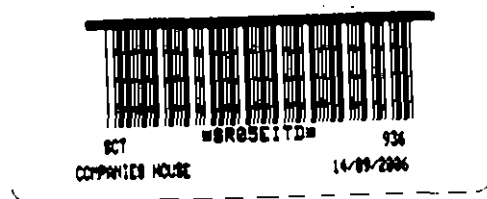


Company Registration No. 177001 (Scotland)

Mackays of Dingwall Limited

Abbreviated Accounts

For The Year Ended 31 December 2005



MACKAYS OF DINGWALL LIMITED

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MACKAYS OF DINGWALL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities and review of the business

The principal activities of the company during the year were that of a holding company and the operation of the Vauxhall franchise in Ross-shire, Sutherland and Caithness.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £132,400. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 January 2005:

Muir Mackay
John Manson

Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2005	1 January 2005
Muir Mackay	140,530	140,530
John Manson	140,530	140,530

Auditors

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

MACKAYS OF DINGWALL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

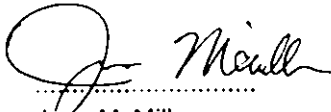
Directors' responsibilities

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;
- 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 enable them 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.

By order of the board



Joan McMillan

Secretary

11/8/06

MACKAYS OF DINGWALL LIMITED

INDEPENDENT AUDITOR'S REPORT TO MACKAYS OF DINGWALL LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 18, together with the financial statements of Mackays of Dingwall Limited for the year ended 31 December 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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 auditor's 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 directors and auditors

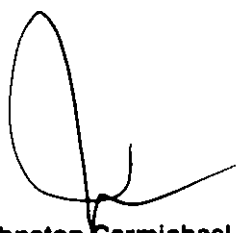
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Johnstone Carmichael

**Chartered Accountants
Registered Auditor**

7/9/06

Nevis House, Beechwood Park,
Inverness
IV2 3BW

MACKAYS OF DINGWALL LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

		2005	2004
	Notes	£	as restated £
Gross profit		886,667	822,950
Administrative expenses		(743,689)	(691,456)
Operating profit	2	142,978	131,494
Investment income	3	30,122	40,000
Other interest receivable and similar income		3,134	1,380
Amounts written off investments	4	-	(9,300)
Interest payable and similar charges	5	(19,206)	(17,077)
Profit on ordinary activities before taxation		157,028	146,497
Tax on profit on ordinary activities	6	(32,186)	(26,701)
Profit on ordinary activities after taxation	16	124,842	119,796

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

MACKAYS OF DINGWALL LIMITED

ABBREVIATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 £	2004 £
Profit for the financial year	124,842	119,796
Prior year adjustment	(1,333)	-
	<hr/>	<hr/>
Total gains and losses recognised since last financial statements	<u>123,509</u>	<u>119,796</u>

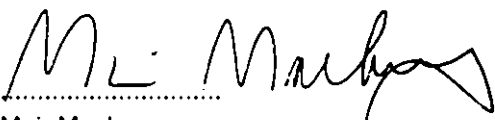
MACKAYS OF DINGWALL LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2005

		2005		2004 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7	465,769		409,762	
Investments	8	362,360		362,360	
			828,129		772,122
Current assets					
Stocks	9	637,698		811,522	
Debtors	10	204,036		331,795	
Cash at bank and in hand		130,842		78,396	
		972,576		1,221,713	
Creditors: amounts falling due within one year	11	(519,889)		(743,117)	
Net current assets			452,687		478,596
Total assets less current liabilities			1,280,816		1,250,718
Creditors: amounts falling due after more than one year	12	(36,167)			
Provisions for liabilities and charges	13	(4,938)		(3,449)	
			1,239,711		1,247,269
Capital and reserves					
Called up share capital	15	281,060		281,060	
Profit and loss account	16	958,651		966,209	
Shareholders' funds - equity interests	17	1,239,711		1,247,269	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 01 August 2006


Muir Mackay
Director

MACKAYS OF DINGWALL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	2005		2004	
	£	£	£	£
Net cash inflow from operating activities		87,927		151,477
Returns on Investments and servicing of finance				
Interest received	3,134		1,380	
Interest paid	(19,206)		(17,077)	
Dividends received	30,122		-	
	<u> </u>		<u> </u>	
Net cash inflow/(outflow) for returns on investments and servicing of finance		14,050		(15,697)
Taxation		(25,575)		(891)
Capital expenditure				
Payments to acquire tangible assets	(75,181)		(3,970)	
	<u> </u>		<u> </u>	
Net cash outflow for capital expenditure		(75,181)		(3,970)
Equity dividends paid		(132,400)		(108,400)
		<u> </u>		<u> </u>
Net cash (outflow)/inflow before management of liquid resources and financing		(131,179)		22,519
Financing				
Other new long term loans	56,000		-	
Repayment of other long term loans	(5,833)		-	
Capital element of finance lease contracts	-		(266)	
	<u> </u>		<u> </u>	
Net cash inflow/(outflow) from financing		50,167		(266)
		<u> </u>		<u> </u>
(Decrease)/increase in cash in the year		(81,012)		22,253
		<u> </u>		<u> </u>

