

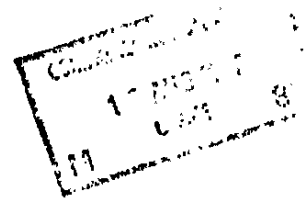
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JAMES WINDSOR & SON (MANSFIELD) LIMITED

STATEMENT OF ACCOUNTS

- for the -

YEAR ENDED 31st DECEMBER 1986



JAMES WINDSOR & SON (MANSFIELD) LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1986

1. Index
2. Directors' Report
3. Auditors' Report
4. Profit and Loss Account
5. Balance Sheet
6. Source and Application of Funds
- 7 to 11 Notes to the Accounts

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, 1986.

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.

ACTIVITIES

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

DIRECTORS

The Directors who have served throughout the year, with the exception of Mr. A. Warren and Mr. R. G Lea are as follows:

F. E. Doherty C.A.
W. H. Stephenson
H. G. Morgan
A. Warren (appointed 1st March 1986)
R. G. Lea (appointed 14th July 1986)

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 £87,489 (1985 Profit £1,320) 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

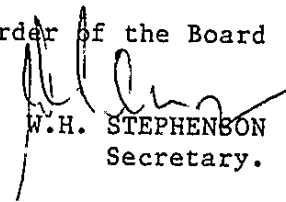
The Company purchased the assets and liabilities of Saml. Hammond & Company (Daybrook) Limited, a fellow subsidiary engaged in the trade of garage proprietor on the 31st December 1986.

This will combine the resources of two local Rover Dealerships and will enable the Company to improve its service to customers.

This acquisition together with the opening of an additional branch at Sutton-in-Ashfield and a further Dealership for Freight Rover, will enable the future to look well set for increased profitability and market share.

30th March 1987

By order of the Board

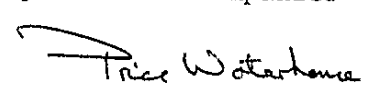

W.H. STEPHENSON
Secretary.

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 1986, 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 Milton Street
NOTTINGHAM NG1 3QY

30th March 1987

JAMES WINDSOR & SON (MANSFIELD) LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 1986

	<u>Notes</u>	<u>1986</u>	<u>1985</u>
		£	£
<u>TURNOVER</u>	1	8,562,379	6,661,889
Cost of Sales:			
Materials		7,520,569	5,898,410
Labour		<u>92,888</u>	<u>54,339</u>
Gross Profit		948,922	709,140
Distribution Costs		640,426	508,389
Administrative Expenses		<u>117,135</u>	<u>104,828</u>
		<u>757,561</u>	<u>613,217</u>
<u>OPERATING PROFIT</u>	2	191,361	95,923
Interest payable	4	99,494	94,603
Goodwill written off		<u>4,378</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		87,489	1,320
TAXATION	11	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		87,489	1,320
RETAINED PROFIT BROUGHT FORWARD		<u>451,033</u>	<u>449,713</u>
RETAINED PROFIT CARRIED FORWARD		<u>538,522</u> =====	<u>451,033</u> =====

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

JAMES WINDSOR & SON (MANSFIELD) LIMITED

BALANCE SHEET

AS AT 31st DECEMBER 1986

	<u>Notes</u>	£	<u>1986</u>	£	<u>1985</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	6		1,297,804		528,285	
<u>INVESTMENTS</u>	7		50,000		-	
<u>CURRENT ASSETS</u>						
Stock	8	1,289,961		836,460		
Debtors	9	1,087,335		595,109		
Cash in Hand		1,241		490		
			<hr/>	<hr/>		
			2,378,537	1,432,059		
<u>CREDITORS</u>						
Amounts falling due within one year	10	<u>3,167,819</u>		<u>1,489,311</u>		
<u>Net Current Liabilities</u>			(789,282)	(57,252)		
<u>NET ASSETS</u>			558,522	471,033		
			=====	=====		
<u>CAPITAL AND RESERVES</u>						
Called up Share Capital	12		20,000	20,000		
Revaluation Reserve	5	146,185		148,173		
Profit and Loss Account	5	<u>392,337</u>	<u>538,522</u>	<u>302,860</u>	<u>451,033</u>	
			558,522	471,033		
			=====	=====		
F.E. DOHERTY)						
) DIRECTORS						
W.H. STEPHENSON)						

