

A. & S. MOTORS (GOSPORT) LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

COMPANY NUMBER

2507495

RAY DYER CHARTERED ACCOUNTANTS
Inglenook, Main Road
Nutbourne, West Sussex



A. & S. MOTORS (GOSPORT) LIMITED

DIRECTORS

A. Hewett

REGISTERED OFFICE

Bury Cross Garage
Privett Road
Gosport
Hampshire

BANKERS

Cater Allen
9 Nelson Street
Bradford

ACCOUNTANTS

Ray Dyer Chartered Accountants

Inglenook
Main Road
Nutbourne
West Sussex

COMPANY NUMBER

2507495

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report and financial statements for the Year Ended 31 May 2006.

ACTIVITIES

The principal activity of the Company was that of a property investment company.

RESULTS AND DIVIDENDS

The accounts show a profit before taxation of :

This was all attributable to the principal activity.

The Directors declared dividends during the Year of:

The company transferred the following to Reserves for the Year:

2005	2006
372042	80762
40000	19000
236331	45498

DIRECTORS

The Directors who held office during the Year, were as follows:

Ordinary Shares of £1 each	
2005	2006

A. Hewett

1

1

FIXED ASSETS

The fixed assets are shown in the notes to the accounts.

ACCOUNTANTS

The company has dispensed with the need to appoint an auditor for the company, but appointed Ray Dyer Chartered Accountants, as the accountants to the company.

REPORT OF THE DIRECTORS - continued.

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare 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 for that period. In preparing the accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the 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 accounts 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.

This report which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on 14/11/2006 and signed on its behalf.

BY ORDER OF THE BOARD

A rectangular box containing a handwritten signature in black ink. The signature is stylized and appears to be 'A. Hewett'.

A. Hewett

Director

14 November 2006

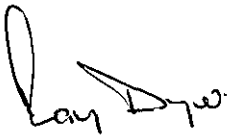
REPORT OF THE ACCOUNTANTS

on the unaudited accounts

TO THE DIRECTORS OF:

A. & S. MOTORS (GOSPORT) LIMITED

As described on the Balance Sheet, you are responsible for the preparation of the accounts for the year ended 31 May 2006, set out on pages 4 to 11, and you consider that the company is exempt from an audit under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



RAY DYER CHARTERED ACCOUNTANTS
Accountants

Nutbourne
West Sussex

14 November 2006

A. & S. MOTORS (GOSPORT) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2006

	NOTES	2005 £	2006 £
Turnover	2	72600	72000
Cost of Sales		0	0
Gross Profit		72600	72000
Administrative Costs		115880	728
Operating Costs		-407517	4861
		364237	66411
Interest Receivable	4	14494	14351
Rents Receivable		0	0
Interest Payable	3	6689	0
Profit on Ordinary Activities		372042	80762
Taxation	5	95711	16264
Profit after taxation for the Year		276331	64498
Dividends: Paid	11	40000	19000
Retained Profit		236331	45498
Profit and Loss Account Brought Forward		66285	302616
		302616	348114

The notes on pages 8 to 11 form an integral part of the Financial Statements.

All trading activities of the company are continued.

There were no other recognised gain or losses not reflected through the Profit and Loss Account.

A. & S. MOTORS (GOSPORT) LIMITED

BALANCE SHEET AS AT 31 MAY 2006

	NOTES	2005 £	2006 £
FIXED ASSETS	13	208365	203524
CURRENT ASSETS			
Stock	6	0	0
Debtors	7	0	0
Bank and Cash		421961	361853
		421961	361853
LESS: CREDITORS Amounts payable within one year.	9	327708	217261
NET CURRENT ASSETS / LIABILITIES		94253	144592
TOTAL ASSETS LESS CURRENT LIABILITIES		302618	348116
LESS: CREDITORS Amounts due after one year.	10	0	0
		302618	348116
CAPITAL AND RESERVES			
Called up Share Capital	8	2	2
Profit and Loss Account	4	302616	348114
EQUITY INTERESTS		302618	348116

The notes on pages 8 to 11 form an integral part of the financial statements.

The Directors have:-

For the Year Ended 31 May 2006, the company was entitled to exemption under section 249A (1) of the Companies Act 1985.

No members required the company to obtain an audit of its accounts for the year in question in accordance with section 249B

The Directors acknowledge their responsibility for:

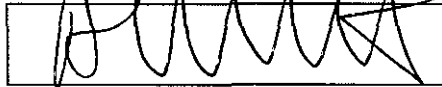
- i) Ensuring the Company keeps its accounting records which comply with section 221, and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on:

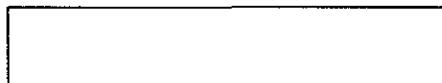
14 November 2006

and signed on its behalf

A. Hewett
Director



14 Nov 2006



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2006

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Financial Statements are prepared on the historical cost basis of accounting.

