

SC120607

Report of the Directors and
Financial Statements for the Year Ended 30 September 2001
for
STRATHCLYDE TYRE SERVICES LIMITED



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COMPANIES HOUSE 17/07/02

STRATHCLYDE TYRE SERVICES LIMITED

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for the Year Ended 30 September 2001

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STRATHCLYDE TYRE SERVICES LIMITED

Company Information
for the Year Ended 30 September 2001

DIRECTORS:	Brendan Tracey William Tracey
SECRETARY:	Brendan Tracey
REGISTERED OFFICE:	6 Rankine Street Johnstone Renfrewshire PA5 8BB
REGISTERED NUMBER:	120607 (Scotland)
AUDITORS:	Grant Thornton Registered Auditors & Chartered Accountants 95 Bothwell Street Glasgow G2 7JZ
BANKERS:	Bank of Scotland The Cross Paisley PA1 1DB
SOLICITORS:	Donaldson Russell Alexander & Haddow Rothesay House 134 Douglas Street Glasgow G2 4HF

STRATHCLYDE TYRE SERVICES LIMITED

Report of the Directors **for the Year Ended 30 September 2001**

The directors present their report with the financial statements of the company for the year ended 30 September 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of selling and distribution of new and used tyres.

DIRECTORS

The directors during the year under review were:

Brendan Tracey
William Tracey

The beneficial interests of the directors holding office on 30 September 2001 in the issued share capital of the company were as follows:

	30.9.01	1.10.00
Ordinary £1 shares		
Brendan Tracey	132,480	132,480
William Tracey	-	-

ACQUISITION OF COMPANY'S OWN SHARES

During the year the company acquired 44,160 Ordinary Shares of £1 (representing 25% of the called up share capital) for a total consideration of £25,000. These shares were subsequently cancelled.

STATEMENT OF 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 then 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 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 prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, GRANT THORNTON, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Brendan Tracey - SECRETARY

Dated:

17/6/02

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
STRATHCLYDE TYRE SERVICES LIMITED**

We have audited the financial statements of Strathclyde Tyre Services Limited for the year ended 30 September 2001 which comprise the profit and loss account, the balance sheet and notes 1 to 18. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the accounting policies set out therein.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

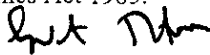
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 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 the company's affairs as at 30 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

GLASGOW

17/6/02

STRATHCLYDE TYRE SERVICES LIMITED**Profit and Loss Account**
for the Year Ended 30 September 2001

		<u>30.9.01</u>	<u>30.9.00</u>
	Notes	£	£
TURNOVER		2,361,195	2,170,138
Cost of sales		<u>(1,947,518)</u>	<u>(1,785,849)</u>
GROSS PROFIT		413,677	384,289
Administrative expenses		<u>(348,070)</u>	<u>(366,059)</u>
		65,607	18,230
Other operating income		<u>3,675</u>	<u>4,500</u>
OPERATING PROFIT	2	69,282	22,730
Interest receivable and similar income		<u>9,406</u>	<u>1,601</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78,688	24,331
Tax on profit on ordinary activities	4	<u>(13,595)</u>	<u>(9,371)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		65,093	14,960
Dividends	5	<u>(12,006)</u>	<u>-</u>
		53,087	14,960
Retained profit brought forward		<u>232,498</u>	<u>217,538</u>
		285,585	232,498
Purchase of own shares		<u>(25,000)</u>	<u>-</u>
RETAINED PROFIT CARRIED FORWARD		<u>£260,585</u>	<u>£232,498</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous year

The notes form part of these financial statements

STRATHCLYDE TYRE SERVICES LIMITED**Balance Sheet****30 September 2001**

		<u>30.9.01</u>	<u>30.9.00</u>
	Notes	£	£
FIXED ASSETS:			
Tangible assets	6	356,482	315,957
CURRENT ASSETS:			
Stocks		203,891	213,324
Debtors	7	515,385	454,819
Cash at bank and in hand		<u>167,689</u>	<u>144,692</u>
		886,965	812,835
CREDITORS: Amounts falling due within one year	8	<u>(717,088)</u>	<u>(634,247)</u>
NET CURRENT ASSETS:		<u>169,877</u>	<u>178,588</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		526,359	494,545
PROVISIONS FOR LIABILITIES AND CHARGES:	11	<u>(11,774)</u>	<u>(8,047)</u>
		<u>£514,585</u>	<u>£486,498</u>
CAPITAL AND RESERVES:			
Called up share capital	12	132,480	176,640
Share premium	13	77,360	77,360
Capital redemption reserve	14	44,160	-
Profit and loss account		<u>260,585</u>	<u>232,498</u>
SHAREHOLDERS' FUNDS:		<u>£514,585</u>	<u>£486,498</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:


Brendan Tracey - DIRECTOR



William Tracey - DIRECTOR

Approved by the Board on 17/6/02

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 September 2001

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 4% on cost
Plant and machinery etc	- 25% on reducing balance, 15% on reducing balance and 4% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

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 payable for the year are charged in the profit and loss account.

