

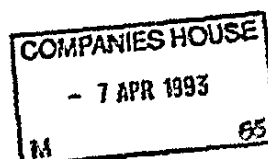
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CHELMHILL MOTORS LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1992

Company Number: 1273312

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FRASER & RUSSELL  
Chartered Accountants  
4 London Wall Buildings  
LONDON EC2M 5NT



CHELMHILL MOTORS LIMITED

1.

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH SEPTEMBER 1992

The Directors present their annual report and the audited Financial Statements for the year ended 30th September 1992.

RESULTS AND DIVIDENDS

	<u>1992</u>	<u>1991</u>
	£	£
Profit before Taxation	20,707	2,979
Taxation	-	-
Profit after Taxation	<u>£ 20,707</u>	<u>£ 2,979</u>

The Directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The Company has continued to trade as motor vehicle agents with supporting service and parts facilities. These activities are unchanged from the previous year. The improvement in trading results is considered satisfactory. The profit and loss account for the year is set out on page 4.

DIRECTORS

The Directors of the Company during the year were:

D.R. Denne (Chairman) (Retired 15th July 1992)  
D.J. Baker (Chairman)  
M.R. Bennett (Appointed 15th July 1992)  
P.W. Bundock

As this Company is a wholly owned subsidiary, Messrs. M.R. Bennett, D.J. Baker, who are Directors of the holding company, are not required to declare to this company their interests in shares of any group company. At 30th September 1992 Mr. P.W. Bundock held options to subscribe for up to 16,984 shares in Davenport Vernon PLC between 1992 and 1998 at 100p and 122p each but does not hold shares in any group company.

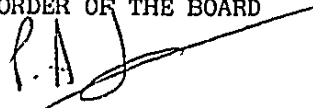
FIXED ASSETS

The movements in Fixed Assets are shown in Note 8 to the Financial Statements.

CHELMHILL MOTORS LIMITEDREPORT OF THE DIRECTORSFOR THE YEAR ENDED 30TH SEPTEMBER 1992(Continued)AUDITORS

In accordance with Section 385 of the Companies Act 1985 a resolution proposing the re-appointment of Fraser & Russell, Chartered Accountants and Registered Auditor, as Auditors to the Company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

  
SecretaryRegistered Office

London Road  
High Wycombe  
Bucks.  
HP11 1EU

Dated: 15<sup>th</sup> January 1993

REPORT OF THE AUDITORS TO THE MEMBERS OF

CHELMHILL MOTORS LIMITED

We have audited the Financial Statements on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 30th September 1992, and of its results and for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Fraser & Russell*

Chartered Accountants  
and Registered Auditor

4 London Wall Buildings  
LONDON EC2M 5NT

Dated: 15<sup>th</sup> January 1993

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CHELMHILL MOTORS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 1992

	<u>Notes</u>	<u>1992</u> £	<u>1991</u> £
<u>TURNOVER</u>	2	4,809,219	3,755,661
Cost of Sales		<u>4,521,914</u>	<u>3,483,797</u>
<u>GROSS PROFIT</u>		287,305	271,864
Administrative Expenses		<u>247,724</u>	<u>232,272</u>
		39,581	39,592
Other Operating Income		<u>22,659</u>	-
<u>OPERATING PROFIT</u>	3	62,240	39,592
Interest Payable	6	(41,533)	(36,613)
<u>PROFIT BEFORE TAXATION</u>		<u>20,707</u>	<u>2,979</u>
Taxation	7	-	-
<u>PROFIT AFTER TAXATION</u>		<u>20,707</u>	<u>2,979</u>
Profit and Loss Account brought forward		<u>(108,482)</u>	<u>(111,461)</u>
<u>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</u>		<u>£ (87,775)</u>	<u>£ (108,482)</u>

Note:

Interest Payable

Interest payable now excludes handling and display charges totalling £8,479 on vehicles held on consignment from the manufacturer which are not included on the balance sheet. The comparative figures for the year ended 30th September 1991 have been decreased by £10,938 accordingly, but profit before taxation remains unchanged.

