

Company Registration Number - 1202436

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BAWTRY ROAD SERVICE STATION LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 1998

PANNELL KERR FORSTER

Chartered Accountants



BAWTRY ROAD SERVICE STATION LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 1998

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**COMPANY NUMBER**

1202436

**DIRECTORS**

J O Fisher

B Fisher

I O Fisher

**SECRETARY**

B Fisher

**REGISTERED OFFICE**

The Brecks

Rotherham

South Yorkshire

**AUDITORS**

Pannell Kerr Forster

Sheffield

**BANKERS**

National Westminster Bank plc

Rotherham

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## BAWTRY ROAD SERVICE STATION LIMITED

## DIRECTORS' REPORT

## 1. RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £10,776. The directors recommend that no dividend be paid.

## 2. REVIEW OF THE BUSINESS

The company's principal activity during the year was the operation of petrol stations. The Malin Bridge outlet closed in October 1998.

The directors consider the level of activity and the year end financial position to be satisfactory.

## 3. DIRECTORS

The directors at the end of the year and their beneficial interests in the shares of the company were as follows:

	Ordinary shares	
	31: 3:98	1: 4:97
J O Fisher	26	50
B Fisher	26	50
I O Fisher	-	-

There was a transfer of shares in the year from J O Fisher and B Fisher of 24 shares each to J O Fisher Voluntary Settlement and B Fisher Voluntary Settlement, respectively. J O Fisher, B Fisher and I O Fisher act as trustees for the settlements and I O Fisher is a beneficiary of the settlements.

The director retiring by rotation is I O Fisher who, being eligible, is available for re-election.

BAWTRY ROAD SERVICE STATION LIMITED

## DIRECTORS' REPORT (Continued)

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**4. 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;
- \* follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- \* 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 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.

**5. YEAR 2000**

The directors are actively reviewing the Year 2000 needs of the company and are of the belief that its business will not be adversely affected by any computer problems arising at the turn of the century.

**6. STATUS**

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

**7. AUDITORS**

A resolution to re-appoint the auditors, Pannell Kerr Forster, will be proposed at the annual general meeting.

*B. Fisher*

24.11.98

Rotherham

By order of the board

B FISHER

Secretary

## AUDITORS' REPORT TO THE SHAREHOLDERS OF

## BAWTRY ROAD SERVICE STATION LIMITED

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We have audited the financial statements on pages 6 to 15 which have been prepared under the accounting policies set out on pages 9.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2, 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. 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 affairs of the company as at 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25 November 1998

Sheffield

*Pamela Kw Forster*

Chartered Accountants  
Registered Auditors

## BAWTRY ROAD SERVICE STATION LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 1998

		1998	1997
	<u>Notes</u>	<u>£</u>	<u>£</u>
<b>TURNOVER</b>	2	7,776,772	6,189,469
Cost of sales		7,404,379	5,871,726
<b>GROSS PROFIT</b>		372,393	317,743
Administrative expenses		414,437	277,660
		(42,044)	40,083
Other operating income		56,080	29,396
<b>OPERATING PROFIT</b>		14,036	69,479
Interest payable	4	15,912	22,692
<b>(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	(1,876)	46,787
Tax on profit on ordinary activities	6	(12,652)	11,616
<b>PROFIT FOR THE FINANCIAL YEAR</b>		10,776	35,171
Dividends	7	-	40,000
<b>RETAINED PROFIT (LOSS) FOR THE YEAR</b>		10,776	(4,829)

All amounts relate to continuing operations.

The company has no recognised gains or losses other than those shown above.

## BAWTRY ROAD SERVICE STATION LIMITED

## BALANCE SHEET

31 MARCH 1998

		1998		1997	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8		1,487,697		1,496,726
<b>CURRENT ASSETS</b>					
Stocks	9	134,230		99,193	
Debtors	10	64,838		46,548	
Cash at bank and in hand		486		24,581	
		199,554		170,322	
<b>CREDITORS - Amounts falling due within one year</b>	11	558,868		548,672	
<b>NET CURRENT LIABILITIES</b>			(359,314)		(378,350)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,128,383		1,118,376
<b>CREDITORS - Amounts falling due after more than one year</b>	11	67,500		59,545	
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	12	-		3,661	
<b>ACCRUALS AND DEFERRED INCOME</b>	13	212,660		217,723	
			280,160		280,929
<b>NET ASSETS</b>			848,223		837,447
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		100		100
Revaluation reserve	15		635,104		635,104
Profit and loss account	15		213,019		202,243
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16		848,223		837,447

Approved by the board on 24.11.98

I O FISHER

- Director



## BAWTRY ROAD SERVICE STATION LIMITED

## NOTE OF HISTORICAL COST PROFITS AND LOSSES

YEAR ENDED 31 MARCH 1998

	1998	1997
	<u>£</u>	<u>£</u>
Reported profit on ordinary activities before taxation	(1,876)	46,787
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	2,455	2,455
Historical cost profit on ordinary activities before taxation	<u>579</u>	<u>49,242</u>
Historical cost profit(loss) for the year retained after taxation and dividends	<u>13,231</u>	<u>(2,374)</u>

