

COMPANY NO: 705097

ARGYLE GARAGE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1996



R. Tait Walker & Co.
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle Upon Tyne
NE3 3LS

ARGYLE GARAGE LIMITED

DIRECTORS REPORT

The directors submit their report and financial statements for the year ended 30th April 1996.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £14,808.

The directors recommend payment of a dividend on the ordinary shares amounting to £14,000 leaving a profit of £808.

REVIEW OF THE BUSINESS

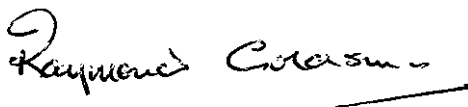
The company's principal activities during the year continued to be those of car hire and garage proprietor specialising in repairs.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their beneficial interests in the share capital of the company are as follows:

	1996	1995
A. Goldsmith	368	490
R. Goldsmith	510	510

By order of the Board



R. Goldsmith
Secretary

2nd August 1996

BULMAN HOUSE
REGENT CENTRE
GOSFORTH
NEWCASTLE UPON TYNE
NE3 3LS

ACCOUNTANTS REPORT TO THE SHAREHOLDERS ON THE
UNAUDITED FINANCIAL STATEMENTS OF ARGYLE GARAGE LIMITED

We report on the financial statements for the year ended 30th April 1996 set out on pages 3 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 4, the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



R. Tait Walker & Co.

Reporting Accountants

29th August 1996

ARGYLE GARAGE LIMITED

PROFIT AND LOSS ACCOUNT For The Year Ended 30th April 1996

	Notes	1996 £	1995 £
TURNOVER			
- Continuing Operations	2	244,720	238,774
Direct Costs		(167,168)	(159,769)
GROSS PROFIT		<u>77,552</u>	<u>79,005</u>
Administrative Expenses		(61,619)	(71,608)
		<u>15,933</u>	<u>7,397</u>
Other Operating Income		1,018	2,878
OPERATING PROFIT		<u>16,951</u>	<u>10,275</u>
- Continuing Operations	3	16,951	10,275
Investment Income	5	296	196
Interest Payable	6	(68)	(454)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>17,179</u>	<u>10,017</u>
Tax on profit on ordinary activities	7	(2,371)	(1,430)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u>14,808</u>	<u>8,587</u>
Dividends	8	(14,000)	(14,000)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	<u>£ 808</u>	<u>£ (5,413)</u>

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit/(loss) for the year.

ARGYLE GARAGE LIMITED

BALANCE SHEET

At 30th April 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible Assets	9		295,582		322,404
CURRENT ASSETS					
Stocks	10	780		780	
Debtors	11	24,206		22,695	
Cash at Bank and in Hand		30,630		551	
		<u>55,616</u>		<u>24,026</u>	
CREDITORS: amounts falling due within one year	12	(97,442)		(94,017)	
NET CURRENT LIABILITIES			<u>(41,826)</u>		<u>(69,991)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>253,756</u>		<u>252,413</u>
PROVISION FOR LIABILITIES AND CHARGES					
Deferred Taxation	13		(12,135)		(11,600)
NET ASSETS			<u>£ 241,621</u>		<u>£ 240,813</u>
CAPITAL AND RESERVES					
Called up Share Capital	14		1,000		1,000
Profit and Loss Account	15		240,621		239,813
SHAREHOLDERS FUNDS	16		<u>£ 241,621</u>		<u>£ 240,813</u>

For the year ended 30th April 1996 the company was entitled to exemption from the requirement to have an audit under the provisions of Section 249A(2) of the Companies Act 1985. No notice has been deposited with the company under Section 249B(2) of that Act requiring an audit to be carried out.

The directors acknowledge their responsibility for:

(a) ensuring that the company keeps accounting records in accordance with Section 221 of the Companies Act 1985; and

(b) preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of its financial year and of its profit or loss for that financial year in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the accounting provisions of that Act relating to financial statements, so far as they are applicable to the company.

A. Goldsmith

R. Goldsmith

Directors

The financial statements were approved by the Board of Directors on 2nd August 1996.

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1996

1. ACCOUNTING POLICIES

-Accounting Convention-

The financial statements have been prepared under the historical cost convention.

-Depreciation-

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset, over its expected useful life, on a reducing balance basis unless otherwise stated :

Freehold Buildings	2% Straight Line
Plant and Equipment	20%
Fixtures and Fittings	15%
Motor Vehicles	25%

-Stocks-

Stocks are stated at the lower of cost or net realisable value as follows:

Cost incurred in bringing each product to its present location and condition

Raw Materials and Consumables	-	purchase cost on a first in, first out basis
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Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

-Deferred Taxation-

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

-Pension Costs-

The company operates a defined contribution pension scheme for selected directors.

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax.

