

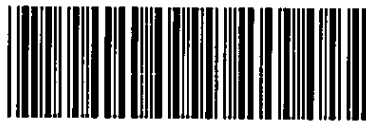
Company Registration No. 2156457 (England and Wales)

GREENOAKS (MAIDENHEAD) LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2006

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GREENOAKS (MAIDENHEAD) LIMITED

COMPANY INFORMATION

Directors	A Khayami B J Martin M Foroutan N C Tanner
Secretary	B J Martin
Company number	2156457
Registered office	273-283 Bath Road Slough Berkshire SL1 5PR
Auditors	Hartley Fowler LLP 4th Floor, Tutton House 27-37 St George's Road Wimbledon London SW19 4EU
Business address	273-283 Bath Road Slough Berkshire SL1 5PR
Bankers	Barclays Bank Plc 1 Queensmere Slough SL1 1DT

GREENOAKS (MAIDENHEAD) LIMITED

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GREENOAKS (MAIDENHEAD) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and financial statements for the year ended 31 December 2006

Principal activities and review of the business

The principal activity of the company in the year under review was that of dealing in high quality motor vehicles

No significant change in the nature of these activities occurred during the year

In the context of the major development work undertaken and the difficult vehicle selling conditions, the results for the year and the financial position at the year end were considered satisfactory by the directors who expect steady progress in the foreseeable future

The management of the company and the execution of the company's strategies are subject to a number of risks and uncertainties. The principal risks and uncertainties relate to competition from other Mercedes Benz retailers both locally and nationally, employee retention, product demand and achievement of the manufacturer's performance targets

The company is also subject to financial risks including credit and interest rate risks. Credit risk relates mainly to trade debtor recoverability and this risk is mitigated by company procedures relating to the timely collection of amounts due from such debtors. Interest rate risks relates to the company's exposure to bank loans and overdrafts, manufacturer stocking finance and loans from related parties. These risks are mitigated by active management of bank overdraft levels and stock management

At the year end the company is in the process of undertaking major development work at its various operations. When completed, the company will benefit from flagship dealerships which are compatible with the prestige brand of Mercedes Benz

The company's directors are of the opinion that Key Performance Indicators are turnover growth (increase of 3.7%), and gross profit margins (down from 14.4% in 2005 to 13.2% in 2006)

Results and dividends

The results for the year are set out on page 6

The directors do not recommend payment of an ordinary dividend

Market value of land and buildings

The directors do not consider there to be a significant difference between the net book value and market value of interests in land and buildings

Research and development

The company continues to invest significant amounts in its dealership operations through the acquisition of the latest high quality plant and machinery. The directors consider the investment in such developments as integral to the continuing success of the company

Post balance sheet events

There have been no material post balance sheet events to report

GREENOAKS (MAIDENHEAD) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

Future developments

Building developments and relocations have been planned with the manufacturer and ongoing timelines agreed over the next year. The costs of these changes will be born between the Company and its landlords.

These changes will place the Company in a strong position to achieve greater volumes and profit opportunities from its association with the Mercedes-Benz franchise and its quality products. When completed, the dealership facilities will be flagship operations compatible with the prestige area of responsibility enjoyed by the Company.

Directors

The following directors have held office since 1 January 2006

A Khayami

B J Martin

M Foroutan

N C Tanner

Directors' interests

The directors' interests in the shares of the company were as stated below

	Ordinary shares of £1 each	
	31 December 2006	1 January 2006
A Khayami	-	-
B J Martin	-	-
M Foroutan	-	-
N C Tanner	-	-

As at 31 December 2006, A Khayami and B J Martin respectively held 14,231 shares and 1 share in Sigma Holdings Limited, the parent company.

Charitable donations	2006	2005
	£	£

During the year the company made the following payments

Charitable donations	-	15,820
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Employee involvement

The company's policy is to consult and discuss with employees, through staff councils and at regular meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present.

GREENOAKS (MAIDENHEAD) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

Disabled persons

The company's policy is to consider disabled workers for all vacancies that they apply for. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Hartley Fowler LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

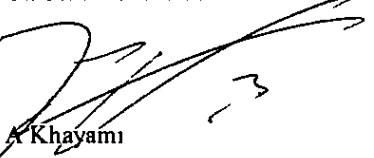
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



A. Khayami

Director

11 October 2007

GREENOAKS (MAIDENHEAD) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF GREENOAKS (MAIDENHEAD) LIMITED

We have audited the financial statements of Greenoaks (Maidenhead) Limited for the year ended 31 December 2006 set out on pages 6 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

GREENOAKS (MAIDENHEAD) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF GREENOAKS (MAIDENHEAD) LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Hartley Fowler LLP

