
Parry's Motor Parts Limited
Abbreviated Accounts
for the year ended 30th April 1999



Parry's Motor Parts Limited

Directors' Report

for the year ended 30th April 1999

The directors submit their report together with the abbreviated accounts for the year ended 30th April 1999.

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 for that year. 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; and

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 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.

Results and Dividends

The profit on the ordinary activities of the company before taxation amounted to £553,431. After deducting taxation, the profit of £365,661 has been transferred to reserves.

The directors do not recommend the payment of a dividend.

Principal Activity and Business Review

The principal activity of the company continued to be that of the sale of motor vehicle parts, paints and related products.

The directors plan to continue with the management policies which have led to the satisfactory result achieved in the year.

Directors

The directors, neither of whom is beneficially interested in the shares of the company, who served during the year were as follows:

Mr N Parry
Mrs B Parry

The company is a wholly-owned subsidiary of Parry's Holdings Limited and the interests in shares of Mr N Parry and Mrs B Parry who are directors of that company are disclosed in its directors' report.

Parry's Motor Parts Limited

Directors' Report

for the year ended 30th April 1999

Year 2000

It is well known that many computers and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the Year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

The directors have begun a full review of the company's systems to assess the likely extent of the impact of the Year 2000 issue on the company, and the risks that it faces. Priority will be given to those systems which would have a significant financial or legal impact on the company's business if they were to fail. The directors are also considering the impact on our business of Year 2000 related failures by our significant suppliers and customers.

Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems will remain, because at least some level of failure may still occur. However, the Board believes that it will achieve an acceptable state of readiness and has also provided resources to deal promptly with significant subsequent failures or issues that might arise.

The total cost of modifications to the company's computer hardware and software during the year was £48,178, all being in respect of new equipment that has been capitalised. No further expenditure in relation to the Year 2000 is expected to be incurred.

Auditors

The Auditors, Lathams (formerly Latham Crossley & Davis), Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By Order of the Board:

Mr N Parry, Secretary

Date:

6/8/99

Auditors' Report

To Parry's Motor Parts Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 4 to 10 together with the full financial statements of Parry's Motor Parts Limited for the year ended 30th April 1999 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the full financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 10 have been properly prepared in accordance with that provision.

Latham
Registered Auditors and
Chartered Accountants

6/8/99

Sumner House
St. Thomas's Road
Chorley
PR7 1HP

Parry's Motor Parts Limited
Abbreviated Profit and Loss Account
for the year ended 30th April 1999

	Notes	1999 £	1998 £
Gross profit		1,924,452	1,836,879
Distribution costs		(1,205,849)	(1,151,183)
Administrative expenses		(290,694)	(225,849)
Operating profit	2	427,909	459,847
Interest receivable		125,522	119,155
Profit on ordinary activities before taxation		553,431	579,002
Tax on profit on ordinary activities	4	(187,770)	(182,733)
Profit on ordinary activities after taxation		365,661	396,269
Retained profit brought forward		4,212,361	3,816,092
Retained profit carried forward		4,578,022	4,212,361

The notes on pages 6 to 10 form part of these abbreviated accounts.

Parry's Motor Parts Limited

Abbreviated Balance Sheet

as at 30th April 1999

	Notes	1999 £	
Fixed Assets			
Tangible assets	5		
Current Assets			
Stocks	6	969,656	181,143
Debtors	7	1,705,093	1,676,991
Cash at bank and in hand		2,196,929	2,191,002
		<u>4,871,678</u>	<u>4,649,136</u>
Creditors:			
Amounts falling due within one year	8	(650,094)	(739,364)
Net Current Assets		4,221,584	3,909,772
Total Assets Less Current Liabilities		<u>4,588,469</u>	<u>4,220,217</u>
Provisions for Liabilities and Charges			
Deferred taxation	9	(8,447)	(5,856)
		<u>4,580,022</u>	<u>4,214,361</u>
Capital and Reserves			
Called up share capital	10	2,000	2,000
Profit and loss account		4,578,022	4,212,361
Equity Shareholders' Funds		<u>4,580,022</u>	<u>4,214,361</u>

These abbreviated accounts on pages 4 to 10 have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies.

These abbreviated accounts were approved by the board on

6/8/99

Mr N Parry
Mrs B Parry
Directors

NB Parry

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The notes on pages 6 to 10 form part of these abbreviated accounts.

Parry's Motor Parts Limited
Notes to the Abbreviated Accounts
for the year ended 30th April 1999

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Turnover

Turnover represents the invoiced amount of goods sold less returns and allowances, excluding value added tax.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The principal annual rates and methods used are:

Freehold buildings	2% Straight line
Computer equipment	30% Straight line
Motor vehicles	25% Reducing balance
Fixtures and fittings	20% Reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is calculated under the liability method at the appropriate rate of tax in respect of timing differences between profits as computed for tax purposes and profits as stated in the financial statements to the extent that, in the opinion of the directors, those differences will give rise to tax liabilities in the foreseeable future.

