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CENTRAL GARAGE (SURREY) LIMITED

1.

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended December 31, 1982.

Results and dividends

The net profit for the year after taxation was £24,663 before crediting amortisation on revaluation surplus of £1,697 against capital reserve. The directors recommend the payment of a dividend of £81,000 which leaves a loss of £54,640 to be retained.

Principal activity

The company's principal activity during the year was the sale and servicing of motor cars and the provision of ancillary services.

Directors and their interests

The directors who served throughout the year were:

H. M. Bawtree  
H. D. Duemke  
V. W. Duemke  
C. L. Roberts  
F. F. Whipp

The directors had disclosable interests in the shares of the group as follows:

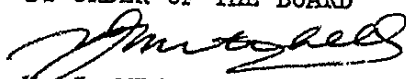
	Ordinary shares in William Jacks PLC	
	<u>December 31, 1982</u>	<u>January 1, 1982</u>
H. M. Bawtree	6,000	-
C. L. Roberts	81	81

H. D. Duemke is also a director of William Jacks PLC.

Auditors

A resolution to reappoint as auditors Arthur Young McClelland Moores & Co. will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD

  
V. J. MITCHELL  
Secretary

April 13, 1983





# Arthur Young McClelland Moores & Co.

Chartered Accountants  
Rolls House, 7 Rolls Buildings,  
Fetter Lane, London EC4A 1NH

## REPORT OF THE AUDITORS TO THE MEMBERS OF CENTRAL GARAGE (SURREY) LIMITED

We have audited the accounts on pages 3 to 9 in accordance with approved auditing standards.

In our opinion the accounts, which have been prepared under the historical cost convention modified to include the revaluation of certain assets, give a true and fair view of the state of the company's affairs at December 31, 1982 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

*Arthur Young McClelland Moores & Co.*

ARTHUR YOUNG McCLELLAND MOORES & CO.

April 13, 1983

CENTRAL GARAGE (SURREY) LIMITED

3.

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 1982

	<u>Notes</u>	£	<u>1982</u> £	<u>1981</u> £
Turnover	2		£4,511,204 =====	£3,645,780 =====
Profit before taxation			23,510	30,280 -----
after charging:				
Directors' remuneration	3	132,821		100,172
Depreciation		15,000		13,139
Auditors' remuneration		4,480		4,050
Interest on long term loans		15,172		10,200
Bank interest		34,863 =====		20,358 =====
Taxation	4		(1,153) -----	5,805 -----
Net profit after taxation			24,663	24,475 -----
Transfer from capital reserve	10	(1,697)		(1,697)
Dividends - ordinary, proposed		81,000 -----		9,098 -----
			(79,303) -----	7,401 -----
			(54,640)	17,074
Retained profit brought forward			122,738 -----	105,664 -----
Retained profit carried forward			£ 68,098 =====	£122,738 =====

CENTRAL GARAGE (SURREY) LIMITED

4.

BALANCE SHEET AT DECEMBER 31, 1982

	Notes	£	1982 £	1981 £
Fixed assets	5		298,383	306,122
Current assets:				
Stocks	6	247,983		253,590
Debtors		111,161		121,771
Amounts due from fellow subsidiaries		19,322		16,874
Amount due from holding company		-		33,775
Cash at bank and in hand		13,746		219
		392,212		426,229
Current liabilities:				
Creditors		264,089		68,323
Amounts due to fellow subsidiaries		12,535		39,750
Amounts due to holding company		69,540		66,775
Bank overdraft (secured)		-		237,248
Dividend payable to holding company		81,000		9,098
Current instalments due on loans		3,152		3,200
		430,316		424,394
Net current (liabilities)/assets			(38,104)	1,835
			260,279	307,957
Loans	7	16,075		19,227
Deferred taxation	8	2,768		2,768
			18,843	21,995
			£241,436	£285,962
Representing				
Share capital	9		28,509	28,509
Reserves:				
Capital reserve	10	144,829		134,715
Retained profit		68,098		122,738
H. D. DUEMKE	)			
H. M. BAWTREE	)			
Directors				
			£241,436	£285,962

The notes on pages 6 to 9 form part of these accounts

CENTRAL GARAGE (SURREY) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 1982

5.

