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FOBERTY LIMITED AND SUBSIDIARY COMPANIES

FINANCIAL ACCOUNTS

YEAR ENDED 31 DECEMBER 1991

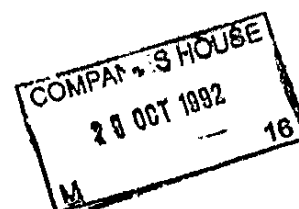
DIRECTORS: V A MEDLEY  
MRS J M MEDLEY

SECRETARY: V A MEDLEY

AUDITOR: MR M R F MILES, FCA  
REGISTERED AUDITOR  
191A HIGH STREET  
STREET  
SOMERSET

BANKERS: NATIONAL WESTMINSTER BANK PLC  
72 HIGH STREET  
STREET  
SOMERSET

REGISTERED OFFICE: 189 HIGH STREET  
STREET  
SOMERSET



FOBERTY LIMITED AND SUBSIDIARY COMPANIES

FINANCIAL ACCOUNTS

YEAR ENDED 31 DECEMBER 1991

C O N T E N T S

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DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 1991  
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The Directors submit their report and accounts for the year ended 31 December 1991.

RESULTS AND DIVIDENDS

The trading loss of the group for the year was 15,945 - (1990 Loss 182).

REVIEW OF THE BUSINESS

The Company is a holding company and does not trade. The activities of the subsidiary companies are:

Abbey Garage (South West) Ltd -  
The sale of new and used vehicles, parts, accessories, petrol and oil and also the repair and maintenance of vehicles.

Vehicle Acquisition and Maintenance Ltd -  
Self-drive vehicle hire, contract vehicle hire and leasing.

Glastonbury Motor Body Repairs Ltd -  
The repairing of motor bodies.

Ashmead Developments Ltd -  
Property development.

Turnover of the group was reduced to 4,426,064 during the year.

EXPORTS

There were no goods exported from the United Kingdom by the group during the year (1990 Nil).

MARKET VALUE OF LAND AND BUILDINGS

Freehold property has been incorporated in these accounts at cost and valuation. In the opinion of the Directors 1,375,000 is a reasonable reflection of the market value at 31 December 1991.

FIXED ASSETS

The group has incurred expenditure on plant, machinery and vehicles during the year, amounting to 77,350.

RESEARCH AND DEVELOPMENT

No significant expenditure has been incurred on research and development.

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DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)  
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## FUTURE DEVELOPMENTS

The Directors intend to maintain the present activities of the Company.

## EVENTS SINCE THE END OF THE YEAR

No significant events have occurred since the end of the year.

## DIRECTORS AND THEIR INTEREST

The Directors at 31 December 1991 and their interest in the share capital of the Company (all beneficially held) were as follows:-

	PREFERENCE SHARES OF 1		ORDINARY SHARES OF 1	
	1991	1990	1991	1990
MR V A MEDLEY	8,400	8,400	79	79
MRS J M MEDLEY	-	-	1	1

## POLITICAL AND CHARITABLE CONTRIBUTIONS

No significant political or charitable contributions were made during the year.

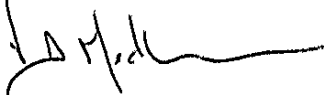
## CLOSE COMPANY

The Company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

## AUDITOR

A resolution proposing the re-appointment of Mr Michael R F Miles as Auditor will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD

V A MEDLEY  
SECRETARY

Dated:

20.10.92

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REPORT OF THE AUDITOR TO THE DIRECTORS OF FOBERTY LIMITED AND  
SUBSIDIARY COMPANIES UNDER PARAGRAPH 10 OF SCHEDULE 8 TO THE  
COMPANIES ACT 1985  
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I have examined the modified accounts set out on pages 4 to 16 for the year ended 31 December 1991.

In my opinion the Directors are entitled under sections 247 to 249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 31 December 1991 and in particular the modified accounts have been properly prepared as such in accordance with schedule 8 to the Companies Act 1985.