Date: 30th March, 1987

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 1986

	<u>1986</u> £	<u>1985</u> £
<u>SOURCE OF FUNDS</u>		
Profit before taxation	87,489	1,320
Adjusted for item not involving the movement of funds:		
Depreciation	29,767	29,365
Goodwill written off	<u>4,378</u>	<u>-</u>
Total generated from operations	121,634	30,685
<u>OTHER SOURCE OF FUNDS</u>		
Proceeds from sales of Fixed Assets	4,525	906
Short term loan from Holding Society	450,000	80,000
<u>APPLICATION OF FUNDS</u>		
Purchase of Fixed Assets	(101,505)	(24,008)
Payment on account for assets and liabilities of Saml. Hammond & Company (Daybrook) Limited.	<u>(5,000)</u>	<u>-</u>
	469,654	87,577
<u>MOVEMENT IN WORKING CAPITAL</u>		
Decrease/(Increase) in stock and work in progress	184,899	(317,763)
Decrease/(Increase) in Debtors	14,287	(27,102)
(Decrease)/Increase in Creditors	<u>(307,910)</u>	<u>(108,724)</u> <u>116,730</u> <u>(228,135)</u>
INCREASE/(DECREASE) IN NET LIQUID FUNDS	<u>360,930</u> =====	<u>(140,558)</u> =====
<u>Effect of purchase of the assets and liabilities of Saml. Hammond & Company (Daybrook) Limited</u>		
<u>Assets Acquired</u>	<u>Discharged by</u>	
Goodwill £	Payment on account £	
4,378	5,000	
Fixed assets 702,306	Outstanding purchase	
Investments 50,000	consideration	95,000
Stock 638,400		
Debtors 506,513		
Cash 751		
Creditors <u>(1,802,348)</u>		
100,000		100,000

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

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1986

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 existing use basis. The period of account is the 52 weeks ended 31st December 1986, 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.

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 1986

	<u>1986</u> £	<u>1985</u> £
2. <u>OPERATING PROFIT</u>		
a) This is stated after charging		
Auditors' remuneration	2,400	2,250
Depreciation	29,767	29,365
Hire of Plant and Machinery	857	4,734
Directors' remuneration	22,374	-
b) Directors' remuneration:		
The emoluments of the chairman, excluding pension contributions were nil (1985 NIL) and of the highest paid director, excluding pension contribution £21,448 (1985 NIL).		
3. <u>STAFF COSTS</u>		
Wages and salaries	376,665	312,860
Social Security costs	39,044	30,050
Other pension costs	<u>14,643</u>	<u>13,907</u>
	430,352	356,817
	=====	=====
The average weekly number of employees during the year was made up as follows:		
	No.	No.
Office and Management	7	7
Distribution	<u>60</u>	<u>53</u>
	67	60
	===	===
4. <u>INTEREST PAYABLE</u>		
Bank Overdraft	24,807	40,894
Holding Society	<u>74,687</u>	<u>53,709</u>
	99,494	94,603
	=====	=====

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1986

5. RESERVES

	<u>1986</u>	<u>1985</u>
	£	£
Balance brought forward	451,033	449,713
Profit for the year	<u>87,489</u>	<u>1,320</u>
	538,522	451,033
Distributable	392,337	302,860
Non-distributable - being unrealised revaluation surplus	<u>146,185</u>	<u>148,173</u>
	538,522	451,033
	=====	=====

6. TANGIBLE FIXED ASSETS

	Freehold Land and Building £	Plant & Fixtures £	Motor Vehicles £	Total
Cost or valuation at 1/1/86	505,625	167,639	8,170	681,434
Purchased from Saml. Hammond & Company (Daybrook) Ltd.	700,211	137,518	50,498	888,227
Additions	55,652	44,453	1,400	101,505
Disposals	<u>-</u>	<u>(11,647)</u>	<u>(5,170)</u>	<u>(16,817)</u>
at 31/12/86	1,261,488	337,963	54,898	1,654,349
Depreciation at 1/1/86	40,440	106,091	6,618	153,149
Provided by Saml. Hammond & Company (Daybrook) Ltd.	66,670	105,659	13,592	185,921
Provided during the year	7,356	21,519	892	29,767
Disposals	<u>-</u>	<u>(8,247)</u>	<u>(4,045)</u>	<u>(12,292)</u>
at 31/12/86	<u>114,466</u>	<u>225,022</u>	<u>17,057</u>	<u>356,545</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>
Net Book Value at 31/12/85	465,185	61,548	1,552	528,285
	=====	=====	=====	=====

a) The Freehold Land and Buildings include £975,000 at valuation.

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

	<u>1986</u>	<u>1985</u>
	£	£
Cost	<u>928,983</u>	<u>359,284</u>
Aggregate depreciation	<u>114,986</u>	<u>35,222</u>
	=====	=====

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31st DECEMBER 1986

7. INVESTMENTS

	<u>1986</u> <u>£</u>	<u>1985</u> <u>£</u>
Investment in Nottingham Credit Trust Ltd.	50,000 =====	- =====

8. STOCK

Work in progress	11,000	720
Goods for re-sale	1,278,961	835,740
	1,289,961 =====	836,460 =====

9. DEBTORS

British Leyland U.K. Ltd. Deposit	491,841	233,741
Trade Debtors	485,928	299,463
Value Added Tax Refundable	-	25,600
Prepayments	79,431	9,576
Amounts due from Holding Society	12,989	17,655
Amounts due from Fellow Subsidiaries	12,582	9,074
Amounts due from subsidiaries	4,564	-
	1,087,335 =====	595,109 =====