TURNOVER

Turnover represents gross invoices issued during the Year, less credit notes and Value Added Tax.

DEPRECIATION

Depreciation is calculated to write off the cost of fixed assets over their effective useful lives. The rates and bases of depreciation are as follows:

Land and Buildings	2% Straight Line
Motor Vehicles	25% Reducing Balance
Office Equipment	10% Reducing Balance

STOCKS AND WORK IN PROGRESS

Stocks have been valued at the lower of cost and net realisable value. Cost of stock is determined by purchase price including transport and handling costs less trade discounts. Net realizable value means estimated selling price less all costs to be incurred in marketing, selling and distribution.

DEFERRED TAXATION

Provision is made at the current rates for deferred taxation in respect of all material timing differences except to the extent that in the opinion of the Directors there is reasonable probability that the liability will not arise in the foreseeable future.

LEASED ASSETS

Fixed assets leased under finance leases are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. The cost of operating leases are charged to the profit and loss account as they accrue.

PENSION SCHEME

The Pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period. The scheme is a defined contributions scheme.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES

The turnover and pre-tax profit are attributable to the principal activity of the company.

3. INTEREST PAYABLE

	2005	2006
	£	£
Bank Overdraft	0	0
Bank Loans	0	0
Loan Interest	6689	0
	<u>6689</u>	<u>0</u>

4. PROFIT ON ORDINARY ACTIVITIES

The Profit before taxation is stated after charging:

	2005	2006
	£	£
Directors Remuneration	0	0
Depreciation of Fixed Assets	6742	4841
Directors Pension Contributions	0	0
Management Charges	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006

4. PROFIT ON ORDINARY ACTIVITIES (continued)

And after Crediting:
Interest Received
Management Charges
Profit on sale of Assets

2005	2006
£	£
14494	14351
0	0
421000	0

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

Taxation is based on the Profit for the Year, and comprises:
Corporation Tax at 19% and 30%
Underprovision for prior years
Deferred Taxation

2005	2006
£	£
95711	16264
0	0
0	0
95711	16264

6. STOCKS AND WORK IN PROGRESS

Stock
Work in Progress

2005	2006
£	£
0	0
0	0
0	0

Stocks are valued by the Directors at the lower of cost or net realisable value.

7. TRADE DEBTORS

Trade Debtors
Corporation Tax
Prepayments
Loan to Associated Company

2005	2006
£	£
0	0
0	0
0	0
0	0
0	0

All amounts are receivable within 1 year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006

8. SHARE CAPITAL

		2005	2006
£ 1 Ordinary Shares	Authorised	100	100
	Allotted, called up and fully paid	<u>2</u>	<u>2</u>

9. CREDITORS

Amounts due within 1 Year

	2005	2006
	£	£
Associated Company	181497	181497
Bank Overdraft and Loans	0	0
PAYE and Other Taxes	0	0
Corporation Tax	95711	16264
Loan Account	0	0
Accruals and Other Creditors	500	500
Directors Loan Accounts	50000	19000
	<u>327708</u>	<u>217261</u>

10. CREDITORS

Amounts due after 1 Year

	2005	2006
	£	£
Bank Loan	0	0
Other Creditors	0	0
	<u>0</u>	<u>0</u>

11. DIVIDEND

	2005	2006
	£	£
Paid Ordinary Dividend of:	<u>40000</u>	<u>19000</u>

12. BANK OVERDRAFT AND LOANS

	2005	2006
	£	£
Bank Overdraft	0	0
Loan	0	0
	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006

13. FIXED ASSETS

The fixed assets of the Company are as follows:

COST OR VALUATION

Land and Buildings
Plant and Equipment
Leasehold Premises

DEPRECIATION

Land and Buildings
Plant and Equipment
Leasehold Premises

NET BOOK VALUE

Land and Buildings
Plant and Equipment
Leasehold Premises

BROUGHT FORWARD	ADDITIONS	DISPOSALS	CARRIED FORWARD
242075	0	0	242075
0	0	0	0
0	0	0	0
242075	0	0	242075
BROUGHT FORWARD	CHARGE FOR YEAR	DISPOSALS	CARRIED FORWARD
33710	4841	0	38551
0	0	0	0
0	0	0	0
33710	4841	0	38551
BROUGHT FORWARD			CARRIED FORWARD
208365			203524
0			0
0			0
208365			203524

14. MOVEMENT ON SHAREHOLDERS FUNDS

Profit for the Period
Less: Dividends

Opening Shareholders Funds

Closing Shareholders Funds

2005 £	2006 £
276331	64498
40000	19000
236331	45498
66285	302616
302616	348114

15. RELATED PARTY TRANSACTIONS

During the course of the Period, the company made loans to, and received rents from an associate company.