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30th April 1996

3. OPERATING PROFIT

(a) This is stated after charging or crediting:

	1996 £	1995 £
Directors Remuneration(see below)	35,243	34,201
Depreciation	85,308	84,505
Profit on Sale of Fixed Assets	(12,792)	(4,637)
Net Rental Income	(1,018)	(2,878)

(b) Directors Remuneration

	1996 £	1995 £
Fees	12,253	12,253
Other Emoluments (including pension contributions and benefits in kind)	22,990	21,948
	£ 35,243	£ 34,201

4. EMPLOYEES

The cost of employment was made up as follows:

	1996 £	1995 £
Wages and Salaries	55,143	54,969
Social Security Costs	5,882	5,194
Other Pension Costs	2,500	2,000
	£ 63,525	£ 62,163

The average monthly number of employees during the year was made up as follows:

	No.	No.
Office and Management	2	2
Mechanics	2	3
Directors	2	2
	6	7

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1996

5. INVESTMENT INCOME

	1996 £	1995 £
Bank Interest Received	£ 296	£ 196
	<u> </u>	<u> </u>

6. INTEREST PAYABLE

	1996 £	1995 £
Bank Overdraft	£ 68	£ 454
	<u> </u>	<u> </u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1996 £	1995 £
Corporation Tax at 25%	5,335	4,350
Deferred Taxation	(2,965)	(2,918)
	<u>2,370</u>	<u>1,432</u>
Taxation under/(over)provided in previous years	1	(2)
Corporation Tax	<u>£ 2,371</u>	<u>£ 1,430</u>
	<u> </u>	<u> </u>

8. DIVIDENDS

	1996 £	1995 £
Ordinary - final proposed	£ 14,000	£ 14,000
	<u> </u>	<u> </u>

This represents a rate of £14 (1995 £14) per share.

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1996

9. TANGIBLE ASSETS

	Freehold Land and Buildings £	Plant and Machinery £	Fixtures and Fittings £	Vehicles Hire Fleet	Total £
Cost					
At 1st May 1995	29,906	11,326	3,595	409,365	454,192
Additions	-	71	-	122,770	122,841
Disposals	-	-	-	(119,295)	(119,295)
At 30th April 1996	29,906	11,397	3,595	412,840	457,738
Depreciation					
At 1st May 1995	9,638	8,090	3,195	110,865	131,788
Charge for Year	598	819	60	83,831	85,308
Disposals	-	-	-	(54,940)	(54,940)
At 30th April 1996	10,236	8,909	3,255	139,756	162,156
Net Book Value					
At 30th April 1996	£19,670	£2,488	£340	£273,084	£295,582
At 30th April 1995	£20,268	£3,236	£400	£298,500	£322,404

10. STOCKS

	1996 £	1995 £
Raw Materials and Consumables	£ 780	£ 780

11. DEBTORS

	1996 £	1995 £
Due within one year:		
Trade Debtors	13,255	12,514
Other Debtors	300	900
Prepayments and Accrued Income	10,651	9,281
	£ 24,206	£ 22,695

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1996

12. CREDITORS : amounts falling due within one year

	1996 £	1995 £
Bank Overdraft	8,542	6,339
Trade Creditors	1,752	965
Amounts Owed to Related Undertakings	1,352	1,352
Corporation Tax	8,835	11,350
Other Taxation and Social Security	10,518	10,922
Directors Loans	28,355	14,087
Proposed Dividend	14,000	14,000
Dividend Payable	3,416	14,000
Accruals and Deferred Income	20,672	21,002
	<u>£ 97,442</u>	<u>£ 94,017</u>

The bank overdraft is secured by a charge over the company's freehold land and buildings.

13. DEFERRED TAXATION

Deferred taxation is fully provided in the financial statements as follows :

	1996 £	1995 £
Capital Allowances in Advance of Depreciation	15,635	18,600
Less Advance Corporation Tax	(3,500)	(7,000)
	<u>£ 12,135</u>	<u>£ 11,600</u>

Deferred taxation movements :

	£	£
At 30th April 1994	18,600	21,518
Transfer from Profit and Loss Account	(2,965)	(2,918)
At 30th April 1995	<u>£ 15,635</u>	<u>£ 18,600</u>

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1996

14. CALLED UP SHARE CAPITAL

	1996	1995
	£	£
Authorised 1,000 ordinary shares of £1 each	£ 1,000	£ 1,000
	=====	=====
Allotted, Called up and Fully Paid 1,000 ordinary shares of £1 each	£ 1,000	£ 1,000
	=====	=====

15. RESERVES

Profit and Loss Account At 30th April 1995	£	239,813
Transfer from Profit and Loss Account for Year		808
At 30th April 1996	£	240,621
		=====

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1996	1995
	£	£
Profit for the Financial Year	14,808	8,587
Dividends	(14,000)	(14,000)
Net Addition to/(Deduction from) Shareholders Funds	808	(5,413)
Opening Shareholders Funds	240,813	246,226
Closing Shareholders Funds	£ 241,621	£ 240,813
	=====	=====

17. CONTINGENT LIABILITY

There is a potential liability to capital gains tax of £2,255 in respect of roll-over relief on the disposal of a former property.

18. PENSION COMMITMENTS

The company operates a defined contribution 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 £2,500 (1995 £2,000).