

F. DUGDALE & SONS LIMITED  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH, 1996

CONTENTS

PAGE

DIRECTORS REPORT	1
STATEMENT OF DIRECTORS RESPONSIBILITIES	1(a)
ACCOUNTANTS REPORT TO THE SHAREHOLDERS	2
PROFIT AND LOSS ACCOUNT	3
BALANCE SHEET	4
NOTES TO THE ACCOUNTS	5-7

DYMOND, ASHWORTH & CO.  
19, ORMEROD ROAD  
BURNLEY



**F. DUGDALE & SONS LIMITED**  
**REPORT OF THE DIRECTORS**

Page 1

The Directors have pleasure in presenting their report and the audited accounts of the company for the year ended 31st March, 1996.

**Principal activity**

The principal activity of the company is selling second hand commercial vehicles and parts.

**Review of the business**

There has been a substantial increase in sales & demand is still growing. There has been a slight drop in the rate of gross profit to remain competitive.

**Dividend**

The Directors recommend that no dividend be paid on the ordinary shares.

**Reserves**

The Directors propose to carry to reserves the retained profit for the year as shown by the financial accounts of £45,108.

**Directors**

The Directors who have served during the year were as follows together with their interest in the shares of the company at 31st March, 1996.

	<u>1995</u>	<u>1996</u>
Kenneth Dugdale (Deceased)	1351	Nil
Pamela Anne Dugdale	1000	1000
David Dugdale	352	1027

**Close Company Status**

The Directors are of the opinion that the company is a close company within the meaning of the Income and Corporation Taxes Act, 1970.

**Auditors**

Dymond, Ashworth & Co. have indicated their willingness to accept reappointment as reporting accountants of the company.

**Approved by the Board of Directors  
and signed on behalf of the Board**

*P. Dugdale* .....

**Secretary**

**Date: 1st July, 1996**

F. DUGDALE & SONS LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Page 1(a)

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the statement 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 apply them consistently;
- \* Make judgements and estimates that are reasonable and prudent;
- \* State whether applicable accounting standards have been followed;
- \* Prepare the financial statements on the going concern basis unless it is appropriate 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.

**ACCOUNTANTS REPORT TO THE SHAREHOLDERS OF**  
**F. DUGDALE & SONS LIMITED**

Page 2

We have examined, without carrying out an audit the accounts for the year ended 31st March, 1996 set out on pages 3 to 7.

**Respective responsibilities of directors Reporting Accountants.**

As described on page 1(a) the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and, based on our examination to report our opinion, as set out below, to the shareholders.

**Basis of opinion.**

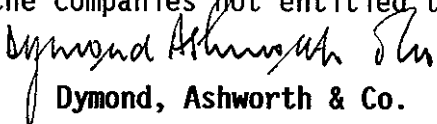
We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatements.

**Opinion.**

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under s221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records, the accounts have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act; and
- (c) having regard only to, and on the basis of, the information contained in those accounting records, the company satisfied the condition for exemption from an audit of the accounts for the year specified in s249A(4) of the Act and did not, at any time within that year, fall within any of the categories of the companies not entitled to the exemption specified in s249B(1).

  
Dymond, Ashworth & Co.

19, Ormerod Road,  
Burnley,  
Lancashire.  
BB11 2RU.

Reporting Accountant

Date: 18th June, 1996

**F. DUGDALE & SONS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST MARCH, 1996**

Page 3

	Note	1995 £	1996 £
Turnover		234879	256361
Cost of Sales		<u>136933</u>	<u>136772</u>
<b>Gross Profit</b>		<u>97946</u>	<u>119589</u>
Other operating income		-	-
Distribution Costs and Administrative Expenses		<u>54963</u>	<u>64370</u>
		<u>54963</u>	<u>64370</u>
Operating Profit		42983	55219
Interest Receivable & similar Income	2	<u>3121</u>	<u>4803</u>
Profit on ordinary activities before Taxation	3	46104	60022
Tax on Profit on ordinary activities		<u>11308</u>	<u>14914</u>
Profit on ordinary activities after Taxation		34796	45108
Capital Gain on sale of House	3(a)	(3255)	-
Tax on Capital Gain Overpaid	4	<u>4109</u>	<u>-</u>
Total Profit after taxation		35650	45108
Profit and Loss Account Brought Forward		<u>188149</u>	<u>223799</u>
Profit and Loss Account Carried Forward		<u>223799</u> =====	<u>268907</u> =====

