
Registered No. 1630936

PROPHETS GARAGE LIMITED



Report and Accounts 1991

The Directors submit their report and financial statements for the year ended 31st December 1991.

RESULTS

The results for the year are given on page 3 of the financial statements. The Company's loss has been transferred to reserves.

REVIEW OF THE BUSINESS

The Company's principal activity during the year has been that of garage proprietors. The directors consider the results achieved on ordinary activities and the financial position at the balance sheet date to be satisfactory in the light of current trading conditions.

FUTURE DEVELOPMENTS

The directors do not anticipate that there will be any fundamental changes in the development of the Company's business during the coming year.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year were as follows:

Mr. T.D.T. Walkinshaw

Mr. A.J. Gibson

Mr. R.S. Silman - appointed 11th March 1991

The Directors had no interests in shares of the Company at 31st December 1991. Interests of the Directors in the shares of the Holding Company are shown in the Directors Report of the Group's financial statements.

HOLDING COMPANY

The Directors consider the ultimate holding company to be TWR Group Limited.

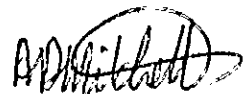
COMPANY STATUS

The Company is a close company for the purposes of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to re-appoint Cook & Partners as auditors will be put to the members at the Annual General Meeting.

Approved by the Board of Directors
and signed on its behalf



A.D. MITCHELL
Secretary

31st March, 1992

PROFIT AND LOSS ACCOUNT
Year ended 31 December 1991

PROPHETS GARAGE LIMITED

	Note	1991 £ £	1990 £ £
TURNOVER		9,525,711	9,770,084
Cost of sales		8,893,783	9,429,422
		<u> </u>	<u> </u>
GROSS PROFIT		631,928	340,662
Administrative expenses		555,897	479,482
		<u> </u>	<u> </u>
OPERATING PROFIT / (LOSS)		76,031	(138,820)
Interest receivable and similar income	4	699	-
Interest payable and similar charges	5	(94,460)	(148,545)
		<u> </u>	<u> </u>
		(93,761)	(148,545)
		<u> </u>	<u> </u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(17,730)	(287,365)
Taxation	6	-	88,182
		<u> </u>	<u> </u>
LOSS FOR THE YEAR	12	£ (17,730)	£ (199,193)
		<u> </u>	<u> </u>

BALANCE SHEET
31 December 1991

PROPHETS GARAGE LIMITED

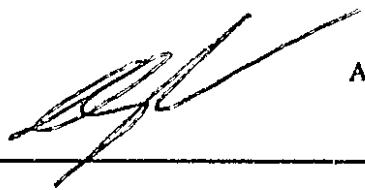
	Note	1991 £	1990 £
FIXED ASSETS			
Tangible assets	7	65,211	79,070
CURRENT ASSETS			
Stocks	8	566,994	1,440,642
Debtors	9	767,658	1,244,965
Cash at bank and in hand		3,928	810
		<u>1,338,580</u>	<u>2,686,417</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>795,247</u>	<u>2,139,213</u>
NET CURRENT ASSETS		<u>543,333</u>	<u>547,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 608,544</u>	<u>£ 626,274</u>
CAPITAL AND RESERVES			
CALLED UP SHARE CAPITAL	11	50,000	50,000
RESERVES	12	<u>558,544</u>	<u>576,274</u>
		<u>£ 608,544</u>	<u>£ 606,274</u>

These financial statements were approved by the Board of Directors on 31st March, 1992.
Signed on behalf of the Board of Directors

