

Company Registration No. 2954341 (England and Wales)

GRENDON GARAGE (CAR SALES) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2003



# **GRENDON GARAGE (CAR SALES) LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	G C Cox
<b>Secretary</b>	S J Bond
<b>Company number</b>	2954341
<b>Registered office</b>	Sterling House 19/23 High Street Kidlington OX5 2DH
<b>Accountants</b>	Haines Watts Sterling House 19/23 High Street Kidlington OX5 2DH
<b>Business address</b>	Main Street Grendon Underwood Aylesbury, Bucks HP18 0SW
<b>Bankers</b>	National Westminster Bank PLC 12 High Street Windsor Berks SL4 1LQ

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# GRENDON GARAGE (CAR SALES) LIMITED

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# GRENDON GARAGE (CAR SALES) LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2003

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The director presents his report and financial statements for the year ended 30 September 2003.

### Principal activities

The principal activity of the company continued to be that of retailer of new and used vehicles.

### Directors

The following directors have held office since 1 October 2002:

G C Cox

Mrs J R Cox

(Resigned 31 March 2003)

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2003	1 October 2002
G C Cox	2	1

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

By order of the board

  
.....  
G C Cox  
Director

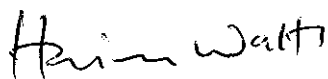
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# **GRENDON GARAGE (CAR SALES) LIMITED**

## **ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS OF GRENDON GARAGE (CAR SALES) LIMITED**

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As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 September 2003, set out on pages 3 to 11 and you consider that the company is exempt from an audit. 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.



**Haines Watts**

**Chartered Accountants**

*14 July 2004*

Sterling House  
19/23 High Street  
Kidlington  
OX5 2DH

# GRENDON GARAGE (CAR SALES) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	Notes	2003 £	2002 £
Turnover		987,390	976,111
Cost of sales		(963,212)	(925,911)
<b>Gross profit</b>		<b>24,178</b>	<b>50,200</b>
Administrative expenses		(52,648)	(40,631)
<b>Operating (loss)/profit</b>	<b>2</b>	<b>(28,470)</b>	<b>9,569</b>
Loss on disposal of shares	<b>5</b>	(225,000)	-
Fixed asset investment			
<b>(Loss)/profit on ordinary activities before interest</b>		<b>(253,470)</b>	<b>9,569</b>
Interest payable and similar charges	<b>3</b>	(130)	-
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(253,600)</b>	<b>9,569</b>
Tax on (loss)/profit on ordinary activities	<b>4</b>	1,758	(2,066)
<b>(Loss)/profit on ordinary activities after taxation</b>	<b>11</b>	<b>(251,842)</b>	<b>7,503</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# GRENDON GARAGE (CAR SALES) LIMITED

## BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Tangible assets	5		4,790		3,992
Investments	6		-		225,000
			<u>4,790</u>		<u>228,992</u>
<b>Current assets</b>					
Stocks		179,569		191,557	
Debtors	7	10,519		12,105	
		<u>190,088</u>		<u>203,662</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(371,061)</u>		<u>(357,062)</u>	
<b>Net current liabilities</b>			<u>(180,973)</u>		<u>(153,400)</u>
<b>Total assets less current liabilities</b>			<u>(176,183)</u>		<u>75,592</u>
<b>Provisions for liabilities and charges</b>	9		<u>(335)</u>		<u>(268)</u>
			<u>(176,518)</u>		<u>75,324</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		<u>(176,520)</u>		<u>75,322</u>
<b>Shareholders' funds - equity interests</b>	12		<u>(176,518)</u>		<u>75,324</u>

# GRENDON GARAGE (CAR SALES) LIMITED

## BALANCE SHEET (CONTINUED) AS AT 30 SEPTEMBER 2003

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 8/7/04

  
.....  
G C Cox  
Director



# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

#### 1.8 Going Concern

The financial statements have been prepared on a going concern basis. This assumes that Sollite Limited and Icham Limited, connected group companies, continue to financially support the company.