As Auditor of Foberty Limited on 8 October 1992 I reported to the members under section 236 of the Companies Act 1985 on the accounts of the Company prepared under section 227 of the Companies Act 1985 for the year ended 31 December 1991 and a copy of my report is attached.

*hls*

M R F MILES, FCA  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANT

191a High Street  
STREET, Somerset

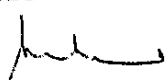
Dated: 8 October 1992

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REPORT OF THE AUDITOR TO THE MEMBERS OF FOBERTY LIMITED AND  
SUBSIDIARY COMPANIES  
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I have audited the financial statements on pages 4 to 16. My audit was conducted in accordance with approved auditing standards having regard to the matters referred to in the following paragraphs.

In common with many businesses of similar size and organisation the Company's system of control is dependent upon the close involvement of the Managing Director who is a major shareholder in the holding company.

Subject to the foregoing in my opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31 December 1991 and of its loss and source and application of funds for the year ended and comply with the Companies Act 1985.

  
M R F MILES, FCA  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANT

191a High Street  
SIREET, Somerset

8 October 1992

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 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1991
 

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	NOTE	1991	1990
TURNOVER	2	4,426,064	5,029,104
Cost of Sales		4,080,465	4,635,910
GROSS PROFIT		345,599	393,194
Administrative Expenses		301,141	326,125
OPERATING PROFIT	3	44,458	67,069
Income from Fixed Asset Investments		-	2,458
		44,458	69,527
Other interest payable and similar charges		(88,972)	(112,095)
Other operating income		28,569	17,329
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION AND EXCEPTIONAL ITEMS		(15,945)	(25,239)
Exceptional Item		-	25,057
		(15,945)	(182)
Tax on Ordinary Activities		-	404
LOSS FOR THE FINANCIAL YEAR		(15,945)	(584)
Balance brought forward		255,179	255,765
BALANCE CARRIED FORWARD ALL ATTRIBUTABLE TO SUBSIDIARY COMPANIES		239,234	255,179

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 BALANCE SHEET AS AT 31 DECEMBER 1991  
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	NOTE	1991	1990
EMPLOYMENT OF CAPITAL			
Investment in Subsidiary Companies	16	125,002	125,002
Company Formation Expenses		100	100
		-----	-----
		125,102	125,102
		=====	=====
CAPITAL EMPLOYED			
Share Capital	15,500		
Capital Redemption Reserve	34,600		
	-----	50,100	
Loan from Subsidiary		75,002	
		-----	
		125,102	
		=====	

In preparing these modified accounts we have relied upon the exemptions for individual accounts provided by sections 247 to 249 of the Companies Act 1985 and we have done so on the ground that the company is entitled to the benefit of those exemptions as a small company.

.....  ..... V A MEDLEY (DIRECTOR)

.....  ..... J M MEDLEY (DIRECTOR)

Dated: 20.10.92



## FOBERTY LIMITED AND SUBSIDIARY COMPANIES

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## BALANCE SHEET AS AT 31 DECEMBER 1991

	NOTE	1991	1990
<b>FIXED ASSETS</b>			
Tangible Assets	4	1,631,230	1,685,524
Intangible Assets	5	31,086	31,086
		1,662,316	1,716,610
<b>CURRENT ASSETS</b>			
Stocks	6	419,537	376,262
Debtors	7	120,443	141,621
Deposits with Suppliers		83,141	144,273
		623,121	662,156
<b>CREDITORS</b>			
Amounts falling due within one year	8	473,481	550,931
		473,481	550,931
<b>NET CURRENT ASSETS</b>			
		149,640	131,225
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		1,811,956	1,847,835
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	504,406	524,340
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Deferred Taxation	10	3,142	3,142
		507,548	527,482
		1,304,408	1,320,353
<b>CAPITAL AND RESERVES</b>			
Share Capital & Capital Redemption Reserve	11	50,100	50,100
Revaluation Reserve	12	1,015,074	1,015,074
Profit and Loss Account		239,234	255,179
		1,304,408	1,320,353
<b>Signed</b>			
..... V A MEDLEY			
..... J M MEDLEY			

