

Register

Company Registered Number: 856474

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

Blythens
Chartered Accountants
Nottingham



SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

YEAR ENDED 31ST MARCH 1995

DIRECTORS

J.K. Willoughby
J.P. Willoughby

COMPANY SECRETARY

J.K. Willoughby

REGISTERED OFFICE

69-87 Wollaton Road
Beeston
Nottingham

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SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31st March 1995.

Directors' 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

Review of the business

The principal activity of the group during the year has been that of garage proprietors.

Both the level of business and the year end financial position were satisfactory.

Fixed assets

The directors are of the opinion that the value of freehold land and buildings is in excess of the book value.

Results and dividends

The profit after tax for the year amounted to £36,737, as shown on page 3.

The directors recommend a dividend of £9,958 (1994:£29,874).

Transfers taken to reserve are shown on page 3.

Directors

The directors during the year and their beneficial interests in the share capital of the company were:

	<u>Ordinary shares of £1 each</u>	
	<u>At 31st March 1995</u>	<u>At 31st March 1994</u>
J.K. Willoughby	16,494	16,494
J.P. Willoughby	1,432	1,432

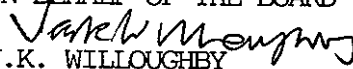
Tax Status

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

Auditors

A resolution to re-appoint Blythens as auditors of the company will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD


J.K. WILLOUGHBY

26th September 1995

CHAIRMAN

REPORT OF THE AUDITORS TO THE MEMBERS OF
SANDWOOD SECURITIES LIMITED

We have audited the financial statements on pages 3 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

As described on page 1 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 disclosure 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 misstatement, 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 of the company and the group at 31st March 1995 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BLYTHENS

REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

26th September 1995

Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1995

	<u>Note</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
<u>TURNOVER</u>	2	6,226,649	7,084,652
Cost of sales		<u>5,798,946</u>	<u>6,593,095</u>
<u>GROSS PROFIT</u>		427,703	491,557
Administrative expenses		416,861	452,717
Other operating income		<u>38,750</u>	<u>32,750</u>
<u>OPERATING PROFIT</u>	3	49,592	71,590
Interest receivable and similar income		<u>629</u>	<u>909</u>
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		50,221	72,499
Tax on profit on ordinary activities	6	<u>13,484</u>	<u>22,247</u>
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		36,737	50,252
Dividends	7	<u>9,958</u>	<u>29,874</u>
<u>RETAINED PROFIT FOR THE YEAR</u>		26,779	20,378
Retained profit brought forward		<u>369,830</u>	<u>349,452</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		<u>£396,609</u>	<u>£369,830</u>
Company		11,391	11,367
Subsidiary undertaking		<u>385,218</u>	<u>358,463</u>
		<u>£396,609</u>	<u>£369,830</u>

The only recognised gain for the year is the profit of £36,737 (1994:£50,252). There were no acquisitions and no discontinued operations in the year.

The notes set out on pages 7 to 12 form part of these financial statements

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 1995

	<u>Note</u>	£	1995 £	1994 £
<u>FIXED ASSETS</u>				
Tangible assets	8		147,663	169,204
<u>CURRENT ASSETS</u>				
Stocks	10	464,278		447,505
Debtors - due within one year	11	130,529		236,397
- due after more than one year	11	100,000		100,000
Cash at bank and in hand		154,832		98,641
		849,639		882,543
<u>CREDITORS: Amounts falling due within one year</u>	12	456,912		483,762
<u>NET CURRENT ASSETS</u>			392,727	398,781
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			540,390	567,985
<u>CREDITORS: Amounts falling due after more than one year</u>	13		86,320	140,694
<u>NET ASSETS</u>			£454,070	£427,291
<u>CAPITAL AND RESERVES</u>				
Called up share capital	14		33,193	33,193
Capital reserve on consolidation			24,268	24,268
Profit and loss account			396,609	369,830
<u>SHAREHOLDERS' FUNDS</u>	15		£454,070	£427,291