MACKAYS OF DINGWALL LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

1 Reconciliation of operating profit to net cash inflow from operating activities		2005	2004
		£	£
Operating profit		142,978	131,494
Depreciation of tangible assets		19,174	22,581
Decrease in stocks		173,824	20,888
Decrease in debtors		127,759	166,652
Decrease in creditors within one year		(375,808)	(190,138)
Net cash inflow from operating activities		87,927	151,477

2 Analysis of net (debt)/funds	1 January 2005	Cash flow	Other non-cash changes	31 December 2005
	£	£	£	£
Net cash:				
Cash at bank and in hand	78,396	52,446	-	130,842
Bank overdrafts	-	(133,458)	-	(133,458)
	<u>78,396</u>	<u>(81,012)</u>	<u>-</u>	<u>(2,616)</u>
Debt:				
Debts falling due within one year	-	(14,000)	-	(14,000)
Debts falling due after one year	-	(36,167)	-	(36,167)
	<u>-</u>	<u>(50,167)</u>	<u>-</u>	<u>(50,167)</u>
Net funds/(debt)	78,396	(131,179)	-	(52,783)

3 Reconciliation of net cash flow to movement in net (debt)/funds	2005	2004
	£	£
(Decrease)/increase in cash in the year	(81,012)	22,253
Cash (inflow)/outflow from (increase)/decrease in debt	(50,167)	266
Movement in net (debt)/funds in the year	(131,179)	22,519
Opening net funds	78,396	55,877
Closing net (debt)/funds	(52,783)	78,396

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

1.3 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	- Straight line over 50 years
Plant and machinery	- 20 % reducing balance method
Fixtures, fittings & equipment	- 15% to 30% reducing balance method

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Stock and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Under supply agreements with General Motors, the company has access to 'consignment stock' during a consignment period. Where the nature of these supply agreements transfers risks and rewards to the company, which in substance gives the company control over the stock during the consignment period and liabilities in respect of holding costs, the company recognises these stocks in the balance sheet together with an equivalent liability.

Where supply agreements do not provide risks and rewards to the company until such time as legal title actually passes at the end of the consignment period, these stocks are not included in the balance sheet. Both the terms under which stocks are held and the financial commitment in respect of these stocks are disclosed in the notes to the financial statements.

1.6 Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.7 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

(continued)

1.8 Group accounts

The company is exempt from preparing group financial statements.

2 Operating profit

2005

2004

£

£

Operating profit is stated after charging:

Depreciation of tangible assets

19,174

22,581

Auditors' remuneration

6,000

5,500

3 Investment income

2005

2004

£

£

Income from shares in group undertakings

30,000

40,000

Income from other fixed asset investments

122

-

30,122

40,000

4 Amounts written off investments

2005

2004

£

£

Amounts written off fixed asset investments:

- permanent diminution in value

-

9,300

5 Interest payable

2005

2004

£

£

On bank loans and overdrafts

2,686

2,363

On other loans wholly repayable within five years

15,472

14,377

Other interest

1,048

337

19,206

17,077

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

6	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	31,070	25,948
	Adjustment for prior years	(373)	407
	Current tax charge	<u>30,697</u>	<u>26,355</u>
	Deferred tax		
	Deferred tax charge credit current year	1,489	346
		<u>32,186</u>	<u>26,701</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>157,028</u>	<u>146,497</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	<u>47,108</u>	<u>43,949</u>
	Effects of:		
	Non deductible expenses	3,616	3,148
	Depreciation add back	1,763	1,438
	Capital allowances	(2,393)	(162)
	Adjustments to previous periods	(373)	407
	Dividends and distributions received	(9,037)	(12,000)
	Other tax adjustments	(9,987)	(10,425)
		<u>(16,411)</u>	<u>(17,594)</u>
	Current tax charge	<u>30,697</u>	<u>26,355</u>

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2005	359,460	308,372	52,786	720,618
Additions	54,146	17,935	3,100	75,181
At 31 December 2005	413,606	326,307	55,886	795,799
Depreciation				
At 1 January 2005	19,169	249,330	42,357	310,856
Charge for the year	5,876	11,966	1,332	19,174
At 31 December 2005	25,045	261,296	43,689	330,030
Net book value				
At 31 December 2005	388,561	65,011	12,197	465,769
At 31 December 2004	340,291	59,042	10,429	409,762

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

8 Fixed asset investments

	Listed investments £	Unlisted investments £	Shares in group undertakings £	Total £
Cost				
At 1 January 2005 & at 31 December 2005	22,871	5,000	796,821	824,692
Provisions for diminution in value				
At 1 January 2005 & at 31 December 2005	18,412	4,999	438,921	462,332
Net book value				
At 31 December 2005	4,459	1	357,900	362,360
At 31 December 2004	4,459	1	357,900	362,360
	Market value £	Directors' valuation £		Total £
At 31 December 2005	4,508	1		4,509
At 31 December 2004	4,760	1		4,761

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Autovision (Scotland) Limited	Scotland	Ordinary	66
Mackays' Garage & Agric. Co. Limited	Scotland	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2005 £	Profit for the year 2005 £
Autovision (Scotland) Limited	779,980	61,661
Mackays' Garage & Agric. Co. Limited	22,900	-

The company holds 5,000 £1 ordinary shares in an unlisted company. In the opinion of the directors a permanent diminution in value of the investment had taken place and the company has made a provision of £4,999 in previous accounting periods against the cost of the investment.