Dated: 20.10.92

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 STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
 FOR THE YEAR ENDED 31 DECEMBER 1991  
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	1991	1990
SOURCE OF FUNDS		
Loss	(15,945)	(182)
Adjustment for items not involving the movement of funds:-		
Depreciation and losses on disposals less profit on disposal	35,360	18,815
TOTAL GENERATED FROM OPERATIONS	19,415	18,633
FUNDS FROM OTHER SOURCES		
Proceeds on disposal of fixed assets	96,284	23,163
APPLICATION OF FUNDS		
Additions to Fixed Assets	(77,350)	(30,713)
	-----	-----
	38,349	11,083
	*****	*****
Represented by:-		
Increase in stocks	23,275	
Decrease in: Debtors	(21,178)	
Suppliers' Deposits	(61,132)	
Creditors (under one year)	77,450	
Creditors (more than one year)	19,934	
Increase in: Debtors		7,942
Creditors (more than one year)		(357,843)
Decrease in: Stock		(58,607)
Creditors (under one year)		492,165
Suppliers' Deposits		(71,972)
Investments		(600)
	-----	-----
	38,349	11,083
	*****	*****

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991

## 1. ACCOUNTING POLICIES

## ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention. The consolidated accounts include the results of all subsidiary companies.

## DEPRECIATION

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Plant and equipment - 10/15% per annum on a reducing balance basis;

Office Equipment - 10/15% per annum on a reducing balance basis;

Motor Vehicles - 10/25% per annum on a reducing balance basis.

## STOCKS

Stocks are stated at the lower of trade price, cost and net realisable value as follows:-

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

Finished goods and goods for resale - trade price and purchase cost on a first in, first out basis;

Raw materials and consumables - purchase cost on a first in, first out basis;

Work in Progress - cost of direct materials and labour.

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 on 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. No amount is provided in respect of the revaluation reserve, see note 10.

## HIRE PURCHASE AND LEASING COMMITMENTS

Assets obtained under hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their useful lives. The interest element of the hire purchase obligations is charged to profit and loss account over the period of the agreement.

Leasing costs are written off at the time of payment in so far as payments do not relate to finance leases.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991  
(CONT'D)

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## 2. TURNOVER

The turnover and profit on ordinary activities before taxation is attributable to the activities of the group. Turnover is as below:-

	1991	1990
SALES: Abbey Garage Ltd	3,960,204	4,691,869
SALES: Vehicle Acquisition and Maintenance Ltd	92,255	79,600
SALES: Glastonbury Motor Body Repairs Ltd	272,615	253,237
RENTS: Ashmead Developments Ltd	81,000	4,398
	-----	-----
	4,426,064	5,029,104
	=====	=====

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991  
(CONT'D)  
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## 3. OPERATING PROFIT

	1991	1990
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This is stated after charging:

Directors' Remuneration	18,000	25,400
Auditor's Remuneration	1,500	1,350
Depreciation	35,360	18,815

## FOBERTY LIMITED AND SUBSIDIARY COMPANIES

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## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)

## 4. TANGIBLE FIXED ASSETS

	FREEHOLD PROPERTY	PLANT AND EQUIPMENT	MOTOR VEHICLES	TOTAL
COST AND VALUATION				
At 31 December 1990	1,375,000	196,253	196,702	1,767,955
Additions Net of Disposals		13,512	60,143	73,655
	1,375,000	209,765	256,845	1,841,610
DEPRECIATION				
At 31 December 1990		112,685	62,335	175,020
Current Year		13,239	22,121	35,360
		125,924	84,456	210,380
NET BOOK AMOUNTS				
AT 31 DECEMBER 1991	1,375,000	83,841	172,389	1,631,230

Freehold property is included at original costs as amended by subsequent valuations.

