

JAMES WINDSOR & SON (MANSFIELD) LIMITED

STATEMENT OF ACCOUNTS

- for the -

YEAR ENDED 31st DECEMBER 1987

JAMES WINDSOR & SON (MANSFIELD) LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1987

- | | |
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JAMES WINDSOR & SON (MANSFIELD) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

The Directors submit their annual report and the audited accounts for the year ended 31st December, 1987.

GROUP

The company is a wholly owned subsidiary of Greater Nottingham Co-operative Society Limited, an Industrial and Provident Society incorporated in England.

The company has the following wholly owned subsidiary company, incorporated in England:-

Nottingham Credit Trust Limited

Group accounts for this sub-group have not been prepared in accordance with section 228 (7) of the Companies Act 1985.

ACTIVITIES

The principal activity of the company during the financial period is that of a garage proprietor.

DIRECTORS

Throughout the year the directorate has comprised:

F. E. Doherty C.A.
W. H. Stephenson
H. G. Morgan
A. Warren
R. G. Lea

No director has any beneficial interest in the share capital of the company.

FIXED ASSETS

Details of changes in the fixed assets are shown in the notes to the accounts.

RESULTS

The company made a net profit for the year of £144,800 (1986 Profit £87,489) and the directors do not recommend the payment of a dividend. The amount added to reserves is shown in note 5 to the accounts.

AUDITORS

In accordance with S384 of the Companies Act 1985 a resolution proposing the re-appointment of Messrs. Price Waterhouse as Auditors to the company will be put to the Annual General Meeting.

JAMES WINDSOR & SON (MANSFIELD) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FUTURE PROSPECTS

The first full year of trading since the acquisition of the assets and liabilities of Saml. Hammond & Co. (Daybrook) Ltd. has resulted in a better overall performance and the Directors are of the opinion that this should give a sound base to improve even further.

29th March 1988

By order of the Board


W.H. STEPHENSON
Secretary.

AUDITORS' REPORT

To the members of James Windsor & Son (Mansfield) Limited.

We have audited the financial statements set out on pages 4 to 11 in accordance with approved Auditing Standards.

In our opinion these financial statements give a true and fair view of the state of affairs of the company as at 31st December 1987, and of the profit and the source and application of funds for the period then ended, and comply with the Companies Act, 1985.


Price Waterhouse

Victoria House
76 Hilton Street
NOTTINGHAM NG1 3QY

29th March 1988

JAMES WINDSOR & SON (MANSFIELD) LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 1987

| | <u>Notes</u> | <u>1987</u> | <u>1986</u> |
|--|--------------|----------------|----------------|
| | | £ | £ |
| <u>TURNOVER</u> | 1 | 20,583,842 | 8,562,379 |
| Cost of Sales: | | | |
| Materials | | 18,111,990 | 7,520,569 |
| Labour | | <u>278,848</u> | <u>92,888</u> |
| Gross Profit | | 2,193,004 | 948,922 |
| Distribution Costs | | 1,442,288 | 640,426 |
| Administrative Expenses | | <u>330,064</u> | <u>117,135</u> |
| <u>OPERATING PROFIT</u> | 2 | 420,652 | 191,361 |
| Interest payable | 4 | 275,852 | 99,494 |
| Goodwill written off | | <u>-</u> | <u>4,378</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 144,800 | 87,489 |
| TAXATION | 11 | <u>-</u> | <u>-</u> |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | 144,800 | 87,489 |
| RETAINED PROFIT BROUGHT FORWARD | | <u>538,522</u> | <u>451,033</u> |
| RETAINED PROFIT CARRIED FORWARD | 5 | <u>683,322</u> | <u>538,522</u> |

The notes on pages 7 - 11 form part of these accounts.

