

Registration of Companies
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G. ERIC HUNT (LEEDS) LIMITED

ACCOUNTS YEAR ENDED

30th SEPTEMBER, 1986



G. ERIC HUNT (LEEDS) LIMITED

DIRECTORS REPORT YEAR ENDED 30th SEPTEMBER, 1986

Accounts

Profit for the year after all charges amounts to	106,868
Retained profits brought forward from previous year	197,410
Leaving retained profits to carry forward to next year of	<u>£304,278</u>

Activities

The company's business is that of garage proprietors and principally involves BMW sales and service.

It is anticipated that the turnover will be maintained during the current year subject to the availability of the new BMW7 series models and it is hoped that profit margins will be maintained.

Directors and their interests

	<u>Shareholdings</u>	
	<u>30.9.86</u>	<u>30.9.85</u>
J.M. Hunt - Chairman	26,666	26,666
P.L. Creswick	26,666	26,666
G.H.R. Clark	26,666	26,666
G. Clarkson	26,666	26,666
Mrs. E. Hunt	-	-
Mrs. S.A. Dobson	-	-

Dividend

No dividend is recommended.

The Auditors

Messrs. Alexander, Sagar & Co., resigned as auditors to the Company on 30th November, 1986 consequent to their merger with Victor Walton, Croudson & Co. On 1st December, 1986 the directors appointed the merged firm Sagar Croudson to fill the casual vacancy. A resolution to reappoint Sagar Croudson as auditors to the Company will be proposed at the Annual General Meeting.

By order of the Board

P.L. Creswick
Secretary

The Cross Garage,
Bramhope,
Leeds, 16.

3rd March, 1987

G. ERIC HUNT (LEEDS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th SEPTEMBER, 1986

<u>Notes</u>		<u>1986</u>	<u>1985</u>
	Turnover	5,916,933	5,632,641
	Cost of sales	4,760,575	4,609,146
	Gross profit	1,156,358	1,023,495
	<u>Less</u>		
4	Depreciation	23,316	18,790
	Other operating charges	248,290	230,649
14	Staff costs	621,908	526,485
	Audit	4,300	3,500
	Goodwill written off	-	30,000
		897,814	
	Operating profit	258,544	214,071
2	Interest payable and similar charges	80,146	74,302
	Profit on ordinary activities before taxation	178,398	139,769
3	Tax on profit on ordinary activities	71,530	78,000
	Profit on ordinary activities after taxation	106,868	61,769
	Retained profit brought forward	197,410	135,641
9	Retained profit	£304,278	£197,410

G. ERIC HUNT (LEEDS) LIMITED

BALANCE SHEET AT 30th SEPTEMBER, 1986

<u>Notes</u>		<u>1986</u>	<u>1985</u>
4	<u>Fixed assets</u>		
	<u>Tangible</u>	702,807	566,512
	<u>Intangible</u>	-	-
		<u>702,807</u>	<u>566,512</u>
	<u>Current assets</u>		
5	Stocks	369,118	388,638
	Consignment stock	107,740	10,248
6	Debtors	201,890	184,266
	Bank and cash	69,556	193,435
	Amount due from associated company	-	13,778
		<u>£748,304</u>	<u>£790,365</u>
	<u>Creditors due within one year</u>		
11	Bank loan	420,320	365,407
7	Creditors	316,027	264,994
	Hire purchase creditors		19,034
	Taxation	75,000	72,441
	Directors loan accounts	13,066	21,899
	Amount due to associated companies	65,420	160,692
		<u>£889,833</u>	<u>£904,467</u>
	<u>Net current liabilities</u>	<u>(141,529)</u>	<u>(114,102)</u>
	<u>Total assets less current liabilities</u>	<u>561,278</u>	<u>452,410</u>
	Creditors: Amounts falling due after more than one year		
10	Provision for liabilities and charges	57,000	55,000
		<u>£504,278</u>	<u>£397,410</u>
	<u>Capital and reserves</u>		
8	Called up share capital	200,000	200,000
9	Profit and loss account	304,278	197,410
		<u>£504,278</u>	<u>£397,410</u>
	J.M. Hunt) P.L. Creswick) Directors		

The notes on pages 5 to 8 form part of these accounts.