Approved by the board on 26th September 1995 and signed on its behalf by:

.....*J.K. Willoughby*..... J.K. WILLOUGHBY : DIRECTOR

The notes set out on pages 7 to 12 form part of these financial statements

SANDWOOD SECURITIES LIMITED

BALANCE SHEET AS AT 31ST MARCH 1995

	<u>Note</u>	£	<u>1995</u> £	<u>1994</u> £
<u>FIXED ASSETS</u>				
Investments	9		48,693	<u>48,693</u>
<u>CURRENT ASSETS</u>				
Debtors	11	8,274		33,145
Cash at bank and in hand		<u>113</u>		<u>113</u>
		8,387		<u>33,258</u>
<u>CREDITORS: Amounts falling due within one year</u>	12	<u>12,496</u>		<u>37,391</u>
<u>NET CURRENT (LIABILITIES)</u>			<u>(4,109)</u>	<u>(4,133)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>£44,584</u>	<u>£44,560</u>
<u>CAPITAL AND RESERVES</u>				
Called up share capital	14		33,193	33,193
Profit and loss account			<u>11,391</u>	<u>11,273</u>
<u>SHAREHOLDERS' FUNDS</u>			<u>£44,584</u>	<u>£44,466</u>

Approved by the board on 26th September 1995 and signed on its behalf by:

.....*J.K. Willoughby*... J.K. WILLOUGHBY : DIRECTOR

The notes set out on pages 7 to 12 form part of these financial statements

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 1995

	Note	£	1995 £	1994 £
<u>NET CASH INFLOW (OUTFLOW) FROM</u> <u>OPERATING ACTIVITIES</u>	18		123,504	(210,688)
<u>RETURNS ON INVESTMENTS AND</u> <u>SERVICING OF FINANCE</u>				
Interest received		629		909
Dividends paid		(29,874)		(19,916)
<u>NET CASH (OUTFLOW) FROM RETURNS ON</u> <u>INVESTMENTS AND SERVICING OF FINANCE</u>			(29,245)	(19,007)
<u>TAXATION</u>				
Corporation tax paid			(23,693)	(14,176)
<u>INVESTING ACTIVITIES</u>				
Payments to acquire tangible fixed assets		(5,500)		(1,622)
Receipts from disposal of tangible fixed assets		-		5,649
<u>NET CASH (OUTFLOW) INFLOW FROM INVESTING</u> <u>ACTIVITIES</u>			(5,500)	4,027
<u>NET CASH INFLOW (OUTFLOW) BEFORE FINANCING</u>			65,066	(239,844)
<u>FINANCING</u>				
Capital element of hire purchase repayment		(8 875)		(8,875)
Grant received		-		180,000
<u>NET CASH (OUTFLOW) INFLOW FROM FINANCING</u>			(8,875)	171,125
<u>INCREASE (DECREASE) IN CASH AND</u> <u>CASH EQUIVALENTS</u>	19		<u>£56,191</u>	<u>£(68,719)</u>

The notes set out on pages 7 to 12 form part of these financial statements

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the group's financial statements.

(a) Basis of accounting

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

(b) Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets (excluding freehold land) over their estimated useful lives at the following rates:

Buildings	- 2% per annum straight line
Plant and machinery	- 14.3%, 20% & 33.1/3% per annum straight line
Motor vehicles	- 25% per annum straight line

(c) Stock

Stock has been valued at the lower of cost and net realisable value. Consignment stock is included in the financial statements at the full cost of the vehicles before Value Added Tax.

(d) Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all timing differences to the extent that it is considered that a net liability may crystallise.

(e) Grants

Capital grants are treated as deferred income which is credited to the profit and loss account by instalments over the expected useful economic life of the related asset.

(f) Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to the scheme are charged against revenue in the year in which they are payable.

(g) Assets leased

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

1 ACCOUNTING POLICIES (continued)

(h) Consolidation

The consolidated accounts incorporate the accounts of Sandwood Securities Limited and its subsidiary undertaking. The accounts of its subsidiary are made up to 31st March.

