

Registered number: 1030722

L BENNETT & SON LIMITED

ABBREVIATED ACCOUNTS

For the year ended 31 December 2006

SATURDAY



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COMPANIES HOUSE

L BENNETT & SON LIMITED

COMPANY INFORMATION

DIRECTORS

D P S Bennett
J L Bennett
M A Bennett
R L Marks
R C Gamblin (resigned 23/01/07)

SECRETARY

R L Marks

COMPANY NUMBER

1030722

REGISTERED OFFICE

Unit 8
Langley Wharf
Railway Terrace
Kings Langley
Hertfordshire
WD4 8JE

AUDITORS

Haslers
Chartered Accountants & Registered Auditors
Old Station Road
Loughton
Essex
IG10 4PL

L BENNETT & SON LIMITED

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L BENNETT & SON LIMITED

CHAIRMAN'S STATEMENT
For the year ended 31 December 2006

In line with my commitment contained within the previous and first Chairman's Statement, I now make comment as to the Group's performance for 2006.

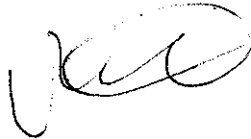
I am very pleased to report, that for the year to December 2006 the business has returned to profitable trading. Importantly, the net trading profit for 2006 was struck after absorbing both reorganisation and redundancy costs, totalling £180,000. The underlying profits swing was therefore very impressive.

At December 2006, the Group has a considerably repaired balance sheet with significantly reduced third party liabilities. The Board aided in this reduction by their injection of £600,000 of personal cash resources.

The Board through its Senior Management Team now lead a very tightly controlled, cost conscious business, focused on providing all customers with the timely delivery of keenly priced automotive products.

As for 2007, there is ongoing optimism as to further improvements in trading performance and for steadily growing stakeholder confidence. There are of course still further business goals to be achieved, the impact of which I look forward to reporting upon in successive Chairman's Statements.

Name D P S Bennett
 Chairman



Date 26 February 2007

L BENNETT & SON LIMITED

DIRECTORS' REPORT For the year ended 31 December 2006

The directors present their report and the financial statements for the year ended 31 December 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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 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 that 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.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of the sale of motor accessories and spares.

BUSINESS REVIEW

The review of the business is dealt with in the Chairman's statement.

RESULTS

The profit for the year, after taxation, amounted to £31,871 (2005 - Loss £1,963,114).

L BENNETT & SON LIMITED

DIRECTORS' REPORT **For the year ended 31 December 2006**

DIRECTORS

The directors who served during the year and their interests in the company's issued share capital were:

	Ordinary shares of £1 each			
	31/12/06	1/1/06		
D P S Bennett	-	-		
J L Bennett	-	-		
M A Bennett	-	-		
R L Marks	-	-		
R C Gamblin (resigned 23/01/07)	-	-		

	"A" Redeemable preference shares of £1 each		"B" Redeemable preference shares of £1 each	
	31/12/06	1/1/06	31/12/06	1/1/06
D P S Bennett	-	-	-	-
J L Bennett	-	-	-	-
M A Bennett	-	-	-	-
R L Marks	-	-	-	-
R C Gamblin (resigned 23/01/07)	-	-	-	-

The directors, except R C Gamblin, are also directors of L Bennett and Son Holdings Limited and their interests in group shares are disclosed in that company's register.

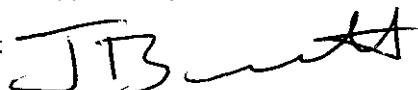
Mr R C Gamblin resigned on the 23 January 2007.

AUDITORS

The auditors, Haslers, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 26 February 2007 and signed on its behalf.

J L Bennett
Director



INDEPENDENT AUDITORS' REPORT TO L BENNETT & SON LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of L Bennett & Son Limited for the year ended 31 December 2006 set out on 4 to 14, together with the financial statements of the company for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF 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 abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

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 14 have been properly prepared in accordance with that provision.

HASLERS

Chartered Accountants
Registered Auditors

Old Station Road
Loughton
Essex
IG10 4PL

26 February 2007

L BENNETT & SON LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2006

	Note	2006 £	2005 £
GROSS PROFIT		7,059,911	5,401,854
Administrative expenses		<u>(6,944,230)</u>	<u>(7,506,044)</u>
OPERATING PROFIT/(LOSS)	2	115,681	(2,104,190)
Income from other fixed asset investments		12,180	2,750
Interest payable	5	<u>(95,990)</u>	<u>(134,532)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		31,871	(2,235,972)
TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	6	<u>-</u>	<u>272,858</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u>31,871</u>	<u>(1,963,114)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account.

The notes on pages 7 to 15 form part of these financial statements.

