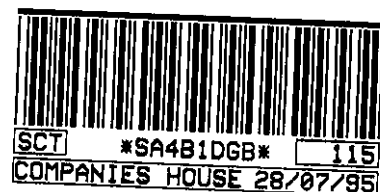


REPORT AND FINANCIAL STATEMENTS

Burnside Motors (Fife) Limited

31ST MARCH 1995

Prepared by:-  
CONDIE + CO  
Registered Auditors and  
Chartered Accountants  
10 Abbey Park Place  
DUNFERMLINE KY12 7NZ



# Burnside Motors (Fife) Limited

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The following does not form part of the statutory financial statements:-

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**Burnside Motors (Fife) Limited**  
**Directors and Officers**

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**Directors:**

John J Murphy  
Mrs Isobel Murphy

**Secretary:**

Mrs Isobel Murphy

**Registered Office:**

West Nethertown Street  
Dunfermline

**Company Number:**

107301

**Bankers:**

Clydesdale Bank PLC  
2 Kirk Street  
Kincardine

**Solicitors:**

Messrs Stenhouse Husband & Irvine  
3 East Port  
Dunfermline  
KY12 7ER

**Auditors:**

Condie + Co  
Registered Auditors and  
Chartered Accountants  
10 Abbey Park Place  
Dunfermline  
KY12 7NZ

# Burnside Motors (Fife) Limited

## Directors' Report

For the Year Ended 31st March 1995

The directors submit their annual report, together with the audited financial statements for the year ended 31st March 1995.

### 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 then 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.

### Activities

The company's principal activity during the year was the sale of second hand cars.

### Financial Review

Turnover for the year was £1,034,789 (1994 - £1,346,926). The trading loss for the year, before taxation, was £6,606 (1994 - Profit £8,899). The directors consider the state of affairs of the company to be satisfactory.

### Dividends and Transfers to Reserves

The directors recommend that no dividend be declared or paid for the year, and that retained profit or loss be transferred to reserves.

### Future Developments

The directors anticipate that another year of difficult trading conditions lies ahead. However they are confident that the company is well placed to take advantage of any favourable market trends.

### Directors

The directors who served during the year and their beneficial interests in the issued share capital of the company were as follows:-

	1995	1994
	No	No
John J Murphy	132,300	132,300
Mrs Isobel Murphy	56,700	56,700
	-----	-----
	189,000	189,000
	=====	=====

Burnside Motors (Fife) Limited  
Directors' Report (cont'd)  
For the Year Ended 31st March 1995

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**Fixed Assets**

The movements in fixed assets are as shown in note 8 to the financial statements.

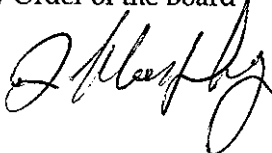
**Other Matters**

The company made no political contributions during the year.

**Auditors**

Condie + Co, Registered Auditors and Chartered Accountants, have expressed their willingness to continue as Auditors and a resolution to reappoint them will be proposed at the Annual General Meeting.

By Order of the Board



Isobel Murphy, Secretary

Approved by the Board: 29th June 1995

**Burnside Motors (Fife) Limited**  
**Profit and Loss Account**  
**For the Year Ended 31st March 1995**

		1995 £	1994 £
Turnover	Notes 2	1,034,789	1,346,926
Cost of Sales		942,058	1,227,358
Gross Profit		<u>92,731</u>	<u>119,568</u>
Administrative Expenses		91,505	95,638
		<u>1,226</u>	<u>23,930</u>
Other Operating Income	3	1,886	5,297
Operating Profit	4	<u>3,112</u>	<u>29,227</u>
Interest Payable	6	9,718	20,328
Profit/(Loss) on Ordinary Activities before Taxation		<u>(6,606)</u>	<u>8,899</u>
Taxation	7	(3,042)	(3,226)
Retained Profit/(Loss) for the Year	17	<u><u>(3,564)</u></u>	<u><u>12,125</u></u>

**Note of Historical Cost Profits and Losses**  
**For the Year Ended 31st March 1995**

	1995 £	1994 £
Profit/(Loss) on Ordinary Activities before Taxation	(6,606)	8,899
Difference between Historical Cost Depreciation Charge and the actual depreciation charge on the Revalued Amount	1,768	1,768
Historical Cost Profit/(Loss) on Ordinary Activities before Taxation	<u>(4,838)</u>	<u>10,667</u>
Historical Cost Profit/(Loss) for the Year Retained after Taxation	<u><u>(1,796)</u></u>	<u><u>13,893</u></u>

There were no gains or losses for the period other than those recognised in the Profit and Loss Account