R S SILMAN



A J GIBSON



STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended 31 December 1991

PROPHETS GARAGE LIMITED

	1991	1990
	£	£
SOURCE OF FUNDS		
Loss on ordinary activities before taxation	(17,730)	(287,365)
Adjustments for items not involving the movement of funds:		
Depreciation	28,905	35,515
(Profit) / loss on disposal of fixed assets	(850)	1,167
FUNDS GENERATED FROM / (ABSORBED BY) OPERATIONS	10,325	(250,683)
FUNDS FROM OTHER SOURCES		
Hire purchase and finance leases entered into	764,817	653,746
Proceeds on disposal of fixed assets	850	14,899
Taxation received	-	2,224
	775,992	420,186
APPLICATION OF FUNDS		
Purchase of fixed assets	(15,046)	(46,115)
Hire purchase and finance leases discharged	(809,146)	(521,708)
	(824,192)	(567,823)
DECREASE IN WORKING CAPITAL	£ (48,200)	£ (147,637)
Funded by:		
(Decrease) / increase in stock	(873,648)	560,996
Decrease in debtors	(477,307)	(634,293)
Decrease / (increase) in creditors	904,092	(325,564)
Movement in net liquid funds:		
Increase in cash and bank balances	398,663	251,224
	£ (48,200)	£ (147,637)

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with statements of standard accounting practice issued by UK accounting bodies. The particular accounting policies adopted are described below.

a. Accounting convention

The financial statements have been prepared in accordance with the historical cost convention.

b. Turnover

Turnover comprises sales in the ordinary course of business to external customers for goods and services provided exclusive of value added tax.

c. Stocks

Stocks are valued at the lower of cost and net realisable value with an allowance for obsolete or slow moving items.

Stocks held on a consignment basis are excluded from the accounts.

d. Tangible fixed assets and depreciation

Depreciation is provided to write down the cost of tangible fixed assets over their estimated useful lives on the following bases:

Plant and equipment	20% straight line
Motor vehicles	25% straight line
Fixtures and fittings	20% straight line

e. Deferred taxation

Deferred taxation is provided using the full liability method except that no provision is made where there is reasonable probability that no liability will arise in the foreseeable future.

f. Leased assets

Assets obtained under finance leases and lease purchase contracts are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

The costs of operating leases are charged to the profit and loss account as they accrue.

NOTES TO THE ACCOUNTS
Year Ended 31 December 1991

PROPHETS GARAGE LIMITED

2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is arrived at after charging / (crediting):

	1991 £	1990 £
Depreciation of owned assets	28,465	35,259
Depreciation of assets held under finance leases and hire purchase contracts	440	256
Operating lease rentals - land and buildings	207,210	132,500
Operating lease rentals - hire of plant and machinery	44,073	36,566
Auditors remuneration	5,871	5,660
Profit on disposal of assets	(850)	-
	<hr/>	<hr/>

3. DIRECTORS AND EMPLOYEES

The average number of persons (including directors) employed by the Company was:

	1991	1990
Production staff	9	9
Sales and distribution staff	12	11
Administration staff	8	15
	<hr/>	<hr/>
	29	35
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The costs in respect of employees were:

	1991 £	1990 £
Wages and salaries	497,498	577,304
Social security costs	57,544	57,730
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	555,042	635,034
	<hr/>	<hr/>

No emoluments were received by the directors in respect of services to the Company

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1991 £	1990 £
Bank interest	699	-
	<u> </u>	<u> </u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1991 £	1990 £
Finance charges - finance leases and stocking loans	79,810	69,920
Bank interest	14,650	78,625
	<u> </u>	<u> </u>
	94,460	148,545
	<u> </u>	<u> </u>

6. TAXATION

Taxation is based on the results for the year and comprises:

	1991 £	1990 £
Corporation tax at 33.25% (1990 34.25%) on taxable profit	-	(1,020)
Deferred taxation	-	8,035
Overprovision for earlier years	-	81,167
	<u> </u>	<u> </u>
	-	88,182
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
Year Ended 31 December 1991

PROPHETS GARAGE LIMITED

7. TANGIBLE ASSETS

	Leasehold Improvements £	Fixtures & Fittings £	Plant & Equipment £	Motor Vehicles £	Total £
Cost					
At 1 January 1991	21,305	95,398	65,645	9,752	192,100
Additions	-	6,249	4,047	4,750	15,046
Disposals	-	-	-	(9,752)	(9,752)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1991	21,305	101,647	69,692	4,750	197,394
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