11 October 2007

Chartered Accountants

Registered Auditor

4th Floor, Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

GREENOAKS (MAIDENHEAD) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 £	2005 £
Turnover	2	84,651,800	81,661,190
Cost of sales		(73,467,070)	(69,874,486)
Gross profit		11,184,730	11,786,704
Distribution costs		(3,497,370)	(3,527,643)
Administrative expenses		(10,698,200)	(10,416,330)
Other operating income		3,709,872	3,679,484
Operating profit	3	699,032	1,522,215
Interest payable and similar charges	4	(1,239,562)	(1,355,860)
(Loss)/profit on ordinary activities before taxation		(540,530)	166,355
Tax on (loss)/profit on ordinary activities	5	58,010	(58,010)
(Loss)/profit for the year	14	(482,520)	108,345

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

GREENOAKS (MAIDENHEAD) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	7		3,573,443		1,591,335
Current assets					
Stocks	8	13,287,109		12,691,245	
Debtors	9	10,907,561		10,348,110	
Cash at bank and in hand		3,099		7,244	
		24,197,769		23,046,599	
Creditors: amounts falling due within one year	10	(26,891,448)		(22,275,650)	
Net current (liabilities)/assets			(2,693,679)		770,949
Total assets less current liabilities			879,764		2,362,284
Creditors: amounts falling due after more than one year	11		-		(1,000,000)
			879,764		1,362,284
Capital and reserves					
Called up share capital	13		10,000		10,000
Profit and loss account	14		869,764		1,352,284
Shareholders' funds	15		879,764		1,362,284

Approved by the Board and authorised for issue on 11 October 2007


A. Khayami
Director

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Goodwill

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separate net assets. Goodwill is amortised through the profit and loss account over the directors' estimate of its economic life. Goodwill has been amortised to £nil in a prior year and therefore no charge for amortisation has been made in these financial statements

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings freehold	2% on cost
Land and buildings Leasehold	Over the term of the lease
Plant and machinery	20% on cost
Computer equipment	33% on cost
Fixtures, fittings & equipment	20% on cost

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.7 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

1.8 Long term contracts

The company does not have any long term contracts

1.9 Pensions

The company contributes to employees' personal pension schemes. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately within each employee's own scheme and are therefore separate from the company's assets

GREENOAKS (MAIDENHEAD) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2006**1 Accounting policies****(continued)****1.10 Deferred taxation**

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Any deferred tax balances are not discounted in the financial statements.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit**2006****2005****£****£**

Operating profit is stated after charging

Depreciation of tangible assets

464,061

280,616

Operating lease rentals

- Plant and machinery

170,125

132,542

- Other assets

951,690

974,684

Auditors' remuneration

40,000

40,000

Remuneration of auditors for non-audit work

51,113

37,740

4 Interest payable**2006****2005****£****£**

On bank loans and overdrafts

269,302

312,835

On other loans wholly repayable within five years

970,260

1,043,025

1,239,5621,355,860

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

5	Taxation	2006	2005
		£	£
	U K corporation tax	(58,597)	58,010
	Adjustment for prior years	587	-
	Current tax charge	(58,010)	58,010
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	(540,530)	166,355
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2005 - 30.00%)	(102,701)	49,907
	Effects of		
	Non deductible expenses	7,932	49,734
	Depreciation add back	88,172	84,185
	Capital allowances	(156,349)	(84,538)
	Adjustments to previous periods	587	-
	Other tax adjustments	104,349	(41,278)
		44,691	8,103
	Current tax charge	(58,010)	58,010
6	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 January 2006 & at 31 December 2006		5,404,254
	Amortisation		
	At 1 January 2006 & at 31 December 2006		5,404,254
	Net book value		
	At 31 December 2006		-
	At 31 December 2005		-

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

7 Tangible fixed assets

	Land and buildings freehold	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2006	48,044	648,438	940,765	1,032,841	2,670,088
Additions	-	-	2,412,497	33,672	2,446,169
At 31 December 2006	48,044	648,438	3,353,262	1,066,513	5,116,257
Depreciation					
At 1 January 2006	966	46,815	494,630	536,342	1,078,753
Charge for the year	161	46,612	281,489	135,799	464,061
At 31 December 2006	1,127	93,427	776,119	672,141	1,542,814
Net book value					
At 31 December 2006	46,917	555,011	2,577,143	394,372	3,573,443
At 31 December 2005	47,078	601,623	446,135	496,499	1,591,335

The above leasehold land and buildings represent short leasehold only

8 Stocks	2006	2005
	£	£
Finished goods and goods for resale	13,287,109	12,691,245

There is no material difference between the replacement cost of stocks and their balance sheet amounts

9 Debtors	2006	2005
	£	£
Trade debtors	3,021,827	3,113,331
Amounts owed by parent and fellow subsidiary undertakings	5,527,452	4,996,686
Corporation tax	58,597	-
Other debtors	1,893,716	1,774,653
Prepayments and accrued income	405,969	463,440
	10,907,561	10,348,110

