

**SUMMERDALE TRUCK BODIES LIMITED**

**ACCOUNTS FOR THE YEAR ENDED**

**31st AUGUST 1996**

**J. LOCHHEAD & CO**

*Registered Auditors*

1 The Granary

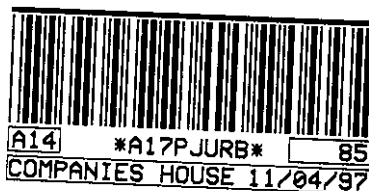
Central Buildings

High Street

Wombourne

South Staffs

WV5 9DN



**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 AUGUST 1996**

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1	Report of the Directors
2	Statement of Directors Responsibilities
3	Report of the Auditors
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The following pages do not form part  
of the statutory accounts :

10	Trading and profit and loss account
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**SUMMERDALE TRUCK BODIES LIMITED**

**DIRECTORS REPORT FOR THE YEAR ENDED 31ST AUGUST 1996**

The Directors present their report and the financial statements for the year ended 31st August 1996

**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 £15,000 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 :-

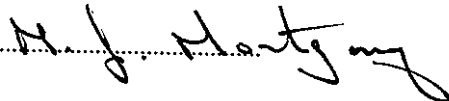
	Ordinary £1 Shares
R. Montgomery	51
Mrs. M. Montgomery	49
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	100
	-----

**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 4th April 1997 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**

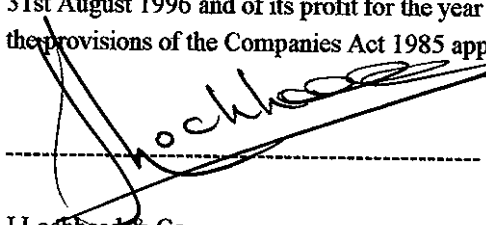
As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **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 August 1996 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.



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

Date

10<sup>th</sup> April 1997

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**SUMMERDALE TRUCK BODIES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31ST AUGUST 1996**

	<u>1996</u>	<u>1995</u>
Turnover	1360005	1238042
Cost of Sales	1095498	986145
Gross Profit	<u>264507</u>	<u>251897</u>
Administrative Expenses	222910	213415
Operating Profit	<u>41597</u>	<u>38482</u>
Interest Receivable	-	-
Profit on ordinary activities before taxation	<u>41597</u>	<u>38482</u>
Taxation on profit on ordinary activities	11063	11252
Profit on Ordinary activities after taxation	<u>30534</u>	<u>27230</u>
Dividend	15000	10000
Retained profit for the year	<u>15534</u>	<u>17230</u>
Retained profit brought forward	49583	32353
Retained profit carried forward	<u>65117</u>	<u>49583</u>

There were no recognised gains and losses for 1996 or 1995 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 AUGUST 1996**

	<u>Note</u>	<u>1996</u>	<u>1995</u>
<b><u>FIXED ASSETS</u></b>			
Tangible assets	(8)	51004	51301
<b><u>CURRENT ASSETS</u></b>			
Stock & Work in progress	(9)	77056	55872
Debtors	(10)	248721	154543
Cash at Bank and in hand		72182	49
		<hr/>	<hr/>
		397959	210464
<b><u>Less CREDITORS : Amounts</u></b>			
<b><u>falling due within one year</u></b>			
Creditors	(11)	357480	190577
Directors		5207	4789
Corporation Tax	(6)	11223	11252
		<hr/>	<hr/>
		373910	206618
<b><u>NET CURRENT ASSETS</u></b>			
		<hr/>	<hr/>
		24049	3846
<b><u>TOTAL ASSETS LESS</u></b>			
<b><u>CURRENT LIABILITIES</u></b>			
		<hr/>	<hr/>
		75053	55147
<b><u>Less CREDITORS : Amounts falling</u></b>			
<b><u>due after more than one year</u></b>			
		<hr/>	<hr/>
		9836	5464
		<hr/>	<hr/>
		65217	49683
<b><u>CAPITAL AND RESERVES</u></b>			
Called up share Capital	(14)	100	100
Profit and Loss Account		65117	49583
		<hr/>	<hr/>
Shareholders Funds all equity	(18)	65217	49683
		<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 4th April 1997 and signed on its behalf

R. Montgomery *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 YEAR ENDED 31ST AUGUST 1996**

**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 YEAR ENDED 31ST AUGUST 1996**

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>1996</u>	<u>1995</u>
Depreciation of Fixed Assets	14468	14706
Auditors Remuneration	2900	2050
Pension	3220	2928
Profit on Sale	4405	319
4 <u>Directors Remuneration</u>		
Emoluments for services as directors	48731	42706
5 <u>Capital Commitments</u>		
The company has no Capital Commitments at the accounting date. (1995-)		
6 <u>Taxation</u>		
UK Corporation Tax at 25%	6658	11252
UK Corporation Tax at 24%	4565	-
Note that advanced corporation tax of £3750 has been paid on the dividend of £15000.	11223	11252
7 <u>Dividend</u>	15000	10000

**SUMMERDALE TRUCK BODIES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST AUGUST 1996**

8 <u>FIXED ASSETS</u>	<u>Computer</u>	<u>Fixtures &amp; Fittings</u>	<u>Plant Machinery</u>	<u>Motor Vehicle</u>	<u>Total</u>
<u>Cost</u>					
As at 1st Sept 95	5820	18384	65730	44251	134185
Additions	2954	-	2063	13249	18266
Disposals	-	-	-	-23000	-23000
	8774	18384	67793	34500	129451
<u>Depreciation</u>					
As at 1st Sept 95	1903	12089	42968	25924	82884
Charge for the year	1374	1259	4965	6870	14468
Written back	-	-	-	-18905	-18905
	3277	13348	47933	13889	78447
<u>Net Book Values</u>					
1996	5497	5036	19860	20611	51004
1995	3917	6295	22762	18327	51301

Included above are assets held under hire purchase contracts amounting to N.B.V. £20458 (95 - £16982) with depreciation charged for the year of £6817 (£5414 - 95)

	<u>1996</u>	<u>1995</u>
9 Stock	33274	38550
Work in Progress	43782	17322
	77056	55872
10 <u>Debtors : All due within one year</u>		
Trade	243959	152987
Prepayments	4762	1556
	248721	154543
11 <u>Creditors: Amounts falling due within one year</u>		
Bank Account (secured)	-	8289
Hire Purchase	5896	5890
Trade Creditors	305524	139688
Social Security & Taxes	32373	33679
Accruals	13687	3031
	357480	190577

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 YEAR ENDED 31ST AUGUST 1996**

Creditors : Amounts falling due  
after more than one year.

	Hire Purchase	9836	5464
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 1779 (1995 - 1838 )		
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 (1995 - )		
16	<u>Interest Payable</u>	<u>1996</u>	<u>1995</u>
	On bank loans overdrafts and other loans Repayable within 5 years not by instalments	4245	6484
17	<u>Movement on Shareholders Funds</u>	_____	_____
	Profit for the year	30534	27230
	Less Dividends	15000	10000
		_____	_____
	Opening Shareholders	15534	17230
		49683	32453
		_____	_____
	Closing Shareholders Funds	65217	49683
		_____	_____
18	<u>Hire Purchase</u>	<u>1996</u>	<u>1995</u>
a	Payable within one year	10264	7102
b	Payable between one and two years	6442	7216
c	Payable between two and five years	2840	