

**E REID & SON (SCOTLAND) LTD**

**DIRECTORS' REPORT  
AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2006**

*AMETHIC*

**COMPANY NO. SCO 160969**



# **E REID & SON (SCOTLAND) LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 OCTOBER 2006**

The directors present their report and financial statements for the year ended 31 October 2006.

#### **PRINCIPAL ACTIVITIES**

The principal activity was that of motor vehicle engineers.

#### **DIRECTORS**

The directors who served during the year and their beneficial interests in the companies issued ordinary share capital were: -

	NUMBER OF SHARES
ERIC REID	2

#### **CLOSE COMPANY**

The company is a close company as defined by the provisions of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial year.

#### **DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

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 year. In preparing those financial statements, the directors are required to

- select suitable accounting principles and apply them consistently;
- make judgments 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 for taking reasonable steps for the prevention of fraud and other irregularities.

This report was approved by the board on 26 February 2009 taking advantage of special exemption available to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

By order of the board



Eric Reid - Director

**E REID & SON (SCOTLAND) LTD**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 OCTOBER 2006**

	2005 £	2005 £
<b>TURNOVER</b>	542,442	514,784
<b>COST OF SALES</b>	<u>336,074</u>	<u>333,744</u>
<b>GROSS PROFIT</b>	206,368	181,040
<b>ADMINISTRATION EXPENSES</b>	<u>185,326</u>	<u>143,019</u>
<b>OPERATING PROFIT</b>	21,042	38,021
<b>INTEREST PAYABLE</b>	<u>4,909</u>	<u>4,553</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	16,133	33,468
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>3,152</u>	<u>4,631</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	<u>12,981</u>	<u>28,837</u>

The company has no recognized gains or losses other than the loss above and therefore no separate statement of total gains and losses has been presented.

There is no material difference between the loss on ordinary activities before taxation stated above and its historical cost equivalent.

# E REID & SON (SCOTLAND) LTD

## BALANCE SHEET AS AT 31 OCTOBER 2006

	Note	2006	2005
TANGIBLE ASSETS	6	113,293	<u>97,872</u>
CURRENT ASSETS			
CASH AT BANK		3,808	30,132
STOCK	7	20,786	16,960
TRADE DEBTORS	8	<u>63,211</u>	<u>45,573</u>
		<u>87,805</u>	<u>92,665</u>
CREDITORS: amounts falling due within one year		<u>45,468</u>	<u>47,888</u>
NET CURRENT ASSETS/(LIABILITIES)		42,337	44,777
CREDITORS:			
amounts falling due after more than one year	10	<u>(1,876)</u>	<u>(1,876)</u>
		<u>153,754</u>	<u>140,773</u>
CAPITAL & RESERVES			
CALLED UP SHARE CAPITAL		2	2
PROFIT & LOSS ACCOUNT		<u>153,752</u>	<u>140,771</u>
		<u>153,754</u>	<u>140,773</u>

advantage has been taken of the audit exemptions for small companies conferred by section 249A(1) of the Companies Act 1985 on the grounds:

- a) that for the year ended 31 October 2006 the company was entitled to the exemption from a statutory audit under section 249A(1) on the Companies Act 1985; and
- b) that no notice has been deposited under section 249B(2) of the Companies Act 1985 in relation to the financial statements for the financial year.

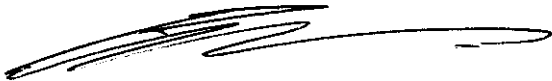
**E REID & SON (SCOTLAND) LTD**

**BALANCE SHEET  
AS AT 31 OCTOBER 2006**

The directors acknowledge their responsibilities for:

- a) ensuring that the company keep proper accounting records which comply with section 221 of the Companies Act 1985; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 October 2006 and of its profit and loss for the year then ended in accordance with the requirement of section 226 of the Companies Act 1985 relating to financial statements, so far as applicable to the company.
- c) preparing the accounts in accordance with the special provisions in part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 3-9 were approved by the board of directors on 26 JFebruary 2009 and signed on its behalf by:



Eric Reid  
Director

# **E REID & SON (SCOTLAND) LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2006**

### **1 ACCOUNTING POLICIES**

#### **Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small company.

#### **Depreciation**

Depreciation is provided on all fixtures and fittings, at rates calculated to write off the cost, less their estimated residual value, over their expected useful lives on the following basis:

Motor Vehicles	25% reducing balance
Fixture and Fittings	15% reducing balance
Plant and Equipment	15% reducing balance

No depreciation is provided on property as the directors consider the property has an estimated useful life in excess of fifty years and the present market value to exceed the book value as shown in the financial statements.