Notes to the financial statements are detailed on pages 7 to 12

**Burnside Motors (Fife) Limited**  
**Balance Sheet as at 31st March 1995**

	Notes	£	1995 £	1994 £
<b>Fixed Assets</b>				
Tangible Assets	8		219,663	226,066
Investments	9		66,051	66,051
			<u>285,714</u>	<u>292,117</u>
<b>Current Assets</b>				
Stock	10	138,189		199,928
Debtors	11	13,382		11,003
Cash at Bank and in Hand		34		64
		<u>151,605</u>		<u>210,995</u>
<b>Creditors: amounts falling due within one year</b>				
Creditors	12	213,665		309,124
		<u>213,665</u>		<u>309,124</u>
<b>Net Current Liabilities</b>			(62,060)	(98,129)
<b>Total Assets Less Current Liabilities</b>			<u>223,654</u>	<u>193,988</u>
<b>Creditors: amounts falling due after more than one year</b>				
Loans	13	36,272		-
			<u>36,272</u>	<u>-</u>
<b>Provision for Liabilities and Charges</b>			<u>187,382</u>	<u>193,988</u>
Deferred Taxation	15	9,580		12,622
			<u>9,580</u>	<u>12,622</u>
			<u>177,802</u>	<u>181,366</u>
<b>Capital and Reserves</b>				
Called Up Share Capital	16		189,000	189,000
Property Revaluation Reserve	17		87,500	89,268
Profit and Loss Account	17		(98,698)	(96,902)
<b>Shareholders' Funds</b>	19		<u>177,802</u>	<u>181,366</u>

  
John Murphy, Director

Approved by the Board: 29th June 1995

Notes to the financial statements are detailed on pages 7 to 12

Burnside Motors (Fife) Limited  
Notes to the Financial Statements  
For the Year Ended 31st March 1995

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1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards.

The company has taken advantage of the exemption from preparing a Cash Flow Statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company.

**Accounting Convention:**

The financial statements have been prepared under the historical cost convention.

**Depreciation:**

The charge for Depreciation has been calculated at the following annual rates:-

	1995 %	1994 %
<u>Straight Line</u>		
Property	2	2
<u>Reducing Balance</u>		
Fittings and Equipment	15	15
Motor Vehicles	25	25

**Stocks:**

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

**Pension Costs:**

Pension costs are charged to the profit and loss account as contributions become due.

**Deferred Taxation:**

Deferred Taxation, in respect of accelerated capital allowances and other timing differences, is provided only to the extent that it is probable that a liability or asset will crystallise in the future.

**Turnover:**

Turnover represents the invoiced value of goods sold from continuing activities, excluding Value Added Tax.

2. TURNOVER

The company's turnover and profit before taxation are attributable to its principal activity and have been wholly generated within the United Kingdom.



# Burnside Motors (Fife) Limited

## Notes to the Financial Statements (cont'd)

For the Year Ended 31st March 1995

### 3. OTHER OPERATING INCOME

	1995	1994
	£	£
Commissions Received	1,326	2,297
Bad Debts Recovered	-	3,000
Other Income	560	-
	<u>1,886</u>	<u>5,297</u>
	=====	=====

### 4. OPERATING PROFIT

	1995	1994
	£	£
This is stated after charging:-		
Audit Fees	3,000	2,800
Depreciation of Owned Fixed Assets	7,536	8,070
	<u>=====</u>	<u>=====</u>

### 5. DIRECTORS AND EMPLOYEES

	1995	1994
	£	£
Directors Remuneration	-	5,000
Directors Pension	6,000	6,000
Wages and Salaries	36,850	33,765
Social Security Costs	3,289	3,734
	<u>46,139</u>	<u>48,499</u>
	=====	=====

The average number of employees during the year was as follows:-

	1995	1994
	No	No
Office and Management	2	2
Sales and Servicing	4	4
	<u>6</u>	<u>6</u>
	=====	=====

During the year the directors received benefits in kind to the value of £1,702 (1994 - £2,990).

# Burnside Motors (Fife) Limited

## Notes to the Financial Statements (cont'd)

For the Year Ended 31st March 1995

### 6. INTEREST PAYABLE

	1995 £	1994 £
Interest Charged on Borrowings:		
Bank Overdraft	6,397	6,260
Bank Loans repayable within 5 years	(4,083)	7,952
Other Loans	7,404	6,116
	<u>9,718</u>	<u>20,328</u>

### 7. TAXATION

	1995 £	1994 £
Transfer from Deferred Tax	(3,042)	(3,226)
Corporation Tax provision at 25% (1994 - 25%)	-	-
	<u>(3,042)</u>	<u>(3,226)</u>

The company has trading losses to carry forward to offset future trading profits.

### 8. FIXED ASSETS

	Property £	Fittings & Equipment £	Motor Vehicles £	Total £
Cost or Valuation:				
As at 31st March 1994	220,000	21,885	17,384	259,269
Additions	-	1,133	-	1,133
Disposals	-	-	-	-
As at 31st March 1995	<u>220,000</u>	<u>23,018</u>	<u>17,384</u>	<u>260,402</u>
Depreciation:				
As at 31st March 1994	10,633	9,794	12,776	33,203
Charge for Year	4,400	1,984	1,152	7,536
Eliminated on Disposals	-	-	-	-
As at 31st March 1995	<u>15,033</u>	<u>11,778</u>	<u>13,928</u>	<u>40,739</u>
Net Book Values:				
As at 31st March 1995	<u>204,967</u>	<u>11,240</u>	<u>3,456</u>	<u>219,663</u>
As at 31st March 1994	<u>209,367</u>	<u>12,091</u>	<u>4,608</u>	<u>226,066</u>

# Burnside Motors (Fife) Limited

## Notes to the Financial Statements (cont'd)

For the Year Ended 31st March 1995

### 8. FIXED ASSETS (cont'd)

The property was revalued on 29th October 1991 at £220,000. A potential tax liability of £9,580 will become due if the property is sold at Net Book Value.