L BENNETT & SON LIMITED


ABBREVIATED BALANCE SHEET
As at 31 December 2006

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Intangible fixed assets	7		20,839		54,839
Tangible fixed assets	8		792,184		1,005,741
Fixed asset investments	9		-		25,000
			<u>813,023</u>		<u>1,085,580</u>
CURRENT ASSETS					
Stocks	10	2,352,756		2,540,668	
Debtors	11	2,422,568		3,158,483	
Cash in hand		1,598		4,169	
			<u>4,776,922</u>	<u>5,703,320</u>	
CREDITORS: amounts falling due within one year	12	(5,033,269)		(6,222,941)	
NET CURRENT LIABILITIES			<u>(256,347)</u>		<u>(519,621)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>556,676</u>		<u>565,959</u>
CREDITORS: amounts falling due after more than one year	13		<u>(362,595)</u>		<u>(403,749)</u>
NET ASSETS			<u><u>194,081</u></u>		<u><u>162,210</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		362,367		362,367
Profit and loss account	16		(168,286)		(200,157)
SHAREHOLDERS' FUNDS	17		<u><u>194,081</u></u>		<u><u>162,210</u></u>

Shareholders' funds include non-equity interests.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 26 February 2007.

J L Bennett
Director



The notes on pages 7 to 15 form part of these financial statements.

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.3 INVESTMENTS

Investments held as fixed assets are shown at cost less provisions for their impairment.

1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life of five years.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	-	33.33% reducing balance
Motor Vehicles	-	25% reducing balance
Fixtures & Fittings	-	15% reducing balance

1.6 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term.

1.8 STOCKS

Stock are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

1. ACCOUNTING POLICIES (continued)

1.9 DEFERRED TAXATION

Provision is made in full for taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

1.10 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. OPERATING PROFIT/(LOSS)

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

	2006 £	2005 £
Amortisation - intangible fixed assets	34,000	34,000
Depreciation of tangible fixed assets:		
- owned by the company	220,932	239,739
Auditors' remuneration	26,000	25,000
Operating lease rentals:		
- plant and machinery	2,824	28,784
- other operating leases	544,004	680,150
Exceptional charge relating to the downward reversion of stock values at 31 December 2005	-	669,886
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2006 £	2005 £
Wages and salaries	3,732,394	3,786,044
Social security costs	317,542	366,901
Other pension costs	90,605	74,408
	<u> </u>	<u> </u>
	4,140,541	4,227,353
	<u> </u>	<u> </u>

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

	2006 No.	2005 No.
Administration	28	28
Selling	197	213
	<u> </u>	<u> </u>
	225	241
	<u> </u>	<u> </u>

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

4. DIRECTORS' REMUNERATION

	2006	2005
	£	£
Emoluments	68,528	33,480
Company pension contributions to money purchase pension schemes	15,746	14,386

During the year retirement benefits were accruing to 1 director (2005 - 1) in respect of money purchase pension schemes.

5. INTEREST PAYABLE

	2006	2005
	£	£
On bank loans and overdrafts	69,154	106,310
On other loans	7,955	4,211
On finance leases and hire purchase contracts	18,881	24,011
	95,990	134,532

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

6. TAXATION

	2006 £	2005 £
ANALYSIS OF TAX CHARGE/(CREDIT) IN THE YEAR		
CURRENT TAX (see note below)		
Adjustments in respect of prior periods	-	(29,858)
DEFERRED TAX (see note 14)		
Origination and reversal of timing differences	-	(243,000)
TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	-	(272,858)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2006 £	2005 £
Profit/(loss) on ordinary activities before tax	31,871	(2,235,972)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2005 - 19% %)	6,055	-
EFFECTS OF:		
Adjustments to tax charge in respect of prior periods	-	(29,858)
losses brought forward	(6,055)	-
CURRENT TAX CHARGE/(CREDIT) FOR THE YEAR (see note above)	-	(29,858)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There are no tax charge for the year due to the losses available.

There are tax losses available of £2,231,075 to be carried forward .

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2006 and 31 December 2006	170,003
AMORTISATION	
At 1 January 2006	115,164
Charge for the year	34,000
At 31 December 2006	149,164
NET BOOK VALUE	
At 31 December 2006	20,839
At 31 December 2005	54,839

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
COST					
At 1 January 2006	18,500	153,517	899,749	846,647	1,918,413
Additions	10,593	14,041	76,102	53,675	154,411
Disposals	-	-	(334,377)	(81,432)	(415,809)
At 31 December 2006	29,093	167,558	641,474	818,890	1,657,015
DEPRECIATION					
At 1 January 2006	12,790	104,141	442,392	353,349	912,672
Charge for the year	2,050	18,977	103,328	96,577	220,932
On disposals	-	-	(209,175)	(59,598)	(268,773)
At 31 December 2006	14,840	123,118	336,545	390,328	864,831
NET BOOK VALUE					
At 31 December 2006	14,253	44,440	304,929	428,562	792,184
At 31 December 2005	5,710	49,376	457,357	493,298	1,005,741