STRATHCLYDE TYRE SERVICES LIMITED

Notes to the Financial Statements
for the Year Ended 30 September 2001

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.9.01	30.9.00
	£	£
Depreciation - owned assets	45,015	40,653
Profit on disposal of fixed assets	(83,700)	(276)
Pension costs	<u>43,979</u>	<u>6,108</u>

3. DIRECTOR'S REMUNERATION

Directors' emoluments and other benefits etc	<u>81,312</u>	<u>62,914</u>
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The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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4. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	30.9.01	30.9.00
	£	£
UK corporation tax	9,942	8,518
Under/(over) provision	(74)	-
Deferred tax	<u>3,727</u>	<u>853</u>
	<u>13,595</u>	<u>9,371</u>

UK corporation tax has been charged at 20% (2000 - 21%)

5. DIVIDENDS

	30.9.01	30.9.00
	£	£
Interim Dividend on Ordinary Shares	<u>12,006</u>	<u>-</u>

**Notes to the Financial Statements
for the Year Ended 30 September 2001**

6. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST:			
At 1 October 2000	214,060	271,116	485,176
Additions	-	168,559	168,559
Disposals	(99,600)	(25,469)	(125,069)
At 30 September 2001	<u>114,460</u>	<u>414,206</u>	<u>528,666</u>
DEPRECIATION:			
At 1 October 2000	68,527	100,691	169,218
Charge for year	7,566	37,449	45,015
Eliminated on disposals	(34,861)	(7,188)	(42,049)
At 30 September 2001	<u>41,232</u>	<u>130,952</u>	<u>172,184</u>
NET BOOK VALUE:			
At 30 September 2001	<u>73,228</u>	<u>283,254</u>	<u>356,482</u>
At 30 September 2000	<u>145,533</u>	<u>170,424</u>	<u>315,957</u>

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.9.01 £	30.9.00 £
Trade debtors	485,087	438,207
Other debtors	20,000	-
Prepayments	<u>10,298</u>	<u>16,612</u>
	<u>515,385</u>	<u>454,819</u>

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.9.01 £	30.9.00 £
Bank loans and overdrafts	203,956	107,968
Trade creditors	344,090	382,801
Other creditors	165	-
Social security & other taxes	17,079	39,282
Value added tax	32,225	17,843
Taxation	9,873	8,518
Accrued expenses	<u>109,700</u>	<u>77,835</u>
	<u>717,088</u>	<u>634,247</u>

**Notes to the Financial Statements
for the Year Ended 30 September 2001****9. OPERATING LEASE COMMITMENTS**

The following payments are committed to be paid within one year:

	30.9.01	30.9.00
	£	£
Expiring: In more than five years	<u>20,000</u>	<u>-</u>

10. SECURED DEBTS

The bank overdraft is secured by a bond and floating charge over all of the company's assets.

11. PROVISIONS FOR LIABILITIES AND CHARGES

	30.9.01	30.9.00
	£	£
Deferred taxation	<u>11,774</u>	<u>8,047</u>
	Deferred tax	
	£	
Balance at 1 October 2000	8,047	
Charge for year	<u>3,727</u>	
Balance at 30 September 2001	<u>11,774</u>	

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.9.01	30.9.00
			£	£
1,000,000	Ordinary	£1	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.9.01	30.9.00
			£	£
132,480	Ordinary	£1	<u>132,480</u>	<u>176,640</u>

During the year the company acquired 44,160 Ordinary Shares of £1 (representing 25% of the called up share capital) for a total consideration of £25,000. These shares were subsequently cancelled. This transaction has resulted in the creation of a Capital Redemption Reserve of £44,160.

13. SHARE PREMIUM

	30.9.01	30.9.00
	£	£
Brought forward	<u>77,360</u>	<u>77,360</u>

STRATHCLYDE TYRE SERVICES LIMITED

Notes to the Financial Statements **for the Year Ended 30 September 2001**

14. CAPITAL REDEMPTION RESERVE

	30.9.01	30.9.00
	£	£
Purchase of own shares	<u>44,160</u>	<u>-</u>

15. CONTINGENT LIABILITIES

There were no contingent liabilities at either year end except in respect of deferred taxation.

16. CAPITAL COMMITMENTS

	30.9.01	30.9.00
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

17. RELATED PARTY DISCLOSURES

William Tracey Limited

Mr William Tracey is a director of this company. During the year the company made sales to this company of £104,942 (2000 - £92,429) and purchases of £14,884 (2000 - £27,023) and management charges of £6,000 (2000 - £6,000) were invoiced by this company. At 30 September 2001 the amount due by William Tracey Limited was £23,093 (2000 - £18,860) and the amount due to William Tracey Limited was £2,792 (2000 - £3,520).

Strathclyde Tyre Services Limited Pension Fund

Mr Brendan Tracey is a beneficiary of this plan. During the year the company sold its property at Johnstone to the Pension Fund in an arms length transaction for a consideration of £160,000. Subsequently the company entered into an arrangement with the Pension Fund to lease the property at rental of £20,000 per annum. During the year the company paid rental to the Pension Fund of £5,000 and made contributions to the Pension Fund amounting to £30,000.

18. CONTROLLING RELATED PARTY

Mr Brendan Tracey is the company's controlling related party by virtue of his 100% shareholding in the company.