

SUMMERDALE TRUCK BODIES LIMITED

DIRECTORS - R. Montgomery
M. Montgomery
K. Harris

SECRETARY - M. Montgomery

REGISTERED OFFICE - 35 Lord Street
Aston
Birmingham
B7 4DQ

REGISTERED NUMBER - 1592097

REPORT AND ACCOUNTS 31ST DECEMBER 1997

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The following pages do not form part
of the statutory accounts :

10 Trading and profit and loss account



SUMMERDALE TRUCK BODIES LIMITED

DIRECTORS REPORT FOR THE PERIOD ENDED 31ST DECEMBER 1997

The Directors present their report and the financial statements for the period ended 31st December 1997

Principal Activities

The Principal Activity of the Company during the year continued to be that of Coach Builders and Repairers

The results for the year are on page 4.

The Directors consider the companies financial affairs to be satisfactory.

The Directors have paid a dividend of £20,000 during the year.

Fixed Assets

Details of movements in fixed assets are set out in note (8) to the financial statements.

Directors

The Directors who served during the year and their beneficial interests in the company's issued ordinary share capital has remained unchanged :-

	Ordinary £1 Shares
R. Montgomery	51
Mrs. M. Montgomery	49

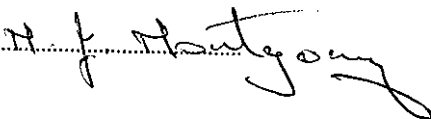
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Auditors

J LOCHHEAD & CO. will be proposed for reappointment in accordance with S385 of the Companies Acts 1985.

This report which has been prepared taking advantage of special exemptions applicable to small companies was approved by the board on 28th August 1998 and signed on its behalf.

M. Montgomery
Director



SUMMERDALE TRUCK BODIES LIMITED

STATEMENT OF DIRECTOR'S 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 and loss of the company for that period.

In preparing those financial statements, the directors are required to :

- 1 Select suitable accounting policies and then apply them consistently :
- 2 Make judgements and estimates that are reasonable and prudent :
- 3 State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements :
- 4 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 preparation and detection of fraud and other irregularities.

AUDITORS REPORT

TO THE SHAREHOLDERS OF SUMMERDALE TRUCK BODIES LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention, and the accounting policies as set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

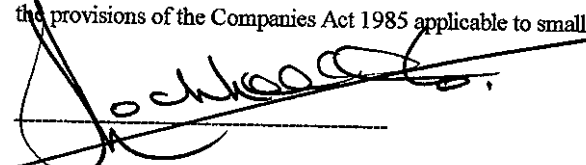
As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, 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 on the company as at 31st December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



J Lochhead & Co.
Registered Auditors
1 The Granary
Central Buildings
High Street
Wombourne
South Staffs
WV5 9DN

Date 2nd September 1998

SUMMERDALE TRUCK BODIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST DECEMBER 1997

	<u>1997</u>	<u>1996</u>
Turnover	1968978	1360005
Cost of Sales	1530534	1095498
Gross Profit	<u>438444</u>	<u>264507</u>
Administrative Expenses	391004	222910
Operating Profit	<u>47440</u>	<u>41597</u>
Interest Receivable	-	-
Profit on ordinary activities before taxation	<u>47440</u>	<u>41597</u>
Taxation on profit on ordinary activities	14472	11063
Profit on Ordinary activities after taxation	<u>32968</u>	<u>30534</u>
Dividend	20000	15000
Goodwill	2500	
Retained profit for the year	<u>10468</u>	<u>15534</u>
Retained profit brought forward	65117	49583
Retained profit carried forward	<u>75585</u>	<u>65117</u>

There were no recognised gains and losses for 1997 or 1996 other than those included in the profit and loss account.

The notes on pages 6-9 form part of these financial statements

SUMMERDALE TRUCK BODIES LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
<u>FIXED ASSETS</u>			
Tangible assets	(8)	46082	51004
<u>CURRENT ASSETS</u>			
Stock & Work in progress	(9)	81472	77056
Debtors	(10)	174600	248721
Cash at Bank and in hand		6	72182
		<hr/>	<hr/>
		256078	397959
<u>Less CREDITORS : Amounts</u>			
<u>falling due within one year</u>			
Creditors	(11)	205072	357480
Directors		543	5207
Corporation Tax	(6)	14472	11223
		<hr/>	<hr/>
		220087	373910
<u>NET CURRENT ASSETS</u>			
		<hr/>	<hr/>
		35991	24049
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT LIABILITIES</u>			
Less CREDITORS : Amounts falling		82073	75053
due after more than one year		6388	9836
		<hr/>	<hr/>
		75685	65217
<u>CAPITAL AND RESERVES</u>			
Called up share Capital	(14)	100	100
Profit and Loss Account		75585	65117
		<hr/>	<hr/>
Shareholders Funds all equity	(18)	75685	65217
		<hr/>	<hr/>

The directors have taken advantage in the preparation of these accounts of special exemptions applicable to small companies under schedule 8 part 1 of the Companies Act 1985 on the grounds that in the opinion of the directors the company qualifies as a small company and is entitled to make use of the special exemptions.