For Property included at Valuation:-

Historical Cost:	£
As at 31st March 1994 and at 31st March 1995	131,576 =====
Depreciation based on Cost:	
As at 31st March 1994	12,276
Charge for Year	2,632
As at 31st March 1995	14,908 =====

### 9. INVESTMENTS

Investments represents the cost of 16,000 Ordinary £1 Shares (72.7%) in John Will (Rosyth Motors) Limited, a company registered in Scotland.

The directors are of the opinion that the market value of investments is not substantially different from the cost.

### 10. STOCK

	1995	1994
	£	£
Stock of Motor Vehicles	138,189 =====	199,928 =====

### 11. DEBTORS

	1995	1994
	£	£
Trade Debtors	12,535	8,545
Other Debtors	847	2,458
	13,382 =====	11,003 =====

# Burnside Motors (Fife) Limited

## Notes to the Financial Statements (cont'd)

For the Year Ended 31st March 1995

### 12. CREDITORS: Due within one year

	1995	1994
	£	£
Bank Term Loan (note 13)	12,500	12,750
Bank Overdraft (note 14)	48,670	117,052
Trade Creditors	94,732	117,495
Other Creditors	935	8,805
Taxation and Social Security Costs	7,470	6,974
Accruals	3,802	3,179
Directors' Loan Account	45,556	42,869
	<u>213,665</u>	<u>309,124</u>
	=====	=====

### 13. CREDITORS: Due after one year

Bank Loans:	1995	1994
	£	£
Sums repayable within five years (excluding current year)	36,272	-
	<u>36,272</u>	<u>-</u>
	=====	=====

The current portion of the loan amounting to £12,750 is shown in the creditors falling due within one year.

Interest is charged at 1.5% above Base Rate charged quarterly in arrears.

### 14. SECURITY OVER ASSETS

The bank overdraft from the Clydesdale Bank PLC, is secured by a bond and Floating Charge dated 4th December 1989, Registered 15th December 1989, over the assets of the company for all sums due. There is also a Standard Security over the Heritable property at West Nethertown Street, Dunfermline, dated 1st December 1989, Registered 19th December 1989.

### 15. DEFERRED TAXATION

	<i>Provided</i>		<i>Potential</i>	
	1995	1994	1995	1994
	£	£	£	£
Accelerated Capital Allowances	1,608	1,663	1,608	1,663
Surplus on Revaluation	9,580	12,622	9,580	12,622
Less: Taxation Losses	(1,608)	(1,663)	(1,608)	(1,663)
	<u>9,580</u>	<u>12,622</u>	<u>9,580</u>	<u>12,622</u>
	=====	=====	=====	=====

# Burnside Motors (Fife) Limited

## Notes to the Financial Statements (cont'd)

For the Year Ended 31st March 1995

### 16. SHARE CAPITAL

	1995 £	1994 £
Authorised Share Capital:- 200,000 Ordinary Shares of £1 each	200,000 =====	200,000 =====
Allotted, Issued and Fully Paid:- 189,000 Ordinary Shares of £1 each	189,000 =====	189,000 =====

### 17. MOVEMENTS IN RESERVES

#### Revaluation Reserve:

	1995 £	1994 £
As at 31st March 1994	89,268	91,036
Revaluation during Year	-	-
Transfer to profit and loss account	(1,768)	(1,768)
As at 31st March 1995	87,500 =====	89,268 =====

#### Retained Profits:

	1995 £	1994 £
As at 31st March 1994	(96,902)	(110,795)
Retained Profit/(Loss) for the Year	(3,564)	12,125
Transfer from Property Revaluation Reserve	1,768	1,768
As at 31st March 1995	(98,698) =====	(96,902) =====

### 18. PENSION COSTS

The company operates a defined contribution pension 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 to the fund and amounted to £6,000 (1994 - £6,000).

### 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit/(Loss) for the Year	(3,564)	12,125
Shareholders' Funds at 1.4.94	181,366	169,241
Shareholders' Funds at 31.3.95	177,802 =====	181,366 =====

## Auditors' Report to the Members of

# Burnside Motors (Fife) Limited

We have audited the financial statements on pages 5 to 12 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 7.

### Respective Responsibilities of Directors and Auditors

As described in the Directors' Report on page 3 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 consider 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 other irregularity or error. 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 affairs of the company at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CONDIE + CO

Registered Auditors and  
Chartered Accountants  
10 Abbey Park Place  
DUNFERMLINE KY12 7NZ

29th June 1995