A separate profit and loss account dealing with the results of the company only has not been presented in accordance with Section 230 of the Companies Act 1985.

2 TURNOVER

Turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year.

3 OPERATING PROFIT

	<u>1995</u> £	<u>1994</u> £
Operating profit is stated after charging (crediting):		
Depreciation	27,041	42,487
Amortisation of capital grant	(10,240)	(10,240)
(Profit) on disposal of fixed assets	-	(313)
Directors' emoluments	124,793	133,384
Auditors' remuneration	<u>7,250</u>	<u>6,960</u>

4 STAFF COSTS

	<u>1995</u> £	<u>1994</u> £
The cost of employing staff, including directors, was:		
Wages and salaries	416,653	411,925
Social security costs	38,011	38,170
Pension costs	<u>50,339</u>	<u>49,659</u>
	<u>505,003</u>	<u>499,754</u>

	<u>1995</u>	<u>1994</u>
The average weekly number of employees during the year was:		
Management	4	3
Administration	3	3
Sales and servicing	<u>32</u>	<u>34</u>
	<u>39</u>	<u>40</u>

5 DIRECTORS' EMOLUMENTS

	<u>1995</u> £	<u>1994</u> £
Details of directors' emoluments, excluding pension contributions, are:		
The chairman and highest paid director	<u>67,024</u>	<u>75,500</u>
Other directors were in the following bands of emoluments:	<u>Number</u>	<u>Number</u>
£15,001 to £20,000	1	1

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

6	<u>TAXATION</u>				
	Taxation based on the results for the year	<u>1995</u> £	<u>1994</u> £		
	Corporation tax at 25%	13,500	22,250		
	Adjustment in respect of previous years	(16)	(3)		
		<u>13,484</u>	<u>22,247</u>		
7	<u>DIVIDENDS</u>	<u>1995</u> £	<u>1994</u> £		
	Proposed:				
	Ordinary shares of £1 each:				
	Final dividend	<u>9,958</u>	<u>29,874</u>		
8	<u>TANGIBLE FIXED ASSETS</u>				
		<u>Freehold</u> <u>land and</u> <u>buildings</u> £	<u>Plant and</u> <u>machinery</u> £	<u>Motor</u> <u>vehicles</u> £	<u>Total</u> £
	Cost				
	At 1st April 1994	155,581	195,184	6,550	357,315
	Additions	-	5,500	-	5,500
	At 31st March 1995	<u>155,581</u>	<u>200,684</u>	<u>6,550</u>	<u>362,815</u>
	Depreciation				
	At 1st April 1994	35,021	146,540	6,550	188,111
	Charge for the year	3,112	23,929	-	27,041
	At 31st March 1995	<u>38,133</u>	<u>170,469</u>	<u>6,550</u>	<u>215,152</u>
	Net Book Value				
	At 31st March 1995	<u>117,448</u>	<u>30,215</u>	<u>-</u>	<u>147,663</u>
	At 31st March 1994	<u>120,560</u>	<u>48,644</u>	<u>-</u>	<u>169,204</u>

Included in the total net book value of tangible fixed assets is £8,055 (1994:£17,722) in respect of hire purchase contracts. Depreciation charged during the year on these assets was £9,667 (1994: £9,667).

9	<u>INVESTMENTS</u>	<u>1995</u> £	<u>1994</u> £
	Shares in subsidiary undertaking	<u>48,693</u>	<u>48,693</u>

At the balance sheet date the company had a 100% interest in Willoughby Garages (Nottm) Limited, a company incorporated in England.

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

10 STOCKS

	<u>1995</u>		<u>1994</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Consignment Stock	-	-	41,611	-
Goods for resale	464,278	-	405,894	-
	<u>464,278</u>	<u>-</u>	<u>447,505</u>	<u>-</u>

Consignment stock represents cars held by the group but not paid for. The cars remain the property of the manufacturer until either they are sold by the group or a specified period of time has elapsed.