## 5. INTANGIBLE FIXED ASSETS

Goodwill on consolidation	53,287
Reserve on consolidation	22,201

31,086

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The goodwill represents the excess of purchase consideration over the book value of assets acquired on the acquisition of the subsidiary company. The capital reserve represents the excess of book value of assets acquired on the purchase of subsidiary companies over the consideration granted by issue of redeemable preference shares.

## FOBERTY LIMITED AND SUBSIDIARY COMPANIES

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## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)

## 6. STOCKS

	1991	1990
Vehicles and goods for resale	279,654	246,137
Raw Materials and Consumables	137,683	147,125
Work in Progress	2,200	3,000
	-----	-----
	419,537	396,262
	=====	=====

## 7. DEBTORS

Trade Debtors	189,183	99,566
Other Debtors	9,834	13,453
Prepayments and Accrued Income	4,567	5,439
Sale of Quoted Shares	-	23,163
	-----	-----
	203,584	141,621
	=====	=====

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)

8. CREDITORS - AMOUNTS FALLING DUE  
WITHIN ONE YEAR

	1991	1990
Bank Loans and Overdrafts	137,772	202,598
Trade Creditors	146,928	52,819
Other creditors including taxes and social security costs	34,039	93,106
Bulk Deposit - Ford Motor Company Ltd	154,742	202,408
	-----	-----
	473,481	550,931
	=====	=====

9. CREDITORS - AMOUNTS FALLING DUE  
AFTER MORE THAN ONE YEAR

Esso Loan	504,406	524,340
	=====	=====

The first 500,000 of the Esso loan is secured by a legal charge on the Company's property at 189 High Street, Street. Bank security is by way of a composite guarantee made by Foberty Limited in favour of Abbey Garage (South West) Limited, Glastonbury Motor Body Repairs Limited, Vehicle Acquisition and Maintenance Limited dated 26 January 1984.



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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)  
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## 10. DEFERRED TAXATION

Provided -

	1991		1990	
	COMPANY	GROUP	COMPANY	GROUP
AT 31 DECEMBER 1990	-	3,142	-	3,142
AT 31 DECEMBER 1991	-	3,142	-	3,142

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FOBERTY LIMITED AND SUBSIDIARY COMPANIES

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)

11. SHARE CAPITAL AND CAPITAL REDEMPTION RESERVE

	AUTHORISED		ALLOTTED, ISSUED AND FULLY PAID	
	1991 NO.	1990 NO.	1991	1990
Ordinary Shares of 1 each	100	100	100	100
Redeemable cumulative 2.5% preference shares of 1	50,000	50,000	8,300	8,300
	-----		-----	
	50,100	50,100	8,400	8,400
	=====			
Capital Redemption Reserve			41,700	41,700
			-----	-----
			50,100	50,100
			=====	=====

12. CAPITAL RESERVE ON REVALUATION

	1991	1990
Revaluation reserve at 31 December 1990	1,015,074	940,074
Adjustment in year	-	75,000
	-----	-----
	1,015,074	1,015,074
	=====	=====

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1991 (CONT'D)

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## 13. INVESTMENT IN SUBSIDIARY COMPANIES

	1991	1990	HELD
Abbey Garage (South West) Ltd 12,599 Ordinary shares of 1	40,000	40,000	99.9%
Vehicle Acquisition and Maintenance Ltd 99 Ordinary shares of 1	10,000	10,000	99%
Glastonbury Motor Body Repairs Ltd 199 Ordinary shares of 1	75,000	75,000	99.5%
Ashmead Developments Ltd 2 Ordinary shares of 1	2	2	100%
	-----	-----	
	125,002	125,002	
	=====	=====	