	£	1982 £	1981 £
Source of funds:			
Profit before taxation		23,510	30,280
Adjustment for items not involving the movement of funds:			
Depreciation		15,000	13,139
Profit on disposal		-	(432)
Total generated from operations		38,510	42,987
Funds from other sources:			
Proceeds of sale of fixed assets		30,878	2,280
ACT transferred back to holding company		-	1,192
Group relief		1,153	-
Total sources		70,541	46,459
Application of funds:			
Dividend paid	(9,098)		(7,975)
Current instalments due on loans	(3,200)		(3,200)
Purchase of fixed assets	(26,328)		(68,888)
Group relief	-		(7,876)
		(38,626)	(87,939)
Movement in working capital		£ 31,915	£(41,480)
Components of movement in working capital:			
Stocks		(5,607)	(6,725)
Debtors		(10,610)	31,580
Creditors		(195,766)	59,959
Balances with holding company		(36,540)	(19,203)
Balances with fellow subsidiaries		29,663	(5,434)
		(218,860)	60,177
Net liquid funds:			
Cash in hand	13,527		57
Bank overdraft	237,248		(101,714)
		250,775	(101,657)
		£ 31,915	£(41,480)

The notes on pages 6 to 9 form part of these accounts

## CENTRAL GARAGE (SURREY) LIMITED

6.

### NOTES TO THE ACCOUNTS AT DECEMBER 31, 1982

These accounts take into consideration events occurring between December 31, 1982 and April 13, 1983, the date of approval of the accounts by the board of directors, have been included in the accounts to the extent that it is required by Statement of Standard Accounting Practice No. 17.

#### 1. Accounting policies

##### (a) Basis of accounting

These accounts have been prepared under S.149A and Schedule 8A to the Companies Act 1948.

##### (b) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is defined as follows:

Cars	-	the actual amount paid to date for each car
Spare parts	-	invoiced cost on a first-in first-out basis.

##### (c) Depreciation

Depreciation is provided on all fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	-	50 years
Leasehold land and buildings	-	period of the lease
Motor vehicles	-	4 years
Plant, equipment, furniture and fittings	-	8 to 12 years

##### (d) Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences except those which are not expected to reverse in the future.

Advance corporation tax surrendered by the holding company is carried forward to the extent that it is anticipated it will be recovered against future mainstream corporation tax liabilities.

#### 2. Turnover

Turnover represents invoiced sales of goods and services, after deducting cash discounts, commissions and valued added tax.

CENTRAL GARAGE (SURREY) LIMITED

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NOTES TO THE ACCOUNTS AT DECEMBER 31, 1982  
(continued)

3. Directors' remuneration

	<u>1982</u> £	<u>1981</u> £
Directors' fees	750	2,188
Directors' emoluments (including pension contributions)	132,071	97,984
	<u>£132,821</u>	<u>£100,172</u>
Emoluments of the highest paid director	£ 44,890	£ 31,562

The number of other directors whose emoluments fell within the ranges below were:

	<u>1982</u>	<u>1981</u>
£10,001 to £15,000	-	1
£15,001 to £20,000	2	3
£20,001 to £25,000	2	-

4. Taxation

The taxation charge at a rate of 52% on the results of the year is made up as follows:

	<u>1982</u> £	<u>1981</u> £
Amount payable to a group company for losses surrendered	-	7,845
Deferred taxation	-	(890)
Taxation under/(over)provided in previous years:		
Group relief	(1,153)	31
Deferred taxation	-	(1,181)
	<u>£ (1,153)</u>	<u>£ 5,805</u>

The taxation credit shown does not reflect any amount payable to a group company, as losses are to be surrendered freely.