JAMES WINDSOR & SON (MANSFIELD) LIMITED

BALANCE SHEET

AS AT 31st DECEMBER 1987

| | <u>Notes</u> | <u>1987</u> | <u>1986</u> |
|-------------------------------------|--------------|------------------|------------------|
| | | £ | £ |
| <u>FIXED ASSETS</u> | | | |
| Tangible Assets | 6 | 1,289,225 | 1,297,804 |
| <u>INVESTMENTS</u> | 7 | 50,000 | 50,000 |
| <u>CURRENT ASSETS</u> | | | |
| Stock | 8 | 1,571,723 | 1,289,961 |
| Debtors | 9 | 1,755,188 | 1,087,335 |
| Cash at bank and in hand | | 1,327 | 1,241 |
| | | <hr/> | <hr/> |
| | | 3,328,238 | 2,378,537 |
| <u>CREDITORS</u> | | | |
| Amounts falling due within one year | 10 | <u>3,964,141</u> | <u>3,167,819</u> |
| <u>Net Current Liabilities</u> | | <u>(635,903)</u> | <u>(789,282)</u> |
| <u>NET ASSETS</u> | | <u>703,322</u> | <u>558,522</u> |
| | | ***** | ***** |
| <u>CAPITAL AND RESERVES</u> | | | |
| Called up Share Capital | 12 | 20,000 | 20,000 |
| Revaluation Reserve | 5 | 144,197 | 143,185 |
| Profit and Loss Account | 5 | <u>539,125</u> | <u>392,337</u> |
| | | <u>683,322</u> | <u>538,522</u> |
| | | <hr/> | <hr/> |
| | | 703,322 | 558,522 |
| | | ***** | ***** |
| F.E. DONERTY) | | | |
|) DIRECTORS | | | |
| W.H. STEPHENSON) | | | |

Date: 29th March, 1988

The notes on pages 7 to 11 form part of these accounts.

JAMES WINDSOR & SON (MANSFIELD) LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31st DECEMBER 1987

| <u>SOURCE OF FUNDS</u> | <u>1987</u> <u>£</u> | <u>1986</u> <u>£</u> |
|---|-------------------------|-------------------------|
| Profit before taxation | 144,800 | 87,489 |
| Adjusted for item not involving the movement of funds: | | |
| Depreciation | 71,171 | 29,767 |
| Goodwill written off | <u>-</u> | <u>4,378</u> |
| Total generated from operations | 215,971 | 121,634 |
| <u>OTHER SOURCE OF FUNDS</u> | | |
| Sales of Fixed Assets | 86,291 | 4,525 |
| Short term loan from Holding Society | 495,000 | 450,000 |
| Rebate received on fixed asset expenditure | <u>25,000</u> | <u>-</u> |
| | 522,262 | 576,159 |
| <u>APPLICATION OF FUNDS</u> | | |
| Purchase of Fixed Assets | (173,883) | (101,505) |
| Purchase of assets and liabilities of Saml. Hammond & Company (Daybrook) Limited. | <u>(95,000)</u> | <u>(5,000)</u> |
| | 553,379 | 469,654 |
| <u>MOVEMENT IN WORKING CAPITAL</u> | | |
| (Increase)/Decrease in stock and work in progress | (281,765) | 184,899 |
| (Increase)/Decrease in Debtors | (667,853) | 14,287 |
| Increase/(Decrease) in Creditors | <u>346,513</u> | <u>(603,102)</u> |
| (DECREASE)/INCREASE IN NET LIQUID FUNDS | <u>(49,723)</u> | <u>(108,724)</u> |
| | <u>503,656</u> | <u>360,930</u> |

The notes on pages 7 to 11 form part of these accounts.

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1987

1. STATEMENT OF ACCOUNTING POLICIES

ACCOUNTING BASIS

The accounts have been prepared under the historical cost accounting convention with the exception of freehold land and buildings which are included at valuation on an existing use basis. The period of account is the 52 weeks ended 31st December 1987, with comparative figures for the previous year.

TURNOVER

Turnover comprises amounts receivable in respect of goods and services rendered and is exclusive of V.A.T and car tax.

DEPRECIATION

All fixed assets, with the exception of land, are depreciated on a straight line basis evenly over their expected useful lives, at no less than the following rates:

| | |
|--------------------|-----------|
| Freehold Buildings | 2½% |
| Plant | 15% - 25% |
| Motor Vehicles | 20% - 33% |

STOCK

Stock has been valued on the basis of the lower of cost and net realisable value.

DEFERRED TAXATION

Provision for deferred taxation is only made if the Directors consider that an actual tax liability is expected to fall due for payment in the foreseeable future.