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

10 Creditors: amounts falling due within one year	2006	2005
	£	£
Loans and overdrafts	7,332,554	5,433,977
Consignment stocking loan	6,450,616	5,178,191
Trade creditors	5,959,365	6,569,555
Amounts owed to parent and fellow subsidiary undertakings	708,486	733,167
Corporation tax	-	58,010
Other taxes and social security costs	274,169	377,771
Directors' current accounts	2,167,696	1,182,531
Other creditors	3,200,000	2,000,000
Accruals and deferred income	798,562	742,448
	<u>26,891,448</u>	<u>22,275,650</u>
 Debt due in one year or less	 <u>3,965,000</u>	 <u>3,765,000</u>

Bank overdrafts amounting to £3,367,554 (2005 £1,668,977) are secured by a charge on the properties of the company as well as those of the parent company

Included in loans and overdrafts are bank loans of £1,015,000 (2005 £1,015,000) and other loans of £2,950,000 (2005 £2,750,000)

11 Creditors: amounts falling due after more than one year	2006	2005
	£	£
Bank loans	-	1,000,000
	<u>-</u>	<u>1,000,000</u>
 Analysis of loans		
Wholly repayable within five years	3,965,000	4,765,000
	<u>3,965,000</u>	<u>4,765,000</u>
Included in current liabilities	(3,965,000)	(3,765,000)
	<u>-</u>	<u>1,000,000</u>
 Loan maturity analysis		
In more than one year but not more than two years	-	1,000,000
	<u>-</u>	<u>1,000,000</u>

Included in loans are bank loans of £nil (2005 £1,000,000)

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

12 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2006 £	2005 £
Contributions payable by the company for the year	7,490	6,535

13 Share capital

	2006 £	2005 £
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2006	1,352,284
Loss for the year	(482,520)
Balance at 31 December 2006	869,764

15 Reconciliation of movements in shareholders' funds

	2006 £	2005 £
(Loss)/Profit for the financial year	(482,520)	108,345
Opening shareholders' funds	1,362,284	1,253,939
Closing shareholders' funds	879,764	1,362,284

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

16 Financial commitments

At 31 December 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2007

	Land and buildings			Other
	2006	2005	2006	2005
	£	£	£	£
Operating leases which expire				
Within one year	87,500	-	35,176	1,391
Between two and five years	-	245,917	70,549	147,012
In over five years	245,000	245,000	-	-
	<u>332,500</u>	<u>490,917</u>	<u>105,725</u>	<u>148,403</u>

17 Capital commitments

2006
£

2005
£

At 31 December 2006 the company had capital commitments as follows

Contracted for but not provided in the financial statements	<u>510,000</u>	<u>2,100,000</u>
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At the year end the company and its parent Sigma Holdings Limited were committed to capital expenditure of approximately £510,000 (2005 £2.1m) in respect of the redevelopment of dealership properties

18 Directors' emoluments

2006
£

2005
£

Emoluments for qualifying services	116,599	102,858
Company pension contributions to money purchase schemes	7,490	6,535
	<u>124,089</u>	<u>109,393</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 1)

GREENOAKS (MAIDENHEAD) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2006**19 Employees****Number of employees**

The average monthly number of employees (including directors) during the year was

	2006 Number	2005 Number
Administration	55	63
Sales	40	42
Service	184	167
	<u>279</u>	<u>272</u>

Employment costs

	2006 £	2005 £
Wages and salaries	5,679,011	5,551,884
Social security costs	788,120	737,624
Other pension costs	7,490	6,535
	<u>6,474,621</u>	<u>6,296,043</u>

20 Control

The ultimate parent company is Sigma Holdings Limited, a company registered in England and Wales. Sigma Holdings Limited is controlled by A Khayami, a director of both companies.

GREENOAKS (MAIDENHEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2006

21 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

During the year the company made a charitable donation of £nil (2005 £15,000) to The Khayami Foundation. Mr M Khayami and Mr B Martin, two of the directors of the parent company, are also trustees of The Khayami Foundation.

During the year the company was charged rent of £160,000 (2005 £160,000) by Winnington Holdings LLP of which Mr A Khayami is a partner. At the year end £40,000 was outstanding in respect of these transactions (2005 £nil). This transaction was on a normal trading basis.

During the year the company recharged costs of £nil (2005 £122,152) to Winnington Holdings LLP. The amount included in other debtors at the year end was £nil (2005 £77,446). During the year Winnington Holdings LLP recharged £186,760 to Greenoaks (Maidenhead) Limited in respect of costs incurred on its behalf. At the year end £186,760 was outstanding.

Winnington Holdings LLP made additional loans to the company of £1,800,000, repayable on demand with interest charged at base rate plus 2%. At the year end £2,800,000 (2005 £1,000,000) was outstanding and is included in other creditors.

At the year end, the company owed Mr A Khayami £2,000,000 and Mr M Khayami £400,000. These are repayable on demand and interest is charged at 8%. The balance owing to Mr A Khayami at the year end in respect of a director's loan account was £167,696 (2005 £182,531). This director's loan account is not interest bearing and is repayable on demand.