

ARGYLE GARAGE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1995

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 1995.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £8,587.

The directors recommend payment of a dividend on the ordinary shares amounting to £14,000 leaving a loss of £5,413 to be debited to profit and loss account.

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.

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the financial statements.

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:

	1995	1994
A. Goldsmith	490	490
R. Goldsmith	510	510

By order of the Board



R. Goldsmith
Secretary

1st September 1995

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 1995 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.

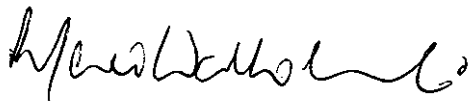
BASIS OF OPINION

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

5TH SEPTEMBER 1995

ARGYLE GARAGE LIMITED

PROFIT AND LOSS ACCOUNT
For The Year Ended 30th April 1995

	Notes	1995 £	1994 £
TURNOVER			
– Continuing Operations	2	238,774	242,402
Direct Costs		(159,769)	(156,604)
GROSS PROFIT		<u>79,005</u>	<u>85,798</u>
Administrative Expenses		(71,608)	(82,502)
		<u>7,397</u>	<u>3,296</u>
Other Operating Income		2,878	5,274
OPERATING PROFIT		<u>10,275</u>	<u>8,570</u>
– Continuing Operations	3		
Investment Income	5	196	192
Interest Payable	6	(454)	(299)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>10,017</u>	<u>8,463</u>
Tax on profit on ordinary activities	7	(1,430)	(1,576)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u>8,587</u>	<u>6,887</u>
Dividends	8	(14,000)	(14,000)
LOSS FOR THE FINANCIAL YEAR	15	<u>£ (5,413)</u>	<u>£ (7,113)</u>

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the loss for the year.

ARGYLE GARAGE LIMITED

BALANCE SHEET At 30th April 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible Assets	9		322,404		309,919
CURRENT ASSETS					
Stocks	10	780		780	
Debtors	11	22,695		18,511	
Cash at Bank and in Hand		551		7,816	
		<u>24,026</u>		<u>27,107</u>	
CREDITORS: amounts falling due within one year	12	(94,017)		(76,607)	
NET CURRENT LIABILITIES			(69,991)		(49,500)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>252,413</u>		<u>260,419</u>
PROVISION FOR LIABILITIES AND CHARGES					
Deferred Taxation	13		(11,600)		(14,193)
NET ASSETS			<u>£ 240,813</u>		<u>£ 246,226</u>
CAPITAL AND RESERVES					
Called up Share Capital	14		1,000		1,000
Profit and Loss Account	15		239,813		245,226
SHAREHOLDERS FUNDS	16		<u>£ 240,813</u>		<u>£ 246,226</u>

For the year ended 30th April 1995 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 1st September 1995.

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1995

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 employees and 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 1995

3. OPERATING PROFIT

(a) This is stated after charging or crediting:

	1995 £	1994 £
Directors Remuneration(see below)	34,201	33,400
Auditors Remuneration	—	3,100
Depreciation	84,505	83,675
Profit on Sale of Fixed Assets	(4,637)	(2,661)
Net Rental Income	(2,878)	(5,274)

(b) Directors Remuneration

	1995 £	1994 £
Fees	12,253	12,253
Other Emoluments (including pension contributions and benefits in kind)	21,948	21,147
£	34,201	33,400

4. EMPLOYEES

The cost of employment was made up as follows:

	1995 £	1994 £
Wages and Salaries	54,969	52,319
• Social Security Costs	5,194	4,148
• Other Pension Costs	2,000	747
£	62,163	57,214

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

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

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1995

5. INVESTMENT INCOME

	1995 £	1994 £
Bank Interest Received	£ 196	£ 192
	<u> </u>	<u> </u>

6. INTEREST PAYABLE

	1995 £	1994 £
Bank Overdraft	£ 454	£ 299
	<u> </u>	<u> </u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £	1994 £
Based on the profit for the year		
Corporation Tax at 25%	4,350	425
Deferred Taxation	(2,918)	5,393
	<u>1,432</u>	<u>5,818</u>
Taxation overprovided in previous years		
Corporation Tax	(2)	(4,242)
	<u>£ 1,430</u>	<u>£ 1,576</u>
	<u> </u>	<u> </u>

8. DIVIDENDS

	1995 £	1994 £
Ordinary – final proposed	£ 14,000	£ 14,000
	<u> </u>	<u> </u>

This represents a rate of £14 (1993 £14) per share.

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1995

9. TANGIBLE ASSETS

	Freehold Land and Buildings £	Plant and Machinery £	Fixtures and Fittings £	Motor Vehicles Others £	Hire Fleet	Total £
Cost						
At 1st May 1994	29,906	10,499	3,595	16,399	381,371	441,770
Additions	—	827	—	—	202,989	203,816
Disposals	—	—	—	(16,399)	(174,995)	(191,394)
At 30th April 1995	29,906	11,326	3,595	—	409,365	454,192
Depreciation						
At 1st May 1994	9,040	7,128	3,125	5,125	107,433	131,851
Charge for Year	598	962	70	1,409	81,466	84,505
Disposals	—	—	—	(6,534)	(78,034)	(84,568)
At 30th April 1995	9,638	8,090	3,195	—	110,865	131,788
Net Book Value						
At 30th April 1995	£20,268	£3,236	£400	£—	£298,500	£322,404
At 30th April 1994	£20,866	£3,371	£470	£11,274	£273,938	£309,919

10. STOCKS

	1995 £	1994 £
Raw Materials and Consumables	£ 780	£ 780

11. DEBTORS

	1995 £	1994 £
Due within one year:		
Trade Debtors	12,514	10,742
Other Debtors	900	—
Prepayments and Accrued Income	9,281	7,769
	£ 22,695	£ 18,511

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30th April 1995

12. CREDITORS : amounts falling due within one year

	1995 £	1994 £
Bank Overdraft	6,339	—
Trade Creditors	965	1,256
Amounts Owed to Related Undertakings	1,352	1,352
Corporation Tax	11,350	7,750
Other Taxation and Social Security	10,922	3,967
Directors Loans	14,087	27,082
Proposed Dividend	14,000	14,000
Dividend Payable	14,000	—
Accruals and Deferred Income	21,002	21,200
	<u>£ 94,017</u>	<u>£ 76,607</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 :

	1995 £	1994 £
Capital Allowances in Advance of Depreciation	18,600	21,518
Less Advance Corporation Tax	(7,000)	(7,325)
	<u>£ 11,600</u>	<u>£ 14,193</u>

Deferred taxation movements :

	£	£
At 30th April 1994	21,518	16,125
Transfer (from)/to Profit and Loss Account	(2,918)	5,393
At 30th April 1995	<u>£ 18,600</u>	<u>£ 21,518</u>

ARGYLE GARAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30th April 1995

14. CALLED UP SHARE CAPITAL

	1995	1994
	£	£
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Alotted, 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 1994	£ 245,226
Transfer to Profit and Loss Account for Year	(5,413)
At 30th April 1995	£ 239,813

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1995	1994
	£	£
Profit for the Financial Year	8,587	6,887
Dividends	(14,000)	(14,000)
Net Deduction from Shareholders Funds	(5,413)	(7,113)
Opening Shareholders Funds	246,226	253,339
Closing Shareholders Funds	£ 240,813	£ 246,226

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 £2,000 (1994 £747).