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1987

| | <u>1987</u> <u>£</u> | <u>1986</u> <u>£</u> |
|--|-------------------------|-------------------------|
| 2. <u>OPERATING PROFIT</u> | | |
| This is stated after charging | | |
| Auditors' remuneration | 5,900 | 2,400 |
| Depreciation | 71,171 | 29,767 |
| Hire of Plant and Machinery | 7,277 | 857 |
| Directors' remuneration | 53,716 | 22,374 |
| 3. <u>STAFF COSTS</u> | | |
| Wages and salaries | 1,153,489 | 469,553 |
| Social Security costs | 97,600 | 39,044 |
| Other pension costs | <u>20,496</u> | <u>14,643</u> |
| | <u>1,271,585</u> | <u>523,240</u> |
| The average weekly number of employees during the year was made up as follows: | | |
| | No. | No. |
| Office and Management | 22 | 7 |
| Distribution | <u>128</u> | <u>60</u> |
| | <u>150</u> | <u>67</u> |
| 4. <u>INTEREST PAYABLE</u> | | |
| Bank Overdraft | 34,950 | 24,807 |
| Holding Society | <u>240,902</u> | <u>74,687</u> |
| | <u>275,852</u> | <u>99,494</u> |

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1987

| | | | | |
|---------------------------------|---------------------------------------|-----------------------------|------------------------|-------------------|
| 5. <u>RESERVES</u> | Profit and Loss Account £ | Revaluation Reserve £ | Total £ | |
| At 1st January 1987 | 392,337 | 146,185 | 538,522 | |
| Profit for the year | 144,800 | - | 144,800 | |
| Transfer | <u>1,988</u> | <u>(1,988)</u> | <u>-</u> | |
| At 31st December 1987 | <u>539,125</u> | <u>144,197</u> | <u>683,322</u> | |
| | ***** | ***** | ***** | |
| 6. <u>TANGIBLE FIXED ASSETS</u> | Freehold Land and Building £ | Plant & Fixtures £ | Motor Vehicles £ | Total |
| Cost or valuation at 1/1/87 | 1,261,488 | 337,963 | 54,898 | 1,654,349 |
| Additions | 1,732 | 43,696 | 128,455 | 173,883 |
| Rebate received | (25,000) | - | - | (25,000) |
| Disposals | <u>-</u> | <u>(11,237)</u> | <u>(101,242)</u> | <u>(112,479)</u> |
| at 31/12/87 | 1,238,220 | 370,422 | 82,111 | 1,690,753 |
| Depreciation at 1/1/87 | 114,466 | 225,022 | 17,057 | 356,545 |
| Provided during the year | 17,374 | 36,362 | 17,435 | 71,171 |
| Disposals | <u>-</u> | <u>(10,162)</u> | <u>(16,026)</u> | <u>(26,188)</u> |
| at 31/12/87 | <u>131,840</u> | <u>251,222</u> | <u>18,466</u> | <u>401,528</u> |
| Net Book Value at 31/12/87 | <u>1,106,380</u> | <u>119,200</u> | <u>63,645</u> | <u>1,289,225</u> |
| Net Book value at 31/12/86 | <u>1,147,022</u> | <u>112,941</u> | <u>37,841</u> | <u>1,297,804</u> |
| | ***** | ***** | ***** | ***** |

a) The Freehold Land and Buildings include £375,000 at valuation.

b) On an historical cost basis Land and Buildings would have been included at:

| | <u>1987</u> £ | <u>1986</u> £ |
|------------------------|------------------|------------------|
| Cost | <u>1,076,131</u> | <u>1,099,395</u> |
| Aggregate depreciation | <u>113,948</u> | <u>98,562</u> |
| | ***** | ***** |