#### **Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalized as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

#### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss accounts as incurred.

#### **Stocks**

Stocks are valued at the lower cost and net realizable value after making due allowance for obsolete and slow moving stock.

#### **Going concern**

The financial statements have been prepared on the going concern basis. This assumes the continued support of the company's directors.

## **E REID & SON (SCOTLAND) LTD**

### **NOTES TO FINANCIAL STATEMENTS AS AT 31 OCTOBER 2006**

#### **2 TURNOVER**

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

In the opinion of the directors none of the company's turnover was attributable to markets outside the UK.

#### **3 OPERATING COSTS**

The operating profit is stated after charging:

	2006 £	2005 £
Depreciation of tangible fixed assets – owned	<u>25,009</u>	<u>21,871</u>

#### **4 DIRECTOR REMUNERATION**

2006 £	2005 £
<u>19,760</u>	<u>19,760</u>

#### **5 INTEREST PAYABLE**

	2006	2005
Interest payable	<u>4,909</u>	<u>4,553</u>

**E REID & SON (SCOTLAND) LTD**

**NOTES TO FINANCIAL STATEMENTS  
AS AT 31 OCTOBER 2006**

**6 TANGIBLE FIXED ASSETS**

	MOTOR VEHICLES	PLANT & EQUIPMENT	FIXTURES & FITTINGS	TOTAL
<b>Cost</b>				
As at 1 November 2005	63,874	108,326	1,000	173,200
Purchased in year	<u>12,938</u>	<u>27,492</u>	-	<u>40,430</u>
As at 31 October 2006	<u>76,812</u>	<u>135,818</u>	<u>1,000</u>	<u>213,630</u>
<b>Depreciation</b>				
As at 1 November 2005	34,543	40,151	634	75,328
Charge for year	<u>10,567</u>	<u>14,350</u>	<u>92</u>	<u>25,009</u>
	<u>45,110</u>	<u>54,501</u>	<u>726</u>	<u>100,337</u>
<b>Net Book Values</b>				
31 October 2006	<u>31,702</u>	<u>81,317</u>	<u>274</u>	<u>113,293</u>
31 October 2005	<u>29,331</u>	<u>68,175</u>	<u>366</u>	<u>97,872</u>

**7 STOCKS**

	2006 £	2005 £
Stocks	<u>20,786</u>	<u>16,960</u>

**8 DEBTORS**

	2006 £	2005 £
Trade debtors	<u>63,211</u>	<u>45,573</u>

**E REID & SON (SCOTLAND) LTD**

**NOTES TO FINANCIAL STATEMENTS  
AS AT 31 OCTOBER 2006**

**9 CREDITORS: amounts falling due within one year**

	2006 £	2005 £
Trade creditors	36,640	30,448
Taxation & VAT	5,614	12,877
Corporation tax	<u>3,214</u>	<u>4,563</u>
	<u>45,468</u>	<u>47,888</u>

**10 CREDITORS: amounts falling due outwith one year**

	2006 £	2005 £
Directors Loan Account	-	-
Hire purchase creditors	<u>1,876</u>	<u>1,876</u>
	<u>1,876</u>	<u>1,876</u>

# **E REID & SON (SCOTLAND) LTD**

## **NOTES TO FINANCIAL STATEMENTS AS AT 31 OCTOBER 2006**

### **11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS**

	2006 £	2005 £
Profit for the period	12,981	28,837
Opening Shareholders Funds	140,773	111,936
	<u>153,754</u>	<u>140,773</u>

### **12 CALLED UP SHARE CAPITAL**

	2006 £	2005 £
<b>Authorised Equity shares</b>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid Equity shares</b>		
Ordinary shares of £1 each, fully paid	<u>2</u>	<u>2</u>

### **13 PROFIT & LOSS ACCOUNT**

	2006 £	2005 £
Balance at 31 October 2006	<u>153,752</u>	<u>140,771</u>