10 CREDITORS Amounts falling due within one year

Loan from Holding Society - Short Term	2,155,000	430,000
Bank Overdraft	261,119	478,951
Trade Creditors	455,767	528,660
Other Taxes and Social Security Costs	29,274	9,997
Other Creditors		
Deposits from Retail Dealers	101,419	40,144
Amounts to Holding Society	51,000	281
Amounts due to Fellow Subsidiaries	114,240	1,278
	3,167,819 =====	1,489,311 =====

JAMES WINDSOR & SON (MANSFIELD) LIMITED

NOTES TO THE ACCOUNTS

AT 31.12 DECEMBER 1986

11. TAXATION

Due to the utilisation of unrelieved losses from prior periods no corporation tax charge or credit arises from the current year result. In the opinion of the Directors no liability is likely to arise as a result of the reversal of timing differences in the foreseeable future; accordingly there is no provision for deferred taxation.

12. SHARE CAPITAL

	1986 No.	Authorised 1985 No.	Allotted, Called Up and Fully Paid	
			1986 £	1985 £
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>1986</u> £	<u>1985</u> £
Contracted	NIL	18,668
Authorised by the Directors but not contracted	NIL	NIL

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 1986 was £469,619.

15. PENSION COMMITMENTS

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

	<u>1986</u> £	<u>1985</u> £
Directors	926	NIL
Employees	13,717	13,907

JAMES WINDSOR & SON (MANSFIELD) LIMITED
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st DECEMBER 1986

	<u>1986</u>		<u>1985</u>	
	£	£	£	£
<u>TURNOVER</u>		9,571,725		7,470,581
Less V.A.T.		<u>1,009,346</u>		<u>808,692</u>
		8,562,379		6,661,889
<u>SALES</u>				
Less Cost of Sales		7,520,569		5,898,410
<u>GROSS PROFIT</u>		1,041,810		763,479
<u>PERSONNEL COSTS</u>				
Salaries and Wages (Labour)	92,888		54,339	
Salaries and Wages (Other)	376,665		312,860	
National Insurance	39,044		30,050	
Pension Contribution	<u>14,643</u>	523,240	<u>13,907</u>	411,156
<u>EMPLOYEE BENEFITS</u>		223		198
<u>OCCUPANCY COSTS</u>				
Rent	2,198		782	
Water Rates & Effluent	1,587		1,320	
General Rates	19,401		16,352	
Property Insurance	765		680	
Property Maint-Works Dept.	600		750	
Property Maint-Other	4,997		1,941	
Electricity	10,771		10,060	
Gas	<u>11,010</u>	51,329	<u>7,952</u>	39,837
<u>VEHICLE RUNNING COSTS</u>				
Petrol and Oil	27,834		24,750	
Licences	4,862		3,401	
Repairs	4,202		3,373	
Demo write down	<u>45,834</u>	<u>82,732</u>	<u>23,867</u>	<u>55,391</u>
<u>NET PROFIT CARRIED FORWARD</u>		384,286		256,897

JAMES WINDSOR & SON (MANSFIELD) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 1986

	<u>1986</u>	<u>1985</u>
	£	£
<u>NET PROFIT BROUGHT FORWARD</u>	384,286	256,897
<u>OTHER EXPENSES</u>		
General Insurance	4,849	4,325
Uninsured Losses	1,138	1,131
Licences	51	77
Telephones	17,322	14,492
Printing and Stationery	11,193	7,360
Postage	3,326	4,164
Hygiene:		
- Outside Contractors	6,243	5,744
- Laundry & Prot Cleaning	2,458	2,520
- Other	865	756
Repairs and Renewals:		
- Plant & Fixtures - Works Dept.	-	-
- Plant & Fixtures - Other	19,122	13,692
- Maintenance Contracts	7,684	5,428
Travelling:		
- Entertainment	1,253	1,070
- Other	1,210	614
Technical Education	2,610	5,807
Legal and Professional	722	12
Trade Subscriptions	1,129	950
Leasing	857	4,734
Equipment Hire:		
- Plant & Fixtures	1,265	1,511
- Vehicles	-	-
Advertising:		
- Trade & Public Relations	58,439	41,015
- Staff	150	100
Bad Debts	3,630	726
Health & Safety	-	-
Computer Bureau Charges	-	-
Computer Software, Fees & Licences	698	1,576
Audit Fees	2,400	2,250
Bank Charges	9,494	6,535
Depreciation	29,767	29,365
Management Fee	<u>5,000</u>	<u>5,000</u>
	<u>192,875</u>	<u>160,954</u>
<u>SUB TOTAL</u>	191,411	95,943
Less:		
Interest	99,494	94,603
<u>Goodwill written off</u>	4,378	-
<u>PROVISION AND CHARGES</u>		
Donations	<u>50</u>	<u>20</u>
<u>NET PROFIT FOR YEAR</u>	<u>87,489</u>	<u>1,320</u>