Registered Number SC282292

Lethen Motors Limited

Abbreviated Accounts

31 May 2011

Lethen Motors Limited **Registered Number SC282292**

Balance Sheet as at 31 May 2011

	Notes	2011		2010	
		£	£	£	£
Fixed assets	2				
Intangible			27,200		34,000
Tangible			13,317		8,955
			40,517		42,955
Current assets					
Stocks		1,090		1,050	
Debtors		11,698		7,381	
Cash at bank and in hand		110,022		70,533	
Total current assets		122,810		78,964	
Creditors: amounts falling due within one year		(71,624)		(64,187)	
Net current assets (liabilities)			51,186		14,777
Total assets less current liabilities			91,703		57,732
Provisions for liabilities			(1,998)		(1,007)
Total net assets (liabilities)			89,705		56,725
Capital and reserves					
Called up share capital	4		50		50
Profit and loss account			89,655		56,675
Shareholders funds			89,705		56,725

a. For the year ending 31 May 2011 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
c. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
d. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board on 24 November 2011

And signed on their behalf by:
Mr I R Wood, Director

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1068 of the Companies Act 2006.

Notes to the Abbreviated Accounts

For the year ending 31 May 2011

1 **Accounting policies**

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, in respect of motor vehicle repair and maintenance.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2005, is being amortised evenly over its estimated useful life of ten years. The Directors believe that ten years is a fair basis for amortising goodwill.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows: Goodwill-10% straight line

Stocks

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

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions: Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold. Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Fixed Assets

All fixed assets are initially recorded at cost.

Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant & Machinery	20% reducing balance
Motor Vehicles	25% straight line

2 **Fixed Assets**

	Intangible Assets	Tangible Assets	Total
Cost or valuation	**£**	**£**	**£**
At 01 June 2010	68,000	22,477	90,477
Additions		7,691	7,691
At 31 May 2011	68,000	30,168	98,168
Depreciation			
At 01 June 2010	34,000	13,522	47,522
Charge for year	6,800	3,329	10,129
At 31 May 2011	40,800	16,851	57,651
Net Book Value			
At 31 May 2011	27,200	13,317	40,517
At 31 May 2010	34,000	8,955	42,955

3 **Creditors: amounts falling due after more than one year**

4 **Share capital**

	2011	2010

	£	£
Authorised share capital:		
1000 Ordinary of £1 each	1,000	1,000
Allotted, called up and fully paid:		
50 Ordinary of £1 each	50	50