

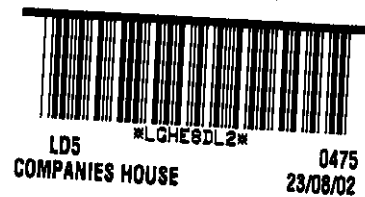
Companies House

Registered number 01614118

SLOUGH MOTOR COMPANY LIMITED

FINANCIAL STATEMENTS

30th November 2001



Slough Motor Company Limited

Directors' report and financial statements

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Slough Motor Company Limited

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 30th November 2001

Activities

The main activities of the company are the sale, export, hire and maintenance of motor vehicles and ancillary services.

Results

These are detailed in the profit and loss account on page 4. The directors do not recommend the payment of a dividend.

Significant changes in fixed assets

Movements in fixed assets are set out in note 8.

Directors

The directors who held office during the year were:

M J Warnes
L B Friedman
C Redfern
T F Bradbury

M J Warnes and L B Friedman are directors of the ultimate parent company, Bestodeck Limited, and their interests in the shares of the group companies are shown in that company's financial statements.

C Redfern and T F Bradbury hold no shares in group companies.

L B Friedman retires from the board and, being eligible, offers himself for re-election.

Auditors

Learnans are willing to continue in office and a resolution for their appointment will be proposed at the annual general meeting.

On behalf of the board



L B FRIEDMAN
28 June 2002

Registered Office: 51 Queen Anne Street, London, W1G 9HS

Slough Motor Company Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Slough Motor Company Limited

Independent auditors' report to the shareholders of Slough Motor Company Limited

For the year ended 30 November 2001

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company 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 United Kingdom Auditing Standards 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th November 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



LEAMANS
Accountants
& Registered Auditors
51 Queen Anne Street
London W1G 9HS

28 June 2002

Slough Motor Company Limited

Profit And Loss Account

for the year ended 30th November 2001

	Note	2001 £	2000 £
Turnover	1	37,128,374	36,727,958
Cost of sales		30,163,321	29,624,600
Gross profit		6,965,053	7,103,358
Distribution and administrative expenses	2	6,731,420	6,959,436
		233,633	143,922
Other income	3	-	350
Operating profit		233,633	144,272
Interest payable	4	208,811	138,495
Profit on ordinary activities before taxation	5	24,822	5,777
Taxation	6	(11,720)	(15,000)
Profit/(Loss) for the financial year	18	13,102	(9,223)

Recognised gains and losses

There are no recognised gains or losses other than the profit attributable to shareholders of the company.

All the activities of the company are classed as continuing.

Slough Motor Company Limited

Balance Sheet

at 30th November 2001

	Note	£	2001 £	£	2000 £
Fixed assets					
Tangible assets	8		1,975,239		2,125,617
Current assets					
Stock	1	4,070,202		4,254,050	
Debtors	9	1,215,652		885,284	
Cash at bank and in hand		3,885		3,835	
		<u>5,289,739</u>		<u>5,143,169</u>	
Creditors					
Amounts falling due within one year	10	<u>5,893,017</u>		<u>5,755,146</u>	
Net current liabilities			<u>(603,278)</u>		<u>(611,977)</u>
Total assets less current liabilities			1,371,961		1,513,640
Creditors					
Amounts falling due after more than one year	11	82,164		236,945	
Loan from parent company	12	<u>150,000</u>		<u>150,000</u>	
			<u>(232,164)</u>		<u>(386,945)</u>
			<u>1,139,797</u>		<u>1,126,695</u>
Capital and reserves					
Called up share capital	14		50,100		50,100
Revaluation reserve	15		216,524		216,524
Profit and loss account			<u>873,173</u>		<u>860,071</u>
Total shareholders' funds	18		<u>1,139,797</u>		<u>1,126,695</u>
Shareholders' funds are attributable to:					
Non-equity shareholders' funds			100		100
Equity shareholders' funds			<u>1,139,697</u>		<u>1,126,595</u>
			<u>1,139,797</u>		<u>1,126,695</u>

These financial statements were approved by the board of directors on 28 June 2002 and were signed on its behalf by:


L B FRIEDMAN
Director

Slough Motor Company Limited

Cash Flow Statement

for the year ended 30th November 2001

	Note	£	2001 £	£	2000 £
Net cash inflow/(outflow) from operating activities	16		790,843		(230,058)
Returns on investment and servicing of finance					
Interest paid	4	(208,811)		(138,495)	
Net cash outflow from returns on investment and servicing of finance			(208,811)		(138,495)
Taxation					
Corporation tax paid			(16,955)		(60,046)
Capital expenditure					
Payments to acquire fixed assets		(145,475)		(372,455)	
Proceeds of sale of fixed assets		-		500	
			(145,475)		(371,955)
Net cash inflow/(outflow) before financing			419,602		(800,554)
Financing					
Decrease in loans	17		(213,770)		(21,515)
Increase/(decrease) in cash	17		205,832		(822,069)
Reconciliation of net cash flow to movement in net debt					
Increase/(decrease) in cash in the year			205,832		(822,069)
Cash outflow from decrease in debt			213,770		21,515
Movement in net debt in the year			419,602		(800,554)
Net debt at start of year			(1,564,151)		(763,597)
Net debt at end of year	17		(1,144,549)		(1,564,151)

Slough Motor Company Limited

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules as modified by the revaluation of properties.

Turnover

This represents the value of goods sold, services provided and commissions receivable by the company, excluding value added tax.