These accounts were approved by the Board on 3rd March, 1987.

G. ERIC HUNT (LEEDS) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30th SEPTEMBER, 1986

	<u>1986</u>	<u>1985</u>
<u>Source of funds</u>		
Profit before taxation	178,398	139,769
Adjustment for items not involved in the movement of funds:		
Depreciation	23,316	18,790
Goodwill written off	<u>-</u>	<u>30,000</u>
Total generated from operations	201,714	188,559
<u>Application of funds</u>		
Tax paid	66,971	13,559
Bank loan	(54,913)	27,599
Purchase of fixed assets	<u>159,611</u>	<u>36,242</u>
	171,669	77,400
	<u>30,045</u>	<u>111,159</u>
<u>Increase/(decrease) in working capital</u>		
Stocks	(19,520)	(210,545)
Consignment stock	97,492	(12,378)
Debtors and prepayments	17,624	4,000
Creditors	(31,999)	(58,948)
Amount due from (to) associated companies	81,494	41,288
Directors current accounts	<u>8,833</u>	<u>9,844</u>
	153,924	(226,739)
<u>Net cash (outflow) inflow</u>	<u>£(123,879)</u>	<u>£337,898</u>

G. ERIC HUNT (LEEDS) LIMITED

NOTES ON THE ACCOUNTS YEAR ENDED 30th SEPTEMBER, 1986

1. ACCOUNTING POLICIES

(a) Turnover

Comprises sales and work done excluding V.A.T.

(b) Depreciation

Provision is made as follows:-

Leasehold	- 2 % on reducing balance basis
Computers	- 33 1/3 % on straight line basis
Other fixed assets (except computer)	- 10 % on reducing balance basis

(c) Stock

Valued at the lower of cost or net realisable value.

2. INTEREST PAYABLE

On overdraft loan and hire purchase repayable within five years

<u>1986</u>	<u>1985</u>
80,146	74,302
<u>£80,146</u>	<u>£74,302</u>

3. TAXATION

Corporation tax on current profits
Transfer to deferred taxation (note 10)
Overprovision in prior year

<u>1986</u>	<u>1985</u>
75,000	73,000
2,000	5,000
(5,470)	-
<u>£71,530</u>	<u>£78,000</u>

4. TANGIBLE FIXED ASSETS

(a)

Cost

	<u>Leasehold land and buildings</u>	<u>Plant and machinery</u>	<u>Office equipment</u>	<u>Computer</u>	<u>Total</u>
At 30.9.85	532,341	66,679	16,050	4,990	620,060
Additions	150,000	3,361	-	6,250	159,611
At 30.9.86	<u>£682,341</u>	<u>£70,040</u>	<u>£16,050</u>	<u>£11,240</u>	<u>£779,671</u>

Depreciation

At 30.9.85	31,266	15,843	4,776	1,663	53,548
Depreciation provided in year	13,022	5,420	1,127	3,747	23,316
At 30.9.86	<u>£44,288</u>	<u>£21,263</u>	<u>£5,903</u>	<u>£5,410</u>	<u>£76,864</u>
Net book value 30.9.86	<u>£638,053</u>	<u>£48,777</u>	<u>£10,147</u>	<u>£5,830</u>	<u>£702,807</u>
Net book value 30.9.85	<u>£501,075</u>	<u>£50,836</u>	<u>£11,274</u>	<u>£3,327</u>	<u>£566,512</u>

