	82,292
Creditors: Amounts falling due within one year	7	<u>(48,983)</u>	<u>(52,520)</u>
Net Current Assets		<u>32,062</u>	<u>29,772</u>
Total Assets Less Current Liabilities		55,190	57,004
Creditors: Amounts falling due after more than one year	8	<u>(1,413)</u>	<u>(4,176)</u>
		53,777	52,828
Provisions for Liabilities and Charges			
Deferred taxation	9	<u>(2,500)</u>	<u>(3,200)</u>
		<u>51,277</u>	<u>49,628</u>

The Balance sheet continues on the following page.

Monnington Motors Limited

Balance Sheet *(continued)*

30 September 2003

	Note	2003 £	2002 £
Capital and Reserves			
Called-up equity share capital	11	101	101
Profit and loss account	12	51,176	49,527
Shareholders' Funds		<u>51,277</u>	<u>49,628</u>

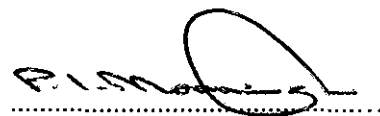
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

These financial statements were approved by the directors on the 12 April 2004 and were signed on their behalf by:



P I Monnington

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

1. Accounting Policies

(a) 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).

(b) Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

(c) Fixed assets

All fixed assets are initially recorded at cost.

(d) 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:

Leasehold Property	- over the term of the lease
Plant & Machinery	- 20%/over the term of the lease
Fixtures & Fittings	- 10%/over the term of the lease
Motor Vehicles	- 25%

(e) Stocks

Stock and work in progress are stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method and comprises the direct cost of production. Net realisable value is the estimated selling price reduced by all costs of completion.

(f) Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

(g) 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.

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

1. Accounting Policies *(continued)*

(h) 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.

(i) Deferred taxation

Deferred tax is recognised in respect of timing differences between the treatment of certain items for taxation and accounting purposes which have occurred but not reversed by the balance sheet date. Deferred tax is not discounted.

2. Operating Profit

Operating profit is stated after charging:

	2003 £	2002 £
Staff pension contributions	15,734	15,430
Depreciation of owned fixed assets	6,005	5,766
Depreciation of assets held under finance lease agreements	70	810
Loss on disposal of fixed assets	454	—

3. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Aggregate emoluments	77,287	75,428

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003 No	2002 No
Money purchase schemes	2	2

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

4. Tax on Profit on Ordinary Activities

	2003 £	2002 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	619	2,862
Over/under provision in prior year	23	—
Total current tax	<u>642</u>	<u>2,862</u>
Deferred tax:		
(Decrease)/Increase in deferred tax provision (note 9)		
Capital allowances	(700)	1,850
Tax on profit on ordinary activities	<u>(58)</u>	<u>4,712</u>

5. Tangible Fixed Assets

	Brought forward 1 Oct 02 £	Additions £	Disposals £	Carried forward 30 Sep 03 £
Cost				
Plant & Machinery	84,900	—	—	84,900
Fixtures & Fittings	21,037	1,250	(550)	21,737
Motor Vehicles	1,850	1,175	(250)	2,775
Tools	2,065	—	—	2,065
Leasehold Improvements	17,325	—	—	17,325
	<u>127,177</u>	<u>2,425</u>	<u>(800)</u>	<u>128,802</u>

	Brought forward 1 Oct 02 £	Charges £	Disposals £	Carried forward 30 Sep 03 £
Depreciation				
Plant & Machinery	78,506	2,433	—	80,939
Fixtures & Fittings	12,860	2,661	(220)	15,301
Motor Vehicles	1,726	294	(126)	1,894
Tools	—	—	—	—
Leasehold Improvements	6,853	687	—	7,540
	<u>99,945</u>	<u>6,075</u>	<u>(346)</u>	<u>105,674</u>

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

5. Tangible Fixed Assets *(continued)*

	Brought forward 1 Oct 02 £	Carried forward 30 Sep 03 £
Net Book Value		
Plant & Machinery	6,394	3,961
Fixtures & Fittings	8,177	6,436
Motor Vehicles	124	881
Tools	2,065	2,065
Leasehold Improvements	10,472	9,785
	<u>27,232</u>	<u>23,128</u>

6. Debtors

	2003 £	2002 £
Trade debtors	21,668	20,187
Prepayments and accrued income	5,663	1,518
	<u>27,331</u>	<u>21,705</u>

7. Creditors: Amounts falling due within one year

	2003 £	2002 £
Trade creditors	21,967	20,389
Income tax	71	263
Corporation tax	619	2,862
PAYE and social security	6,158	4,471
VAT	12,728	11,476
Other creditors	2,586	2,833
Directors current accounts	4,729	6,758
Accruals and deferred income	125	3,468
	<u>48,983</u>	<u>52,520</u>

8. Creditors: Amounts falling due after more than one year

	2003 £	2002 £
Other creditors	<u>1,413</u>	<u>4,176</u>

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

9. Deferred Taxation

	2003 £	2002 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	3,200	1,350
Profit and loss account movement arising during the year	(700)	1,850
Provision carried forward	<u>2,500</u>	<u>3,200</u>

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

	2003 £	2002 £
Excess of taxation allowances over depreciation on fixed assets	2,500	3,200
	<u>2,500</u>	<u>3,200</u>

10. Related Party Transactions

Control

The company is under the effective control of its directors.

Related Party Transactions

During the year the company paid interest amounting to £353 to A W Monnington, a director of the company, in respect of a loan made to the company.

Included in creditors are amounts due to directors as follows:

	2003 £	2002 £
A W Monnington	1,641	3,670
P I Monnington	3,088	3,088

During the year the company paid rent amounting to £24,676 and interest amounting to £366 to the company pension scheme of which A W Monnington and P I Monnington are beneficiaries.

Monnington Motors Limited

Notes and Accounting Policies

Year Ended 30 September 2003

11. Share Capital

Authorised share capital:

	2003 £	2002 £
Equity shares		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2003 No	£	2002 No	£
Equity shares				
Ordinary shares of £1 each	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

12. Profit and Loss Account

	2003 £	2002 £
Balance brought forward	49,527	34,948
Retained profit for the financial year	<u>1,649</u>	<u>14,579</u>
Balance carried forward	<u>51,176</u>	<u>49,527</u>