<b>2 Operating (loss)/profit</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	1,207	1,189
	<u>          </u>	<u>          </u>

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# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

<b>3</b>	<b>Interest payable</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	Included in interest payable is the following amount:		
	Hire purchase interest	122	-
		<u>122</u>	<u>-</u>
<b>4</b>	<b>Taxation</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	-	1,830
	Adjustment for prior years	(1,825)	(32)
		<u>(1,825)</u>	<u>(32)</u>
	<b>Current tax charge</b>	<b>(1,825)</b>	<b>1,798</b>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	67	268
		<u>67</u>	<u>268</u>
		<b>(1,758)</b>	<b>2,066</b>
		<u>(1,758)</u>	<u>2,066</u>
	<b>Factors affecting the tax charge for the year</b>		
	(Loss)/profit on ordinary activities before taxation	(253,600)	9,569
		<u>(253,600)</u>	<u>9,569</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2002: 18.53%)	-	1,773
		<u>-</u>	<u>1,773</u>
	Effects of:		
	Depreciation add back	-	220
	Capital allowances	-	(164)
	Tax losses utilised	(1,830)	-
	Adjustments to previous periods	5	(32)
	Other tax adjustments	-	1
		<u>(1,825)</u>	<u>25</u>
	<b>Current tax charge</b>	<b>(1,825)</b>	<b>1,798</b>
		<u>(1,825)</u>	<u>1,798</u>

# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 5 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 October 2002	17,555
Additions	2,005
	<hr/>
At 30 September 2003	19,560
	<hr/>
<b>Depreciation</b>	
At 1 October 2002	13,563
Charge for the year	1,207
	<hr/>
At 30 September 2003	14,770
	<hr/>
<b>Net book value</b>	
At 30 September 2003	4,790
	<hr/>
At 30 September 2002	3,992
	<hr/>

# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 6 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 October 2002	225,000
Disposals	(225,000)
	<hr/>
At 30 September 2003	-
	<hr/>

As part of a reorganisation of the Grendon Garage group of companies which was effective from 31 March 2003, this company's £225,000 investment in Grendon Garage Limited was cancelled. Mrs Cox also gifted her 50% interest in the issued share capital of Grendon Garage (Car Sales) Limited to Mr Cox. The business previously carried on by Grendon Garage Limited was transferred to a new company Sollite Limited, which is wholly owned by Mr Cox, and which has subsequently changed its name to Grendon Garage Limited.

7 Debtors	2003 £	2002 £
Trade debtors	5,937	11,635
Other debtors	4,582	470
	<hr/>	<hr/>
	10,519	12,105
	<hr/>	<hr/>

8 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	94,046	2,727
Trade creditors	8,939	11,756
Amounts owed to group undertakings and undertakings in which the company has a participating interest	263,305	316,229
Taxation and social security	506	17,323
Other creditors	4,265	9,027
	<hr/>	<hr/>
	371,061	357,062
	<hr/>	<hr/>

# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 9 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 October 2002	268
Profit and loss account	67
	<hr/>
Balance at 30 September 2003	335
	<hr/>

The deferred tax liability is made up as follows:

	2003 £	2002 £
Accelerated capital allowances	335	268
	<hr/>	<hr/>

### 10 Share capital

	2003 £	2002 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2002	75,322
Retained loss for the year	(251,842)
	<hr/>
Balance at 30 September 2003	(176,520)
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# GRENDON GARAGE (CAR SALES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

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12 Reconciliation of movements in shareholders' funds	2003 £	2002 £
(Loss)/Profit for the financial year	(251,842)	7,503
Opening shareholders' funds	75,324	67,821
	<hr/>	<hr/>
Closing shareholders' funds	(176,518)	75,324
	<hr/>	<hr/>

### 13 Contingent liabilities

The company has entered into an unlimited guarantee in connection with the bank overdrafts of its associated companies. At 30 September 2003 the amount of these overdrafts was £56,261 (2002-£2,294).

### 14 Control

For the whole year the company was under the control of G C Cox, who is a shareholder and the managing director of the company.

### 15 Related party transactions

For the whole year the company was under the control of G C Cox, the managing director of the company.

An interest free loan of £1,710 (2002 - £6,439) made to the company by G Cox is included in other creditors due within one year.

G C Cox is a director and shareholder in Sollite Limited and also a director in Icham Limited.

At 30 September 2003 the company owed £183,667 to Sollite Limited and £79,638 to Icham Limited (2002 - £79,512), both amounts included in creditors due within one year.

At 30 September 2003 the company owed £4,560 to Sollite Limited included in trade creditors.

At 30 September 2003 Icham Limited owed the company £147 included in Trade debtors.

During the year the company received goods and services from Sollite Limited to the value of £26,171 (2002 - £101,281) and provided goods and services to Icham Limited to the value of £147 (2002 - £308).