**F. DUGDALE & SONS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 1996**

Page 4

	Note	£	1995 £	£	1996 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	5		110545		100426
Goodwill			2075		2075
			<u>112620</u>		<u>102501</u>
<b>Current Assets</b>					
Stock		28428		35434	
Debtors	6	20622		19043	
Cash in hand and at bank		80326		139385	
		<u>129376</u>		<u>193862</u>	
<b>Creditors: amounts falling due within one year.</b>					
Bank Overdraft		NIL		NIL	
Trade Creditors		2645		2419	
Other Creditors including taxation and social security	7	12849		22334	
		<u>15494</u>		<u>24753</u>	
<b>Net Current Assets</b>			113882		169109
Total Assets Less Current Liabilities			<u>226502</u>		<u>271610</u>
Creditors: Amounts falling due after more than one year	8		-		-
			<u>226502</u>		<u>271610</u>
			=====		=====
<b>Capital Reserves</b>					
Share Capital	9		2703		2703
Profit and Loss Account			223799		268907
			<u>226502</u>		<u>271610</u>
			=====		=====

The directors have taken advantage of the exemption from having a full audit on the grounds that:-

- (a) The company is entitled to exemption under Section 249A(2) of the Companies Act 1985
- (b) No members have requested an audit under Section 249B(2)
- (c) The directors acknowledge their responsibilities for:-
  - (i) ensuring the company's accounting records comply with Section 221; and
  - (ii) preparing accounts which give a true and fair view under Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts.

These financial statements were approved by the Board of Directors on  
 Signed on behalf of the Board of Directors

*D. Dugdale*.....

Director  
 1st July, 1996

**F. DUGDALE & SONS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31ST MARCH, 1996**

Page 5

**1. Accounting Policies**

The financial statements have been prepared in accordance with statements of standard accounting practice issued by U.K. accountancy bodies. The particular accounting policies adopted are described below.

**(a) Accounting Convention**

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

**(b) Stocks**

Stocks are stated at the lower of cost and net realisable value.

**(c) Tangible Fixed Assets**

Depreciation is provided for as follows:-

Plant & Machinery	-	20% on Written Down Value
Motor Vehicles	-	25% on Written Down Value

**2. Interest payable and similar charges**

**1995                  1996**

**£                      £**

Finance Lease Charges	-	-
-----------------------	---	---

**3. Profit on ordinary activities before taxation**

Profit is stated after charging:-

Auditors Remuneration	1100	1130
Directors' Emoluments	8976	9092
Depreciation	14947	11956

**3(a) Profit on Sale of Private House**

After date expenditure re Sale of House	3355	-
---	------	---

**4. Tax on profit on ordinary activities**

United Kingdom Corporation Tax based on Profit/(Loss) on ordinary activities	11308	14914
Capital Gains Tax on sale of house - Overprovided	4109	-

**F. DUGDALE & SONS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31ST MARCH, 1996**

Page 6

**5. Tangible Fixed Assets**

	Freehold Land & Building	Plant Machinery	Motor Vehicles	Total
Cost at 1.4.96	59571	64507	92737	216815
Additions	-	385	7452	7837
Disposals	-	-	(6000)	(6000)
Cost at 31.3.96	59571	64892	94189	218652
Depreciation 1.4.95	-	39965	66305	106270
Charge for year	-	4985	6971	11956
Depreciation 31.3.96	-	44950	73276	118226
Net Book Value 31.3.96	59571	19942	20913	100426
Net Book Value 31.3.95	59571	24542	26432	110545

**6. Debtors**

	1995	1996
	£	£
Trade Debtors	19304	17853
Prepayments and Accrued Income	1318	1190
Staff Loan	-	-
Corporation Tax Refund	-	-
	20622	19043
	=====	=====



**F. DUGDALE & SONS LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31ST MARCH, 1996**

Page 7

**7. Other creditors including taxation and social security**

	1995	1996
	£	£
Corporation Tax	11308	14914
Taxation and Social Security	1524	7403
Directors Loans	17	17
Obligations under Finance Leases	-	-
Accruals	-	-
Customers Deposits held	-	-
	<u>12849</u>	<u>22334</u>
	=====	=====

**8. Creditors:- amounts falling due after more than one year**

	1995	1996
	£	£
Trade Creditors	-	-
Obligations under Finance Leases	-	-
	<u>-</u>	<u>-</u>
	=====	=====

**9. Called up share capital**

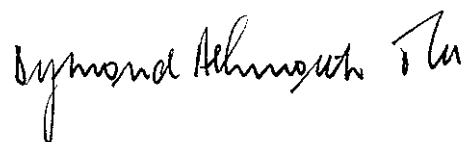
Authorised <u>3000</u> ordinary shares of £1 each	3000	3000
	=====	=====
Issued, called up and fully paid <u>2703</u> ordinary shares of £1 each	2703	2703
	=====	=====

THE BOARD OF DIRECTORS OF  
F. DUGDALE & SONS LIMITED  
ADDITIONAL INFORMATION REPORT

Page 8

The additional information contained on page 9 has been prepared by us from the books and records of the company. This information has been subjected to the tests and other auditing procedures applied in our examination of the statutory financial statements of F. Dugdale & Sons Limited for the year ended 31st March, 1996.

In our opinion, in relation to the statutory financial statements taken as a whole, this information is fairly presented in all material respects.



Dymond, Ashworth & Co

Registered Auditors

Date: 25th June, 1996