## BAWTRY ROAD SERVICE STATION LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 1998

Reconciliation of operating profit to net cash  
inflow from operating activities

	1998 £	1997 £
Operating profit	14,036	69,479
Depreciation charges	37,029	42,603
(Increase) in debtors	(9,211)	(13,949)
(Decrease) increase in creditors	(14,168)	7,440
Increase in stocks	(35,037)	(23,036)
Release of capital assistance monies	(5,063)	(14,063)
	<hr/>	<hr/>
Net cash (outflow) inflow from operating activities	(12,414)	68,474
	<hr/>	<hr/>

## CASH FLOW STATEMENT

Net cash (outflow) inflow from operating activities	(12,414)	68,474
Returns on investments and servicing of finance (Note 1)	(15,912)	(20,962)
Corporation tax paid	(22,788)	1,461
Capital expenditure (Note 1)	(28,000)	(16,183)
	<hr/>	<hr/>
	(79,114)	32,790
Financing (Note 1)	(4,281)	(25,613)
	<hr/>	<hr/>
(Decrease) increase in cash and cash equivalents (Note 2)	(83,395)	7,177
	<hr/>	<hr/>

Reconciliation of net cash flow to movement  
in net debt (Note 2)

(Decrease) increase in cash in the period	(83,395)	7,177
Net debt at 1 April 1997	(70,849)	(78,026)
	<hr/>	<hr/>
Net debt at 31 March 1998	(154,244)	(70,849)
	<hr/>	<hr/>

BAWTRY ROAD SERVICE STATION LIMITED  
 NOTES TO THE CASH FLOW STATEMENT  
 YEAR ENDED 31 MARCH 1998

	1998 £	1997 £	
1. GROSS CASH FLOWS			
Returns on investments and servicing of finance			
Interest paid	(10,879)	(15,929)	
Interest element of finance rentals	(5,033)	(5,033)	
	<u>(15,912)</u>	<u>(20,962)</u>	
Capital expenditure			
Payment to acquire tangible fixed assets	(28,000)	(16,183)	
	<u>(28,000)</u>	<u>(16,183)</u>	
Financing			
Capital element of finance lease rental payments	(4,281)	(25,613)	
	<u>(4,281)</u>	<u>(25,613)</u>	
2. ANALYSIS OF CHANGES IN NET DEBT			
	At 1.4.97 £	Cashflows £	At 31.3.98 £
Cash at bank and in hand	24,581	(24,095)	486
Bank overdraft	(95,430)	(59,300)	(154,730)
	<u>(70,849)</u>	<u>(83,395)</u>	<u>(154,244)</u>

BAWTRY ROAD SERVICE STATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

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## 1. ACCOUNTING POLICIES

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and in accordance with applicable accounting standards.

### **Tangible fixed assets and depreciation**

Tangible assets other than freehold land are depreciated over their estimated useful lives at the following annual rates:

Freehold buildings	- 2% straight line
Aeroplane	- 15% reducing balance
Plant and machinery	- 15% reducing balance
Fixtures and fittings	- 15% reducing balance
Motor vehicles	- 25% reducing balance

### **Assistance monies**

Assistance monies in respect of capital expenditure are treated as deferred credits, a proportion of which is transferred to revenue annually over the life of the asset.

### **Stocks**

Stocks are stated at the lower of cost and net realisable value using the first in/first out method.

Cost comprises the direct cost of production and the attributable proportion of all overheads appropriate to location and condition. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

### **Leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are capitalised as tangible fixed assets and the obligation to pay future rentals under such leases and contracts is included in creditors. Payments in respect of the finance charge element of the leases and contracts are charged to profit and loss account so as fairly to apportion the charge over the duration of the leases and contracts.

Rentals payable under operating leases are charged in the profit and loss account in the year in which they are incurred.

### **Deferred taxation**

Provision is made for deferred tax, using the liability method, to the extent that it is probable that a liability will crystallise.

### **Turnover**

Turnover represents sales at invoice value less trade discounts allowed and excluding value added tax.

### **Pension costs**

The company operates a defined contribution scheme providing benefits for employees additional to those from the state. The pension cost charge represents contributions payable by the company to the fund in respect of the year.

## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

## 2. TURNOVER

The company engages in only one class of business and all sales were within the United Kingdom.

## 3. STAFF PARTICULARS

Staff costs comprised:

	1998	1997
	£	£
Wages and salaries	212,234	160,704
Social security costs	20,516	13,069
Other pension costs	88,096	21,836

	<u>320,846</u>	<u>195,609</u>
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Number	Number
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Average number employed in the year:

Sales and administration	<u>31</u>	<u>30</u>
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## 4. INTEREST AND SIMILAR CHARGES

Interest payable on bank and other borrowings	<u>15,912</u>	<u>22,692</u>
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## 5. (LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The (loss) profit on ordinary activities before taxation is after charging:

Auditors' remuneration		
Audit fee	3,200	3,175
Other services	1,445	600
Depreciation written off tangible fixed assets	37,029	42,603
Operating lease rentals	19,340	1,692

Directors' emoluments:

Salaries and other emoluments	99,515	40,728
Contributions to money purchase pension schemes	85,000	20,000

<u>184,515</u>	<u>60,728</u>
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Number	Number
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Number of directors accruing benefits under:

Money purchase schemes	<u>2</u>	<u>2</u>
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## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

	1998	1997			
	£	£			
6. TAX ON PROFIT ON ORDINARY ACTIVITIES					
Corporation tax on the profit for the year	921	12,700			
Deferred taxation	(13,661)	(993)			
	(12,740)	11,707			
Adjustments in respect of previous year	88	(91)			
	(12,652)	11,616			
7. DIVIDENDS					
Ordinary: Final of per share (1997:£400) proposed	-	40,000			
8. FIXED ASSETS - TANGIBLE					
	Freehold cost	Freehold Valuation	Plant and machinery	Aeroplane	Total
<u>Cost or valuation</u>	£	£	£	£	£
At 1 April 1997	8,693	1,385,000	312,778	45,000	1,751,471
Additions	-	-	28,000	-	28,000
At 31 March 1998	8,693	1,385,000	340,778	45,000	1,779,471
<u>Depreciation</u>					
At 1 April 1997	696	58,500	162,811	32,738	254,745
Charge for year	174	11,700	23,316	1,839	37,029
At 31 March 1998	870	70,200	186,127	34,577	291,774
<u>Net book amounts</u>					
At 31 March 1998	7,823	1,314,800	154,651	10,423	1,487,697
At 1 April 1997	7,997	1,326,500	149,967	12,262	1,496,726

Freehold land and buildings include £800,000 relating to land.

The freehold land and buildings were revalued at £1,385,000 in 1991.

## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

Of the above assets the following are held under finance leases or hire purchase agreements:

	1998	1997
	£	£
<u>Net book amounts</u>		
Plant and machinery	28,000	73,603
	<u>          </u>	<u>          </u>
<u>Depreciation charge for year</u>		
Plant and machinery	-	12,988
	<u>          </u>	<u>          </u>

The historical cost and related depreciation of the freehold properties included at valuation are as follows:

	£
<u>Cost</u>	
At 1 April 1997	770,958
	<u>          </u>
At 31 March 1998	770,958
	<u>          </u>
<u>Depreciation</u>	
At 1 April 1997	68,141
Charge for the year	9,419
	<u>          </u>
At 31 March 1998	77,560
	<u>          </u>
<u>Net book amounts</u>	
At 31 March 1998	693,398
	<u>          </u>
At 1 April 1997	702,817
	<u>          </u>

1998	1997
£	£

## 9. STOCKS

Finished goods and goods for re-sale	134,230	99,193
	<u>          </u>	<u>          </u>

## 10. DEBTORS

Due within one year:

Trade debtors	50,634	36,641
Other debtors	9,079	-
Prepayments and accrued income	5,125	9,907
	<u>          </u>	<u>          </u>
	64,838	46,548
	<u>          </u>	<u>          </u>

## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

	1998	1997
	£	£
<b>11. CREDITORS</b>		
Amounts falling due within one year:		
Bank overdrafts	154,730	95,430
Trade creditors	199,888	236,106
Corporation tax	-	22,700
Other taxation and social security	8,474	22,620
Hire purchase liabilities	17,040	29,276
Other creditors:		
Recommended dividends	-	40,000
Directors' current accounts	16,041	36,321
Other	60,106	14,805
Accruals and deferred income	102,589	51,414
	<u>558,868</u>	<u>548,672</u>
Amounts falling due after more than one year:		
Hire purchase liabilities	12,500	4,545
Other creditors:		
Other	55,000	55,000
	<u>67,500</u>	<u>59,545</u>

The bank overdrafts are secured by a legal charge over the company's freehold properties, a specific charge over book debts, and a floating charge over all other assets.

The hire purchase liabilities are secured by charges over the relevant assets.

## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

	1998	1997
	£	£
<b>12. DEFERRED TAXATION</b>		
At 1 April 1997	3,661	14,654
Credited to profit and loss account	(13,661)	(993)
Movement in recoverable ACT	10,000	(10,000)
At 31 March 1998	-	3,661

Deferred taxation has been fully provided in respect of:

Accelerated capital allowances	-	13,661
Recoverable advance corporation tax	-	(10,000)
	-	3,661

There is no intention to sell any of the revalued properties. Consequently no provision is made for the potential tax liability of £123000 (1997: £132000) which would arise if the properties were sold at their revalued amount.

**13. ACCRUALS AND DEFERRED INCOME**

This consists of assistance monies:

At 1 April 1997	217,723	231,786
Proportion transferred to revenue	(5,063)	(14,063)
At 31 March 1998	212,660	217,723

**14. CALLED UP SHARE CAPITAL**

There was no change in share capital during the year.

	Authorised	Allotted & fully paid
	£	£
Ordinary shares of £1 each	100	100

## BAWTRY ROAD SERVICE STATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

## 15. RESERVES

	Revaluation reserve	Profit and loss account
	£	£
At 1 April 1997	635,104	202,243
Retained profit for the year		10,776
At 31 March 1998	635,104	213,019