CHELMHILL MOTORS LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER 1992

	<u>Notes</u>	£ <u>1992</u>	£	£ <u>1991</u>	£
<u>FIXED ASSETS</u>					
Tangible Assets	8		82,540		106,548
<u>CURRENT ASSETS</u>					
Stocks	9	249,702		188,800	
Debtors	10	135,829		85,093	
Cash at Bank and in Hand		<u>52,046</u>		<u>107,285</u>	
		437,577		381,178	
<u>CREDITORS</u> : Amounts falling due within one year	11	<u>596,467</u>		<u>584,286</u>	
<u>NET CURRENT LIABILITIES</u>			(158,890)		(203,108)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			(76,350)		(96,560)
<u>CREDITORS</u> : Amounts falling due after more than one year	12		-		497
			£(76,350)		£ (97,057)
			<u>=====</u>		<u>=====</u>
<u>Financed by:</u>					
<u>CAPITAL AND RESERVES</u>					
Called Up Share Capital	13	10,000		10,000	
Revaluation Reserve		1,425		1,425	
Profit and Loss Account		<u>(87,775)</u>		<u>(108,482)</u>	
		£(76,350)		£ (97,057)	
		<u>=====</u>		<u>=====</u>	

Note:

Deposits on Vehicles and Creditors falling due within one year

Deposits on vehicles totalling £96,595, not placed directly by the company with the manufacturer are now excluded from the balance sheet. A similar amount has been excluded from creditors. The comparative figures as at 30th September 1991 of £100,612 have been excluded accordingly.

These Financial Statements were approved by the Board of Directors on 15 Jan 1993,



Directors

CHELMHILL MOTORS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30TH SEPTEMBER 19921. ACCOUNTING POLICIESa) Basis of Financial Statements

The Financial Statements are prepared under the historical cost convention of accounting, in accordance with applicable accounting standards and on the going concern basis, since adequate assurances of continued support have been received from the holding company.

b) Depreciation

Depreciation is provided in order to write off the cost on a straight line basis over the estimated lives of the assets concerned. The effective lives are as follows:-

Plant and Equipment	-	10% - 33%
Leasehold Improvements	-	period of lease

c) Stocks

Stocks are valued at the lower of cost and net realisable value.

d) Deferred Taxation

Provision is made for deferred taxation in respect of timing differences between depreciation and capital allowances. Provision is also made, where appropriate, for taxation deferred by capital gains roll-over relief. Provision is not made in respect of potential capital gains arising from revaluation of properties, except where the directors intend to dispose of the property in the foreseeable future.

2. TURNOVER

Turnover represents the total amount realisable for goods sold and services provided, excluding Value Added Tax.

3. OPERATING PROFIT is after charging:

	<u>1992</u> £	<u>1991</u> £
Directors' Emoluments (Note 4)	34,199	32,210
Auditors' Remuneration	2,800	2,650
Depreciation	33,036	24,218
Stock Handling Charges	8,479	10,938
	<u>          </u>	<u>          </u>

NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30TH SEPTEMBER 1992(Continued)

<u>4. DIRECTORS' EMOLUMENTS</u>	<u>1992</u> £	<u>1991</u> £
(a) Executive Emoluments	31,962	29,776
Pension Contributions	<u>2,237</u>	<u>2,434</u>
	£ 34,199	£ 32,210
(b) Emoluments of the Chairman	Nil	Nil
(c) Emoluments of the Highest Paid Director	£ 31,962	£ 29,776
(d) Scale of Directors' Emoluments		
£ 0 - £ 5,000	3	4
£25,001 - £30,000	-	1
£30,001 - £35,000	1	-
(e) The emoluments of those directors who are also directors of the holding company or a fellow subsidiary company have been wholly paid by those companies in the period and have been included in management charges borne by Chelmhill Motors Limited.		
<u>5. STAFF COSTS (including Executive Directors)</u>		
a) Wages and Salaries	244,179	236,247
Social Security Costs	19,184	19,469
Other Pension Costs	<u>9,934</u>	<u>10,672</u>
	£273,297	£266,381
b) Average number of persons employed	23	21
<u>6. INTEREST PAYABLE</u>		
Bank Overdraft	8,630	-
Group Loans	<u>32,903</u>	<u>36,613</u>
	£ 41,533	£ 36,613
<u>7. TAXATION</u>		

There is no tax liability the on the profit for the year because of available trading losses brought forward.



NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30TH SEPTEMBER 1992(Continued)

<u>8. TANGIBLE FIXED ASSETS</u>	<u>Freehold</u> <u>Land</u> <u>£</u>	<u>Leasehold</u> <u>Improvements</u> <u>£</u>	<u>Plant and</u> <u>Equipment</u> <u>£</u>	<u>Motor</u> <u>Vehicles</u> <u>£</u>	<u>Total</u> <u>£</u>
<u>Cost or Valuation</u>					
At 1st October 1991	10,000	17,486	128,154	18,593	174,233
Additions	-	-	9,028	-	9,028
At 30th September 1992	10,000	17,486	137,182	18,593	183,261
<u>Depreciation</u>					
At 1st October 1991	-	2,939	57,171	7,575	67,685
Provided	-	1,753	23,846	7,437	33,036
At 30th September 1992	-	4,692	81,017	15,012	100,721
<u>Net Book Value</u>					
At 30th September 1992	£ 10,000	£ 12,794	£ 56,165	£ 3,581	£ 82,540
At 30th September 1991	£ 10,000	£ 14,547	£ 70,983	£ 11,018	£106,548

The Freehold land was valued by The Wallis Partnership on 30th September 1988 on the basis of existing use. The surplus on revaluation was transferred to Revaluation Reserve. Had the freehold land not been revalued it would have been included at cost of £8,575.

<u>9. STOCKS</u>	<u>1992</u> <u>£</u>	<u>1991</u> <u>£</u>
Motor Vehicles	198,436	139,983
Parts	37,169	37,720
Petrol and Lubricants	14,097	11,097
	<u>£249,702</u>	<u>£188,800</u>

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CHELMHILL MOTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1992

(Continued)

10. DEBTORS

	<u>1992</u>	<u>1991</u>
	£	£
Trade Debtors	114,588	63,323
Prepayments and Accrued Income	20,584	19,578
Amounts due from Group Undertakings	<u>657</u>	<u>2,192</u>
	<u>£135,829</u>	<u>£ 85,093</u>

11. CREDITORS: Amounts falling due within one year

	<u>1992</u>	<u>1991</u>
	£	£
H.P. Creditors & Finance Leases (Note 14)	497	801
Trade Creditors	288,302	279,317
Amounts due to Group Undertakings	238,277	250,279
Other Taxes and National Insurance Contributions	32,416	31,506
Accruals	<u>36,975</u>	<u>22,383</u>
	<u>£596,467</u>	<u>£584,286</u>

12. CREDITORS: Amounts falling due after more than one year

H.P. Creditors and Finance Leases - Within 5 years	497	1,298
Less: Amounts falling due within one year	<u>(497)</u>	<u>(801)</u>
	<u>£ -</u>	<u>£ 497</u>

13. CALLED UP SHARE CAPITAL.

Ordinary Shares

Authorised, Issued and Fully Paid

10,000 Shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>
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14. CAPITAL COMMITMENTS

Contracts for capital expenditure not provided for in the Financial Statements at 30th September 1992 amounted to £Nil (1991 : £Nil).

CHELMHILL MOTORS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30TH SEPTEMBER 1992(Continued)15. CONTINGENT LIABILITIES

- a) The Company has given a composite guarantee in respect of vehicle stocking finance of the company and certain fellow subsidiaries.
- b) The Company has given a composite guarantee on bank overdrafts of the holding company and other fellow subsidiaries.

16. ULTIMATE PARENT COMPANY

The only group of undertakings for which group accounts are drawn up is that of the ultimate parent company, Davenport Vernon PLC, a company registered in England and Wales. A copy of the group accounts of Davenport Vernon PLC may be obtained from the registered office of Davenport Vernon PLC, 557 London Road, HighWycombe, Buckinghamshire HP11 1EU.

17. PENSION COMMITMENTS

The Company is a member of The Davenport Vernon Pension Scheme which is a defined contribution scheme. The present scheme succeeded the old group defined benefit scheme on 1st April 1991. Details of this change are contained in the notes to the Financial Statements of Davenport Vernon PLC. The assets of the scheme are held separately from those of Group companies and are invested in Managed Pension Funds.

The pension cost charge represents contributions payable by the Company to the scheme and is shown in Note 5 to the Financial Statements. Contributions totalling £648 (1991: £734) were payable to the scheme at the year end and uded inclin creditors.