Foreign Currencies

Transactions denominated in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies which are included in the balance sheet are translated at the rates of exchange ruling at the balance sheet date. Exchange gains and losses are included in the profit on ordinary activities.

Parry's Motor Parts Limited
Notes to the Abbreviated Accounts
for the year ended 30th April 1999

2 Operating Profit

The operating profit is stated after charging:

	1999	<i>1998</i>
	£	<i>£</i>
Amounts payable to the auditors in respect of audit services	9,200	8,900
Depreciation - owned assets	90,038	86,620
Loss on disposal of fixed assets	12,886	9,571
Loss on foreign exchange	54,131	-
	<u>166,255</u>	<u>185,091</u>

3 Directors and Employees

Staff costs during the year were as follows:

	1999	<i>1998</i>
	£	<i>£</i>
Wages and salaries	766,205	757,972
Social security costs	63,955	61,348
	<u>830,160</u>	<u>819,320</u>

The average monthly number of employees, including directors, during the year was as follows:

	1999	<i>1998</i>
	Number	<i>Number</i>
Office and management	8	8
Sales and marketing	61	58
	<u>69</u>	<u>66</u>

Remuneration in respect of directors was as follows:

	1999	<i>1998</i>
	£	<i>£</i>
Emoluments	33,166	33,758

Parry's Motor Parts Limited

Notes to the Abbreviated Accounts

for the year ended 30th April 1999

4	Tax on Profit on Ordinary Activities	1999 £	1998 £
	<i>Based on the profit for the year:</i>		
	U.K. Corporation tax at 30.92% (1998: 31.00%)	162,816	181,120
	Deferred tax credit	2,591	(224)
		165,407	180,896
	Prior year adjustments - corporation tax	22,363	2,229
	Prior year adjustments - deferred tax	-	(392)
		187,770	182,733

The tax charge for the year has been reduced by approximately £500 (1998 : increased by £4,600) in respect of permanent timing differences and reduced by approximately £5,200 (1998 : £3,800) in respect of marginal relief.

5	Tangible Fixed Assets	Freehold land and buildings £	Computer equipment £	Motor vehicles £	Fixtures and fittings £	Total £
	Cost					
	At 1st May 1998	55,000	117,124	334,424	191,973	698,521
	Additions	-	49,364	122,265	21,360	192,989
	Disposals	-	-	(88,826)	-	(88,826)
	At 30th April 1999	55,000	166,488	367,863	213,333	802,684
	Depreciation					
	At 1st May 1998	2,200	111,185	138,461	136,230	388,076
	Charged for the year	1,100	5,583	67,934	15,421	90,038
	Eliminated on disposal	-	-	(42,315)	-	(42,315)
	At 30th April 1999	3,300	116,768	164,080	151,651	435,799
	Net Book Value					
	At 30th April 1999	51,700	49,720	203,783	61,682	366,885
	At 30th April 1998	52,800	5,939	195,963	55,743	310,445

6	Stocks	1999 £	1998 £
	Finished goods	969,656	781,143

Parry's Motor Parts Limited

Notes to the Abbreviated Accounts

for the year ended 30th April 1999

7	Debtors	1999	1998
		£	£
	Trade debtors	1,029,893	1,037,557
	Amounts owed by group undertakings	599,399	599,399
	Other debtors	30,867	9,500
	Prepayments	44,934	30,535
		<u>1,705,093</u>	<u>1,676,991</u>
8	Creditors: Amounts falling due within one year	1999	1998
		£	£
	Trade creditors	220,167	263,765
	Corporation tax	162,816	181,120
	Other taxes and social security	65,547	72,286
	Directors' loan accounts	12,063	20,351
	Other creditors	177,136	189,772
	Accruals	12,365	12,070
		<u>650,094</u>	<u>739,364</u>

9 Deferred Taxation

Deferred taxation provided for in the financial statements is set out below and is calculated using a tax rate of 31%.

	Amount Provided		Amount Unprovided	
	1999	1998	1999	1998
	£	£	£	£
Accelerated capital allowances	8,447	5,856	-	-

The movement on the provision for deferred tax was as follows:

	£
At 1st May 1998	5,856
Transfer from profit and loss account	2,591
At 30th April 1999	<u>8,447</u>

Parry's Motor Parts Limited

Notes to the Abbreviated Accounts

for the year ended 30th April 1999

10 Share Capital

Authorised	1999	1998
	£	£
2,000 Ordinary shares of £1 each	2,000	2,000
	<hr/>	<hr/>
Allotted, called up and fully paid	1999	1998
	£	£
2,000 Ordinary shares of £1 each	2,000	2,000
	<hr/>	<hr/>

11 Ultimate Parent Undertaking

The directors consider the ultimate parent company to be Parry's Holdings Limited. Parry's Holdings Limited is exempt from the requirement to prepare group accounts.