The accounts were approved by the board on 28th Nov 1998 and signed on its behalf

R. Montgomery
Director

The notes on pages 6 - 9 form part of these accounts

SUMMERDALE TRUCK BODIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors Report and all of which are continuing.

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

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Valued Added Tax 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Computer	20%	reducing balance
Motor Vehicles	25%	reducing balance
Plant & Machinery	20%	reducing balance
Fixtures & Fittings	20%	reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised 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 accounts so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating Leases

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

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost or net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Research and development

Expenditure on research and development is written off in the year that it is incurred.

SUMMERDALE TRUCK BODIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

1.8 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2 Operating Profit

The operating profit is stated after charging :

	<u>1997</u>	<u>1996</u>
Depreciation of Fixed Assets	12324	14468
Auditors Remuneration	3850	2900
Pension	4842	3220
Profit on Sale	3508	4405
4 <u>Directors Remuneration</u>		
Emoluments for services as directors	70060	48731
5 <u>Capital Commitments</u>		
The company has no Capital Commitments at the accounting date. (1996-)		
6 <u>Taxation</u>		
UK Corporation Tax at 24%	6981	6658
UK Corporation Tax at 21%	7491	4565
Note that advanced corporation tax of £5000 has been paid on the dividend of £20000.	14472	11223
7 <u>Dividend</u>	20000	15000

SUMMERDALE TRUCK BODIES LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 1997

8	<u>FIXED ASSETS</u>	<u>Computer</u>	<u>Fixtures & Fittings</u>	<u>Plant Machinery</u>	<u>Motor Vehicle</u>	<u>Total</u>
	<u>Cost</u>					
	As at 1st Sept 96	8774	18384	67793	34500	129451
	Additions	1810	1612	13998	2224	19644
	Disposals	-	-	-4500	-13250	-17750
		10584	19996	77291	23474	131345
	<u>Depreciation</u>					
	As at 1st Sept 96	3277	13348	47933	13889	78447
	Charge for the year	1461	1329	6310	3224	12324
	Written back	-	-	-2196	-3312	-5508
		4738	14677	52047	13801	85263
	<u>Net Book Values</u>					
	1997	5846	5319	25244	9673	46082
	1996	5497	5036	19860	20611	51004

Included above are assets held under hire purchase contracts amounting to N.B.V. £9226 (96 - £20458) with depreciation charged for the year of £2306 (£96-£6817)

		<u>1997</u>	<u>1996</u>
9	Stock	37151	33274
	Work in Progress	44321	43782
		81472	77056
10	<u>Debtors : All due within one year</u>		
	Trade	167472	243959
	Prepayments	7128	4762
		174600	248721
11	<u>Creditors: Amounts falling due within one year</u>	<u>1997</u>	<u>1996</u>
	Bank Account (secured)	17685	0
	Hire Purchase	3333	5896
	Trade Creditors	152811	305524
	Social Security & Taxes	23972	32373
	Accruals	7271	13687
		205072	357480

The bank overdraft is subject to a debenture and the guarantees of Mr. & Mrs. R. Montgomery

SUMMERDALE TRUCK BODIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

	<u>Creditors : Amounts falling due after more than one year.</u>	<u>1997</u>	<u>1996</u>
	Hire Purchase	6388	9836
13	<u>Deferred Taxation</u> No provision is made for deferred taxation. The additional potential liability for deferred taxation not provided was as follows :- Accelerated Capital allowances 2280 (1996-1779)	<hr/>	<hr/>
14	<u>Called up Share Capital</u> <u>Authorised</u> Ordinary Shares of £1 each 100 <u>Issued</u> Ordinary Shares of £1 each 100		
15	<u>Contingent Liabilities</u> The company had no contingent liabilities at the accounting date (1996 -)		
16	<u>Interest Payable</u> On bank loans overdrafts and other loans Repayable within 5 years not by instalments	<u>1997</u> 6025	<u>1996</u> 4245
17	<u>Movement on Shareholders Funds</u> Profit for the year Less Dividends Less Goodwill Opening Shareholders Closing Shareholders Funds	<hr/> 32968 20000 2500 <hr/> 10468 65217 <hr/> 75685 <hr/>	<hr/> 30534 15000 0 <hr/> 15534 49683 <hr/> 65217 <hr/>
18	<u>Car Rentals</u> a Payable within one year b Payable between one and two years c Payable between two and five years	<u>1997</u> 13551 13551 9484	
19	<u>Directors Loans</u> During the year the Directors have introduced into the company £21723 with private payments made by the company on their behalf of £26387 .		
20	<u>Goodwill</u> During the period the company acquired goodwill of a business amounting to £2500.00. This has been written off .		