The net book value and depreciation charge for the year of assets held under finance leases or hire purchase contracts, included above, are as follows:

	£	£
Plant and machinery	3,600	22,110
Motor vehicles	355,024	482,131
Furniture, fittings and equipment	34,235	40,272
	392,859	544,513

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

Depreciation charge for the year

	2006 £	2005 £
Plant and machinery	1,800	8,563
Motor vehicles	92,547	116,813
Furniture, fittings and equipment	6,041	7,107
Total	100,388	132,483

9. FIXED ASSET INVESTMENTS

	Unlisted invest- ments £
COST OR VALUATION	
At 1 January 2006	25,000
Disposals	(25,000)
At 31 December 2006	-

10. STOCKS

	2006 £	2005 £
Finished goods and goods for resale	2,352,756	2,540,668

11. DEBTORS

	2006 £	2005 £
Trade debtors	2,144,049	2,298,277
Amounts owed by group undertakings	-	552,319
Other debtors	3,611	10,106
Prepayments and accrued income	94,908	117,781
Deferred tax asset (see note 14)	180,000	180,000
Total	2,422,568	3,158,483

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

12. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Bank loans and overdrafts	1,598,329	2,038,630
Other loans	45,329	22,059
Net obligations under finance leases and hire purchase contracts	152,388	313,927
Trade creditors	1,973,582	2,989,537
Amounts owed to group undertakings	529,916	-
Social security and other taxes	372,318	403,193
Other creditors	117,434	254,779
Accruals and deferred income	243,973	200,816
	<u>5,033,269</u>	<u>6,222,941</u>

Included in bank loans and overdraft is an amount of £1,228,936 (2005-£1,375,516) owing to Barclays Bank PLC sales financing. This amount is secured on the trade debts of the company.

13. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006 £	2005 £
Bank loan	235,478	233,083
Net obligations under finance leases and hire purchase contracts	127,117	170,666
	<u>362,595</u>	<u>403,749</u>

The bank loan is subject to interest at 2.5% over the bank's base rate. The loans and overdraft are secured by fixed charges over the freehold and leasehold properties and debtors of the company and its parent, a debenture, charges over various life policies and by personal guarantees given by the directors.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2006 £	2005 £
Between one and five years	<u>127,117</u>	<u>170,666</u>

14. DEFERRED TAX ASSET

	2006 £	2005 £
At 1 January 2006	180,000	(63,000)
Released during the year	-	243,000
	<u>180,000</u>	<u>180,000</u>

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

14. DEFERRED TAX ASSET (continued)

The deferred tax asset is made up as follows:

	2006 £	2005 £
Tax losses brought forward	(180,000)	-
Losses	-	(180,000)
	<u>(180,000)</u>	<u>(180,000)</u>

15. SHARE CAPITAL

	2006 £	2005 £
AUTHORISED		
20,000 Ordinary shares of £1 each	20,000	20,000
306,000 "A" Redeemable preference shares of £1 each	306,000	306,000
54,000 "B" Redeemable preference shares of £1 each	54,000	54,000
	<u>380,000</u>	<u>380,000</u>

ALLOTTED, CALLED UP AND FULLY PAID

2,367 Ordinary shares of £1 each	2,367	2,367
306,000 "A" Redeemable preference shares of £1 each	306,000	306,000
54,000 "B" Redeemable preference shares of £1 each	54,000	54,000
	<u>362,367</u>	<u>362,367</u>

16. RESERVES

	Profit and loss account £
At 1 January 2006	(200,157)
Profit retained for the year	31,871
	<u>(168,286)</u>
At 31 December 2006	<u>(168,286)</u>

L BENNETT & SON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Opening shareholders' funds	162,210	2,125,324
Profit/(loss) for the year	31,871	(1,963,114)
Closing shareholders' funds	<u>194,081</u>	<u>162,210</u>

ANALYSIS OF SHAREHOLDERS' FUNDS

Non-equity interests	360,000	360,000
Equity interests	(165,919)	(197,790)
	<u>194,081</u>	<u>162,210</u>

18. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge, represents contributions payable by the company to the fund and amounted to £90,604 (2005-£74,408).

19. OPERATING LEASE COMMITMENTS

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2006 £	2005 £	2006 £	2005 £
EXPIRY DATE:				
Within 1 year	218,025	148,620	-	3,423
Between 2 and 5 years	116,000	69,000	-	-
After more than 5 years	243,250	497,000	-	-

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is L Bennett and Son Holdings Limited, a company incorporated in England.

In the opinion of the directors, there is no ultimate controlling party.