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

9 Stocks and work in progress	2005	2004
	£	£
Raw materials and consumables	63,980	91,193
Work in progress	900	1,895
Finished goods and goods for resale	572,818	718,434
	<u>637,698</u>	<u>811,522</u>
 10 Debtors	 2005	 2004
	£	£
Trade debtors	100,720	205,895
Amounts owed by parent and fellow subsidiary undertakings	606	606
Other debtors	76,365	77,862
Prepayments and accrued income	26,345	47,432
	<u>204,036</u>	<u>331,795</u>
 11 Creditors: amounts falling due within one year	 2005	 2004
	£	£
Bank loans and overdrafts	133,458	-
Trade creditors	168,686	161,966
Amounts owed to parent and fellow subsidiary undertakings	42,060	42,060
Corporation tax	31,070	25,948
Other taxes and social security costs	8,811	11,720
Directors' current accounts	192	192
Other creditors	66,820	456,474
Accruals and deferred income	68,792	44,757
	<u>519,889</u>	<u>743,117</u>

Bank loans and overdrafts are secured by a standard security over the garage showrooms at Dingwall owned by the company. Stocking loans are secured over vehicle stocks.

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

12 Creditors: amounts falling due after more than one year	2005 £	2004 £
Other loans	36,167	-
Analysis of loans		
Wholly repayable within five years	50,167	-
	50,167	-
Included in current liabilities	(14,000)	-
	36,167	-
Loan maturity analysis		
In more than one year but not more than two years	14,000	-
In more than two years but not more than five years	8,167	-

13 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 January 2005	3,449
Profit and loss account	1,489
Balance at 31 December 2005	4,938

The deferred tax liability is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	4,938	3,449

14 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	4,661	5,155

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

15 Share capital	2005	2004
	£	£
Authorised		
300,000 Ordinary shares of £1 each	300,000	300,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
281,060 Ordinary shares of £1 each	281,060	281,060
	<hr/>	<hr/>
16 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 January 2005 as previously reported		967,542
Prior year adjustment		(1,333)
		<hr/>
Balance at 1 January 2005 as restated		966,209
Retained profit for the year		124,842
Dividends paid		(132,400)
		<hr/>
Balance at 31 December 2005		958,651
		<hr/>

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

17 Reconciliation of movements in shareholders' funds	2005	2004
	£	£
Profit for the financial year	124,842	119,796
Dividends paid	(132,400)	(108,400)
Net (depletion in)/addition to shareholders' funds	(7,558)	11,396
Opening shareholders' funds	1,247,269	1,235,873
Closing shareholders' funds	1,239,711	1,247,269

Opening shareholders' funds were originally £1,248,602 before deducting prior year adjustments of £1,333.

During the year, the company adopted FRS 21, Events after the balance sheet date. In previous years, equity dividends proposed by the Board of Directors were recorded in the financial statements and accrued as liabilities at the balance sheet date, and equity dividends paid and proposed were recorded in the profit and loss account. Also equity dividends due from fixed asset investments were recorded in the financial statements and included in debtors at the balance sheet date, and dividends received and receivable were recorded in the profit and loss account.

This policy has been changed, and equity dividends proposed by the Board and dividends receivable from fixed asset investments are not recorded in the financial statements until they are approved. Equity dividends paid are dealt with as a movement on retained profits.

The change in accounting policy has been dealt with by way of prior year adjustment. This has resulted in a decrease of £1,333 for 2004 closing profit and loss reserves, being a decrease of £29,333 in debtors and a decrease of £28,000 in creditors for 2004.

18 Directors' emoluments	2005	2004
	£	£
Emoluments for qualifying services	8,232	14,116
Company pension contributions to money purchase schemes	328	395
	8,560	14,511

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004 - 2).

19 Transactions with directors

Included within creditors falling due within one year is a loan from the director, John Manson of £192 (2004 - £192). The loan is unsecured, interest free and has no fixed repayment terms.

MACKAYS OF DINGWALL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

20 Employees

Number of employees

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

	2005 Number	2004 Number
Sales and service	27	26
Administration	8	8
	<u>35</u>	<u>34</u>

Employment costs

	2005 £	2004 £
Wages and salaries	421,641	387,849
Social security costs	35,478	33,401
Other pension costs	4,661	5,155
	<u>461,780</u>	<u>426,405</u>

21 Post balance sheet events

The directors have paid a final dividend in respect of the 2005 accounting period amounting to £20,000 on 9 May 2006.