11 DEBTORS

	<u>1995</u>		<u>1994</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Trade debtors	111,948	-	143,887	-
Amounts owed by other group undertakings	-	5,785	-	25,677
Advance corporation tax recoverable	2,489	2,489	7,468	7,468
Other debtors	9,539	-	74,946	-
Prepayments and accrued income	6,553	-	10,096	-
	<u>130,529</u>	<u>8,274</u>	<u>236,397</u>	<u>33,145</u>

The following amounts are receivable more than one year after the balance sheet date:

	<u>1995</u>		<u>1994</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Other debtors	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>

12 CREDITORS: Amounts falling due within one year

	<u>1995</u>		<u>1994</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Trade creditors	249,110	-	231,450	-
Other creditors	19,181	49	49	49
Corporation tax	6,032	-	16,241	-
Advance corporation tax	2,489	2,489	7,468	7,468
Other taxes and social security costs	36,246	-	53,441	-
Net obligations under finance leases and hire purchase contracts	8,134	-	8,875	-
Accruals and deferred income	125,762	-	136,364	-
Dividends payable	9,958	9,958	29,874	29,874
	<u>456,912</u>	<u>12,496</u>	<u>483,762</u>	<u>37,391</u>

Included in accruals and deferred income is £36,000 relating to an agreement with Esso which is secured by a fixed charge on the freehold land and buildings.

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

13 CREDITORS: Amounts falling due after more than one year

	<u>1995</u>		<u>1994</u>	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	-	-	8,134	-
Deferred income	86,320	-	132,560	-
	<u>86,320</u>	<u>-</u>	<u>140,694</u>	<u>-</u>

Included in deferred income is £78,000 relating to an agreement with Esso which is secured by a fixed charge on the freehold land and buildings.

14 SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
<u>Authorised</u> : 40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>
<u>Issued and</u> <u>Fully paid</u> : 33,193 Ordinary shares of £1 each	<u>33,193</u>	<u>33,193</u>

There was no change in share capital during the year.

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u>	<u>1994</u>
	£	£
Profit for the financial year	36,737	50,252
Final ordinary dividends	(9,958)	(29,874)
Net addition to shareholders' funds	<u>26,779</u>	<u>20,378</u>
Opening shareholders' funds	427,291	406,913
Closing shareholders' funds	<u>454,070</u>	<u>427,291</u>

16 CAPITAL AND OTHER COMMITMENTS (Group and company)

	<u>1995</u>	<u>1994</u>
	£	£
Capital and other commitments:		
Contracted for but not provided for	-	-
Authorised but not contracted for	-	-
	<u>-</u>	<u>-</u>

17 CONTINGENT LIABILITIES

The group has contingent liabilities in the ordinary course of business in respect of forward contracts. It is not anticipated that any material loss will arise from these contracts.

SANDWOOD SECURITIES LIMITED
AND SUBSIDIARY UNDERTAKING

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1995

18 RECONCILIATION OF OPERATING PROFIT TO NET CASH

<u>INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</u>	<u>1995</u> £	<u>1994</u> £
Operating profit	49,592	71,590
Depreciation	27,041	42,487
Amortisation of grants	(46,240)	(40,240)
(Profit) on disposal of fixed assets	-	(313)
(Increase) in stocks	(16,773)	(101,558)
Decrease (Increase) in debtors	100,889	(98,411)
Increase (Decrease) in creditors	8,995	(84,243)
<u>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</u>	<u>123,504</u>	<u>(210,688)</u>

19 ANALYSIS OF CASH AND CASH EQUIVALENT
BALANCES AS SHOWN IN THE BALANCE SHEET

	<u>1995</u> £	<u>1994</u> £	<u>Change</u> <u>in year</u> £
Cash at bank and in hand	<u>£154,832</u>	<u>£98,641</u>	<u>£56,191</u>