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1987

| 7. <u>INVESTMENTS</u> | <u>1987</u> £ | <u>1986</u> £ |
|---|--------------------|--------------------|
| Investment in Nottingham Credit Trust Ltd. | 50,000 ***** | 50,000 ***** |
| 8. <u>STOCK</u> | | |
| Work in progress | 5,911 | 11,000 |
| Goods for re-sale | <u>1,565,812</u> | <u>1,278,961</u> |
| | 1,571,723 ***** | 1,289,961 ***** |
| 9. <u>DEBTORS</u> | | |
| British Leyland U.K. Ltd. Deposit | 806,250 | 491,841 |
| Trade Debtors | 826,386 | 485,928 |
| Value Added Tax Refundable | 5,288 | - |
| Prepayments | 79,557 | 79,431 |
| Amounts due from Holding Society | 29,600 | 12,989 |
| Amounts due from Fellow Subsidiaries | 4,571 | 12,582 |
| Amounts due from subsidiaries | <u>3,536</u> | <u>4,564</u> |
| | 1,755,188 ***** | 1,087,335 ***** |
| 10 <u>CREDITORS</u> Amounts falling due within one year | | |
| Loan from Holding Society - Short Term | 2,650,000 | 2,155,000 |
| Bank Overdraft | 310,928 | 261,119 |
| Trade Creditors | 962,756 | 455,767 |
| Other Taxes and Social Security Costs | 16,109 | 29,274 |
| Other Creditors | | |
| Deposits from Retail Dealers | 22,144 | 101,419 |
| Amounts to Holding Society | 2,204 | 51,000 |
| Amounts due to Fellow Subsidiaries | | |
| - consideration for purchase of | | |
| assets and liabilities of Saml. Hammond | | |
| & Company (Daybrook) Limited | - | 95,000 |
| - Other | <u>-</u> | <u>19,240</u> |
| | 3,964,141 ***** | 3,167,819 ***** |

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1987

11. TAXATION

Due to the utilisation of unrelieved losses from prior periods no corporation tax charge or credit arises from the current year result.

The full potential liability for deferred taxation at 35% is as follows:

| | <u>1987</u> | <u>1986</u> |
|--------------------------------|-----------------|-----------------|
| | £ | £ |
| Accelerated capital allowances | 13,500 | 12,400 |
| Short term timing differences | - | 12,400 |
| Taxation losses | <u>(13,500)</u> | <u>(24,800)</u> |
| | - | - |

12. SHARE CAPITAL

| | <u>1987</u> | <u>Authorised</u> | <u>Allotted, Called</u> | |
|----------------------------|-------------|-------------------|--------------------------|--------|
| | 1987 | 1986 | <u>Up and Fully Paid</u> | |
| | No. | No. | 1987 | 1986 |
| | | | £ | £ |
| Ordinary Shares of £1 each | 10,000 | 10,000 | 10,000 | 10,000 |
| Deferred Shares of £1 each | 10,000 | 10,000 | 10,000 | 10,000 |

13. CAPITAL COMMITMENTS

| | <u>1987</u> | <u>1986</u> |
|---|-------------|-------------|
| | £ | £ |
| Contracted | 17,000 | NIL |
| Authorised by the Directors but not contracted | 77,000 | 20,000 |

14. CONTINGENT LIABILITIES

The Company has entered into an agreement with Midland Bank p.l.c. whereby its assets and undertakings are the subject of a charge to that bank in respect of some of its own borrowings and those of Nottingham Credit Trust Limited. The total indebtedness to the Midland Bank p.l.c. at 31st December 1987 was £307,723.

15. PENSION COMMITMENTS

The company has a pension scheme and contributions paid into this scheme amounted to:

| | <u>1987</u> | <u>1986</u> |
|-----------|-------------|-------------|
| | £ | £ |
| Directors | 2,648 | 926 |
| Employees | 17,848 | 13,717 |

JAMES WINDSOR & SON (MANSFIELD) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 1987

