COMPANY NUMBER 2123732

# DAYS OF HEDINGHAM LIMITED

## TRADING ACCOUNTS

## YEAR ENDED 31ST MAY 1998

STEVENS, RAYNER & CO.,
ACCOUNTANTS & CHARTERED TAX ADVISERS,
5 HIGH STREET,
HALSTEAD,
ESSEX.
CO9 2AA

A18 *ASTLWBAE* 82
COMPANIES HOUSE 14/11/98

DAYS OF HEDINGHAM LIMITED COMPANY NUMBER 2123732

## REPORT OF THE DIRECTORS FOR THE YEAR TO 31ST MAY 1998

The directors submit their annual report and accounts for the year ended 31st May 1998.

### Review of business

The company's principle activity is that of car repairs and servicing together with second hand car sales.

### Results and dividends

The profit for the year was £5312 (1997: Loss £2339). The state of the business is regarded satisfactory. The directors decided not to recommend the payment of a dividend for the year.

### Directors

The directors during the year and the shares in the company in which they were beneficially interested were:-

| | At 1st June 1997 Ordinary Shares of £1 each | At 31st May 1998 Ordinary Shares of £1 each |
|---|---|---|
| J H Day | 334 | 334 |
| Mrs P J Day | 333 | 333 |
| O J Day | 333 | 333 |

### Donations

No political or charitable donations were made during the year.

**Signed on behalf of the Board**

**J H Day (Director)**

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 1998

| | Notes | 1998 | 1997 |
|---|---|---|---|
| TURNOVER | | 237,440 | 229,971 |
| Cost of Sales | | 162,122 | 163,778 |
| GROSS PROFIT | | 75,318 | 66,193 |
| Administrative Expenses | | 71,867 | 70,160 |
| OPERATING PROFIT (LOSS) | (2) | 3,451 | (3,967) |
| Interest Receivable | | 1,861 | 1,628 |
| PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | | 5,312 | (2,339) |
| Tax Payable | | (1,274) | - |
| Tax Repaid | | 579 | 375 |
| Surplus brought forward | | 47,863 | 49,827 |
| SURPLUS AT 31ST MAY 1998 | | 52,480 | 47,863 |

The notes set out on pages 4 to 6 form an integral part of these accounts.

BALANCE SHEET

| AS AT 31ST MAY 1998 | Notes | 1998 | | 1997 | |
|---|---|---|---|---|---|
| FIXED ASSETS:- | | | | | |
| Tangible Assets | (6) | | 5,645 | | 7,071 |
| CURRENT ASSETS | | | | | |
| Stock | | 7,725 | | 8,767 | |
| Debtors | | 22,866 | | 23,808 | |
| Prepayments | (7) | 704 | | 73 | |
| Cash at Bank and In Hand | | 43,985 | | 43,270 | |
| | | 75,280 | | 75,918 | |
| CREDITORS: Amounts falling due within one year | (8) | 25,650 | | 17,226 | |
| NET CURRENT ASSETS | | | 49,630 | | 58,692 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 55,275 | | 65,763 |
| CREDITORS: Amounts falling due after more than one year | (9) | | (1,795) | | (16,900) |
| | | | 53,480 | | 48,863 |
| | | | ====== | | ====== |
| CAPITAL AND RESERVES | | | | | |
| Called up Share Capital | | | 1,000 | | 1,000 |
| Profit and Loss Account | | | 52,480 | | 47,863 |
| | | | £53,480 | | £48,863 |
| | | | ======= | | ======= |

The directors are satisfied that the company is entitled to exemption under section 249A(2) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985; and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the Board on 11th November 1998 and signed on its behalf by

.....
J H Day (Director)

The notes set out on pages 4 to 6 form an integral part of these accounts.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1998

ACCOUNTING POLICIES

1. (a) Basis of accounting

These accounts have been prepared under the historical cost convention.

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods used are as follows:-

| | |
|---|---|
| Equipment fittings etc | 25% reducing balance |
| Motor Vehicles | 25% reducing balance |

(c) Stock

Stock is valued at the lower of cost and net realisable value. Cost if determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

(d) Turnover

Turnover consists of the invoiced value (excluding Value Added Tax) of goods and services supplied to third parties.

(e) Taxation

The charge for taxation is based on the profit for the year.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1998

ACCOUNTING POLICIES

1. (a) Basis of accounting

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(e) Taxation

The charge for taxation is based on the profit for the year.

2. OPERATING PROFIT (LOSS)

| | 1998 | 1997 |
|---|---|---|
| Operating profit (loss) is stated after charging: | | |
| Depreciation | 1,826 | 2,275 |
| Directors' Emoluments | 34,320 | 33,020 |
| Accountancy Charges | 1,070 | 1,020 |

3. STAFF COSTS

| | | |
|---|---|---|
| The cost of employing staff, including directors was: | | |
| Wages Salaries and Fees | 82,581 | 89,133 |
| Social Security costs | 7,066 | 7,799 |
| | 89,647 | 96,932 |
| The average weekly number of employees during the year, including directors was: | | |
| Engineers | 6 | 7 |
| Administration | 2 | 2 |

4. DIRECTORS EMOLUMENTS

| | | |
|---|---|---|
| Salaries | 34,320 | 33,020 |

5. TAXATION

| | | |
|---|---|---|
| U.K. Corporation Tax Repaid | 579 | 375 |
| U.K. Corporation Tax Paid | 1,274 | - |

6. TANGIBLE FIXED ASSETS

| | Plant | Motor | Total |
|---|---|---|---|
| COST | | | |
| At 1st June 1997 | 47,194 | 14,755 | 61,949 |
| Additions | - | 400 | - |
| At 31st May 1998 | 47,194 | 15,155 | 61,949 |
| DEPRECIATION | | | |
| As at 1st June 1997 | 41,970 | 12,908 | 54,878 |
| Charge for year | 1,306 | 520 | 1,826 |
| At 31st May 1998 | 43,276 | 13,428 | 56,704 |
| NET BOOK VALUE | | | |
| At 1st June 1997 | 5,224 | 1,847 | 7,071 |
| At 31st May 1998 | 3,918 | 1,727 | 5,645 |

| | | 1998 | 1997 |
|---|---|---|---|
| 7. | DEBTORS | | |
| | Trade Debtors | 22,866 | 23,808 |
| | Prepayments | 704 | 73 |
| | | 23,570 | 23,881 |
| 8. | CREDITORS: Amounts falling due within one year | | |
| | Trade Creditors | 14,104 | 8,347 |
| | Tax and Social Security costs | 8,524 | 7,101 |
| | U.K. Corporation Tax | 1,274 | - |
| | Other Creditors | 678 | 758 |
| | Accruals | 1,070 | 1,020 |
| | | 25,650 | 17,226 |
| 9. | CREDITORS: Amounts falling due after more than one year | | |
| | Director's Loan - J H Day | 1,795 | 16,795 |
| | Director's Loan - O J Day | - | 105 |
| | | 1,795 | 16,900 |
| 10. | SHARE CAPITAL | | |
| | Authorised: 1000 Ordinary Shares of £1 each | 1,000 | 1,000 |
| | Issued and fully paid: 1000 Ordinary Shares of £1 each | 1,000 | 1,000 |

11. Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state 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 then apply them consistently;

* make judgments and estimates that are reasonable and prudent;

* prepare the statements on a 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 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 of fraud and other irregularities.