CENTRAL GARAGE (SURREY) LIMITED

8.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1982  
(continued)

5. Fixed assets

	<u>Land and buildings</u>		<u>Plant, equipment, furniture and fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
	<u>Freehold</u>	<u>Short leasehold</u>			
	£	£	£	£	£
Cost or valuation:					
At January 1, 1982	229,411	34,689	83,809	11,944	359,853
Additions	12,095	-	6,502	7,731	26,328
Surplus on revaluation	1,634	-	-	-	1,634
Disposals	-	(24,162)	(6,716)	-	(30,878)
At December 31, 1982	243,140	10,527	83,595	19,675	356,937
Depreciation:					
At January 1, 1982	6,210	2,544	40,060	4,917	53,731
Provided during year	3,967	1,053	6,291	3,689	15,000
Transfer to capital reserve	(10,177)	-	-	-	(10,177)
Disposals	-	-	-	-	-
At December 31, 1982	-	3,597	46,351	8,606	58,554
Net book amounts:					
At December 31, 1982	£243,140	£ 6,930	£37,244	£11,069	£298,383
At January 1, 1982	£223,201	£32,145	£43,749	£ 7,027	£306,122

The freehold property was revalued by Mann & Co., Chartered Surveyors, at December 31, 1982 on an open market basis.

6. Stocks

	<u>1982</u>	<u>1981</u>
	£	£
Stocks comprise:		
Motor vehicles	178,458	187,904
Spare parts	69,525	65,686
	£247,983	£253,590

7. Loans

	<u>1982</u>	<u>1981</u>
	£	£
7% secured loan (repayable in quarterly instalments of £250)	7,000	8,000
Hire purchase creditors	12,227	14,427
	19,227	22,427
Less: Current instalments due (included in current liabilities)	3,152	3,200
	£ 16,075	£ 19,227



CENTRAL GARAGE (SURREY) LIMITED

9.

NOTES TO THE ACCOUNTS AT DECEMBER 31, 1982  
(continued)

8. Deferred taxation

Deferred taxation provided in the accounts and the potential amounts, including the amounts for which provision has been made, are set out below:

	<u>1982</u>	<u>Provision</u>	<u>1982</u>	<u>Potential</u>
	<u>£</u>	<u>1981</u>	<u>£</u>	<u>1981</u>
		<u>£</u>		<u>£</u>
Fixed assets	6,541	6,541	6,541	6,541
Tax on revaluation surplus	-	-	37,537	35,868
	6,541	6,541	44,078	42,409
Less advance corporation tax	3,773	3,773	3,773	3,773
	£2,768	£2,768	£ 40,305	£ 38,636

9. Share capital

	<u>1982</u>	<u>1981</u>
Authorised:		
Ordinary shares of £1 each	£ 29,500	£ 29,500
Issued and fully paid:		
Ordinary shares of £1 each	£ 28,509	£ 28,509

10. Capital reserve

	<u>1982</u>	<u>1981</u>
	<u>£</u>	<u>£</u>
Balance brought forward being surplus on revaluation of freehold property	134,715	136,412
Amortisation charged against property revaluation transferred to profit and loss account	(1,697)	(1,697)
Surplus on revaluation of freehold property	11,811	-
Balance carried forward	£144,829	£134,715

11. Contingent liabilities

The company has given an unlimited guarantee jointly and severally with certain other group companies to secure a bank overdraft facility for all the companies involved. At December 31, 1982 the facility, which amounted to £1,200,000 (1981 - £800,000), was utilised to the extent of £947,753 (1981 - £403,338).

12. Ultimate holding company

The ultimate holding company at December 31, 1982 was Jacks International Limited, a company incorporated in Singapore. Subsequent to the year end, Johan Holdings Berhad (incorporated in Malaysia) acquired a controlling interest in that company.