	Leasehold Improvements £	Fixtures & Fittings £	Plant & Equipment £	Motor Vehicles £	Total £
Depreciation					
At 1 January 1991	6,886	51,839	45,723	8,582	113,030
Charge for the year	4,009	16,154	7,374	1,368	28,905
Disposals	-	-	-	(9,752)	(9,752)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1991	10,895	67,993	53,097	198	132,183
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Net Book Value

At 31 December 1991	10,410	33,654	16,595	4,552	65,211
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1990	14,419	43,559	19,922	1,170	79,070
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

LEASED ASSETS

	1991 £	1990 £
Included in tangible assets are assets held under finance leases and hire purchases contracts with net book value :	1,504	1,944
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8. STOCKS

	1991 £	1990 £
Stock for resale:		
- owned	430,550	1,209,862
- under finance lease and hire purchase contracts	136,444	230,780
	<u>566,994</u>	<u>1,440,642</u>

9. DEBTORS

	1991 £	1990 £
Trade debtors	126,623	234,089
Amounts owed by group undertakings	592,723	826,184
Other debtors	41,009	160,688
Prepayments and accrued income	7,303	24,004
	<u>767,658</u>	<u>1,244,965</u>

Included in amounts owed by group undertakings is an amount of £576,273 (1990 £NIL) which is of a long term nature. All other amounts are due within one year.

NOTES TO THE ACCOUNTS
Year Ended 31 December 1991

PROPHETS GARAGE LIMITED

10. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	1991 £	1990 £
Stocking loans	176,200	150,000
Bank overdrafts	241,870	637,415
Trade creditors	140,920	908,474
Amounts owed to group undertakings	4,596	50,575
Other creditors	32,728	169,335
Corporation Tax	-	1,020
Other taxation and social security	35,068	16,840
Accruals and deferred income	13,750	11,110
Obligations under finance leases and hire purchase contracts	150,115	194,444
	<u>795,247</u>	<u>2,139,213</u>

The stocking loans are guaranteed by TWR Group Limited.

There exists a floating charge over the stocks of all new and used motor vehicles owned by the company from time to time in favour of Lloyds Bowmaker.

There exists an unlimited cross guarantee, supported by a fixed charge on book debts and a floating charge over all the assets of the Group, by all the Companies in the Group in favour of The Royal Bank of Scotland.

11. SHARE CAPITAL

	1991 £	1990 £
AUTHORISED		
50,000 Ordinary Shares of £1 each	50,000	50,000
ALLOTTED AND FULLY PAID		
50,000 Ordinary shares of £1 each	50,000	50,000

NOTES TO THE ACCOUNTS
Year Ended 31 December 1991

PROPHETS GARAGE LIMITED

12. RESERVES

	Profit and Loss Account £
At 1 January 1991	576,274
Loss for the year	(17,730)
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At 31 December 1991	558,544
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13. CONTINGENT LIABILITIES

New vehicle stocks are held on a consignment basis, and in the event of the stockholding period exceeding 180 days the Company becomes liable for the full value of the vehicle. As at 31 December 1991, the value of new vehicle stock held on a consignment basis by the Company was £111,785 (1990 £141,207).

14. OPERATING LEASE COMMITMENTS

At 31 December 1991 the following annual commitments under non-cancellable leases were in existence:

	1991 £	1990 £
Operating lease commitments in respect of land and buildings, on leases expiring: Over five years	195,000	132,500
	<hr/>	<hr/>
Operating lease commitments in respect of other assets, on leases expiring: Within one year	420	-
Between one and five years	23,825	34,018
	<hr/>	<hr/>

The leases of land and buildings are subject to periodic rent reviews.

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REPORT OF THE AUDITORS
To the members of PROPHETS GARAGE LIMITED

We have audited the financial statements on pages 3 to 12 in accordance with auditing standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 31 December 1991 and of its results and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Cook and Partners

COOK AND PARTNERS
Chartered Accountants
Hertfordshire
31st March 1992