| | <u>WINDSORS (Intergroup)</u> | | | <u>1987</u> | | <u>1986</u> | |
|-----------------------------------|------------------------------|--------------|----------------|---------------|-------------------|---------------|------------------|
| | <u>SALES</u> | <u>VAT</u> | <u>TOTAL</u> | £ | £ | £ | £ |
| <u>TURNOVER</u> | 280,425 | 1,439 | 281,864 | | 23,182,755 | | 9,571,725 |
| Less V.A.T. | <u>228,342</u> | <u>7,896</u> | <u>236,238</u> | | <u>2,573,287</u> | | <u>1,009,346</u> |
| <u>SALES</u> | 32,083 | (6,457) | 25,626 | | 20,609,468 | | 8,562,379 |
| Less Cost of Sales | | | | | <u>18,137,616</u> | | <u>7,520,569</u> |
| <u>GROSS PROFIT</u> | | | | | 2,471,852 | | 1,041,810 |
| <u>PERSONNEL COSTS</u> | | | | | | | |
| Salaries and Wages (Labour) | | | | 278,848 | | 92,888 | |
| Salaries and Wages (Other) | | | | 874,641 | | 376,665 | |
| National Insurance | | | | 97,600 | | 39,044 | |
| Pension Contribution | | | | <u>20,496</u> | 1,271,585 | <u>14,643</u> | 523,240 |
| <u>EMPLOYEE BENEFITS</u> | | | | | 228 | | 223 |
| <u>OCCUPANCY COSTS</u> | | | | | | | |
| Rent | | | | 10,050 | | 2,198 | |
| Water Rates & Effluent | | | | 4,930 | | 1,587 | |
| General Rates | | | | 60,493 | | 19,401 | |
| Property Insurance | | | | 1,451 | | 765 | |
| Property Maint-Works Dept. | | | | 713 | | 600 | |
| Property Maint-Other | | | | 9,121 | | 4,997 | |
| Electricity | | | | 29,593 | | 10,771 | |
| Gas | | | | <u>17,724</u> | 134,075 | <u>11,010</u> | 51,329 |
| <u>VEHICLE RUNNING COSTS</u> | | | | | | | |
| Petrol and Oil | | | | 40,400 | | 27,834 | |
| Licences | | | | 9,839 | | 4,862 | |
| Repairs | | | | 15,579 | | 4,202 | |
| Depn write down | | | | <u>97,024</u> | <u>162,842</u> | <u>45,834</u> | <u>82,732</u> |
| <u>NET PROFIT CARRIED FORWARD</u> | | | | | 903,122 | | 384,286 |

JAMES WINDSOR & SON (MANSFIELD) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 1987

| | <u>1987</u> | <u>1986</u> |
|-------------------------------------|----------------|---------------|
| | £ | £ |
| <u>NET PROFIT BROUGHT FORWARD</u> | 903,122 | 384,286 |
| <u>OTHER EXPENSES</u> | | |
| General Insurance | 16,367 | 4,849 |
| Uninsured Losses | 508 | 1,138 |
| Licences | 2,734 | 51 |
| Telephones | 36,041 | 17,322 |
| Printing and Stationery | 26,975 | 11,193 |
| Postage | 8,097 | 3,326 |
| Hygiene: | | |
| - Outside Contractors | 19,504 | 6,243 |
| - Laundry & Prot Cleaning | 8,500 | 2,458 |
| - Other | 500 | 865 |
| Repairs and Renewals: | | |
| - Plant & Fixtures - Works Dept. | - | - |
| - Plant & Fixtures - Other | 30,163 | 19,122 |
| - Maintenance Contracts | 12,218 | 7,684 |
| Travelling: | | |
| - Entertainment | 3,430 | 1,253 |
| - Other | 2,578 | 1,210 |
| Technical Education | 17,893 | 2,610 |
| Legal and Professional | 4,619 | 722 |
| Trade Subscriptions | 2,867 | 1,129 |
| Security | 9,292 | |
| Lensing | 12,106 | 857 |
| Equipment Hire: | | |
| - Plant & Fixtures | 1,691 | 1,265 |
| - Vehicles | - | - |
| Advertising: | | |
| - Trade & Public Relations | 143,133 | 58,439 |
| - Staff | 3,066 | 150 |
| Bad Debts | 5,203 | 3,630 |
| Health & Safety | 1,740 | - |
| Computer Bureau Charges | 3,387 | - |
| Computer Software, Fees & Licences | 8,380 | 698 |
| Audit Fees | 5,900 | 2,400 |
| Bank Charges | 21,831 | 9,494 |
| Depreciation | 71,171 | 29,767 |
| Management Fee | <u>2,000</u> | <u>5,000</u> |
| <u>SUB TOTAL</u> | 421,208 | 191,411 |
| Less: | | |
| Interest | 275,852 | 99,494 |
| <u>Goodwill written off</u> | - | 4,378 |
| <u>LOSS ON SALE OF FIXED ASSETS</u> | 500 | - |
| <u>PROVISION AND CHARGES</u> | | |
| Donations | <u>56</u> | <u>30</u> |
| <u>NET PROFIT FOR YEAR</u> | <u>144,800</u> | <u>87,489</u> |