G. ERIC HUNT (LEEDS) LIMITED

NOTES ON THE ACCOUNTS YEAR ENDED 30th SEPTEMBER, 1986

CONTINUED

4.	(b) <u>INTANGIBLE FIXED ASSETS</u>		<u>Goodwill</u>
	<u>Cost</u>		
	At 30.9.85 and 30.9.86		<u>£100,000</u>
	<u>Depreciation</u>		
	At 30.9.85 and 30.9.86		<u>£100,000</u>
	Net book value 30.9.85 and 30.9.86		<u>£-</u>
5.	<u>STOCKS</u>	<u>1986</u>	<u>1985</u>
	Cars	232,700	262,613
	Oil, parts and accessories	<u>136,418</u>	<u>126,025</u>
		<u>£369,118</u>	<u>£388,638</u>
6.	<u>DEBTORS</u>	<u>1986</u>	<u>1985</u>
	Trade debtors	194,063	181,675
	Prepayments	<u>7,827</u>	<u>2,591</u>
		<u>£201,890</u>	<u>£184,266</u>
7.	<u>CREDITORS DUE WITHIN ONE YEAR</u>	<u>1986</u>	<u>1985</u>
	Trade creditors	72,696	74,958
	Accruals	<u>168,943</u>	<u>109,564</u>
	Other creditors including social security P.A.Y.E. and V.A.T.	<u>74,388</u>	<u>80,472</u>
		<u>£316,027</u>	<u>£264,994</u>
8.	<u>CALLED UP SHARE CAPITAL</u>	<u>1986</u>	<u>1985</u>
	<u>Authorised, issued and fully paid</u>		
	Ordinary shares of £1 each	<u>£200,000</u>	<u>£200,000</u>
9.	<u>RESERVES</u>	<u>1986</u>	<u>1985</u>
	Profit and loss account	<u>£304,278</u>	<u>£197,410</u>

G.ERIC HUNT (LEEDS) LIMITED

NOTES ON THE ACCOUNTS YEAR ENDED 30th SEPTEMBER, 1986

CONTINUED

10. DEFERRED TAXATION

Provision is made on the current liability basis as follows:-

	<u>1986</u>	<u>1985</u>
Balance 30.9.85	55,000	50,000
Transfer from revenue reserves current year (note 3)	4,000	5,000
Transfer to revenue reserves prior year	(2,000)	-
<u>Balance 30.9.86</u>	<u>£57,000</u>	<u>£55,000</u>

11. BANK LOAN

	<u>1986</u>	<u>1985</u>
Bank loan	<u>£420,320</u>	<u>£365,407</u>

This Yorkshire Bank loan is being repaid @ £10,000 a month and the £10,000 covers both capital and interest. The interest is at the rate of 2 $\frac{1}{4}$ % above bank base rate.

12. CAPITAL COMMITMENTS

Capital commitments authorised amounted to £NIL (1985 £150,000).

13. BANK OVERDRAFT FACILITIES

Yorkshire Bank PLC hold a floating charge on the company's assets in respect of overdraft facilities.

14. STAFF COSTS

	<u>1986</u>	<u>1985</u>
Wages and salaries	540,577	472,980
Social Security costs	56,490	33,360
Other pension costs	24,841	20,145
	<u>£621,908</u>	<u>£526,485</u>

The average weekly number of persons employed by the company during the year was:-

	<u>35</u>	<u>23</u>
Sales and servicing	13	11
Administration		
	<u>48</u>	<u>44</u>

G. ERIC HUNT (LEEDS) LIMITED

NOTES ON THE ACCOUNTS YEAR ENDED 30th SEPTEMBER, 1986

CONTINUED

14. STAFF COSTS Cont'd

Employees costs shown above include the following directors' remuneration:-

Management remuneration
Pension contributions

	<u>1986</u>	<u>1985</u>
	183,330	140,090
	5,720	5,720
	<u>£189,050</u>	<u>£145,810</u>

Directors' remuneration (excluding pension contributions) includes:-

Chairman and highest paid

	<u>1986</u>	<u>1985</u>
	£46,725	£35,875

Number of other directors receiving emoluments between:-

£NIL - £5,000
£30,001 - £35,000
£35,001 - £40,000
£40,001 - £45,000
£45,001 - £50,000

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REPORT OF THE AUDITORS TO THE MEMBERS OF
G. ERIC HUNT (LEEDS) LIMITED

We have audited the accounts on pages 2 to 8 in accordance with approved Auditing Standards.

In our opinion the accounts which have been prepared under the historical cost convention give a true and fair view of the state of the company's affairs at 30th September, 1986 and of its profit and source and application of funds for the year ended on that date and comply with the Companies Act 1985.



SAGAR CROUDSON,
Chartered Accountants, ..
ELIZABETH HOUSE,
QUEEN STREET,
LEEDS, LS1 2TW

3rd March, 1987.