Fixed assets and depreciation

Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures, fittings, plant and equipment	-	10% to 33 $\frac{1}{3}$ % per annum
Freehold property	-	2% to 10% per annum

Stock

Stock is valued at the lower of cost and net realisable value. Stock held on consignment is accounted for in the balance sheet only when title has passed to the company or when the commercial risk of obsolescence rests with the company.

Leased assets

Rental payments are written off in the period in which they are incurred.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Slough Motor Company Limited

Notes (continued)

	2001 £	2000 £
2. Distribution and administrative expenses		
Distribution costs	4,378,020	4,525,842
Administrative expenses	2,353,400	2,433,594
	<u>6,731,420</u>	<u>6,959,436</u>
3. Other income		
Interest	-	350
	<u>-</u>	<u>350</u>
4. Interest payable		
Bank overdraft	41,301	46,705
Loans repayable within five years	167,510	56,260
Loans repayable wholly or partly in more than five years	-	35,530
	<u>208,811</u>	<u>138,495</u>
5. Profit on ordinary activities		
This is stated after charging:		
Auditors' remuneration	16,400	9,000
Operating lease charges:		
Equipment	-	203
Other	374,243	347,285
Depreciation and amounts written off tangible fixed assets	295,853	305,087
	<u>686,496</u>	<u>661,575</u>
6. Taxation		
Based on the profit for the year:		
Corporation tax at 24.2% (2000 - 20%)	24,000	15,000
Adjustment in respect of prior years	(12,280)	-
	<u>11,720</u>	<u>15,000</u>

Slough Motor Company Limited

Notes (continued)

7. Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2001 No.	2000 No.
Production	36	35
Distribution	116	113
Administrative	33	35
	<u>185</u>	<u>183</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	3,384,358	3,556,246
Social security costs	335,230	383,781
Other pension costs	77,086	74,711
	<u>3,796,674</u>	<u>4,014,738</u>

8. Tangible assets

	Freehold properties £	Fixtures, fittings, plant and equipment £	Total £
Cost or valuation			
At beginning of year	1,323,962	2,300,900	3,624,862
Additions	-	145,475	145,475
Disposals	-	(118,849)	(118,849)
At end of year	<u>1,323,962</u>	<u>2,327,526</u>	<u>3,651,488</u>
Depreciation			
At beginning of year	92,027	1,407,218	1,499,245
Provided this year	14,976	280,877	295,853
Disposals	-	(118,849)	(118,849)
At end of year	<u>107,003</u>	<u>1,569,246</u>	<u>1,676,249</u>
Net book values			
30 th November 2001	<u>1,216,959</u>	<u>758,280</u>	<u>1,975,239</u>
30 th November 2000	<u>1,231,935</u>	<u>893,682</u>	<u>2,125,617</u>

Slough Motor Company Limited

Notes (continued)

	2001 £	2000 £
8. Tangible assets (continued)		
<i>Freehold properties comprise</i>		
Cost	923,962	923,962
Valuation - 1988	400,000	400,000
	<u>1,323,962</u>	<u>1,323,962</u>
 The historical cost of these properties was	 <u>1,107,438</u>	 <u>1,107,438</u>
 All other tangible assets are stated at historical cost.		
9. Debtors		
Trade debtors	627,676	850,347
Other debtors	1,696	2,945
Amounts owed by group undertakings	321,061	15,190
Prepayments and accrued income	265,219	16,802
	<u>1,215,652</u>	<u>885,284</u>
10. Creditors falling due within one year		
Trade creditors	4,039,171	3,096,217
Other creditors	63	148
Social security and other taxes	280,214	546,901
Amounts owed to group undertakings	-	68,291
Accruals	484,332	684,346
Bank overdraft (secured - see note 13)	945,978	1,187,352
Term loans (secured - see note 13)	120,292	143,689
Corporation tax	22,967	28,202
	<u>5,893,017</u>	<u>5,755,146</u>
11. Creditors falling due after more than one year		
Term loans (secured - see note 13)	<u>82,164</u>	<u>236,945</u>

Slough Motor Company Limited

Notes (continued)

12. Related party transactions

The company's ultimate parent company and controlling party is Bestodeck Limited, a company registered in England. The group has no ultimate controlling party.

The company has taken advantage of the exemptions provided by FRS 8 and has not reported transactions with other group companies.

The loan of £150,000 from Bestodeck Limited is, at present, free of interest.

13. Bank overdraft and loans

The aggregate amount of secured borrowings is as follows:

Falling due within five years:

Bank overdraft	945,978	1,187,352
Term loans	202,456	310,167
	<u>1,148,434</u>	<u>1,497,519</u>

Falling due after more than five years:

Term loans	-	70,467
	<u>-</u>	<u>70,467</u>

The bank overdraft and loans are secured by fixed and floating charges over the company's assets.

The long term loans are repayable by monthly instalments as follows:

	£	£
Interest variable with Finance House base rate	1,958	1,958
Inclusive of interest	<u>5,062</u>	<u>5,062</u>

2001	2000
£	£

14. Share capital

Authorised

'A' ordinary shares of £1 each	50,000	50,000
'B' ordinary shares of £1 each	100	100
	<u>50,100</u>	<u>50,100</u>

Allotted, issued and fully paid

'A' ordinary shares of £1 each	50,000	50,000
'B' ordinary shares of £1 each	100	100
	<u>50,100</u>	<u>50,100</u>

Slough Motor Company Limited

Notes (continued)

	2001 £	2000 £
15. Revaluation reserve		
At beginning and end of year	216,524	216,524
There is no present intention of disposing of the revalued properties; accordingly no provision has been made in these financial statements for taxation of £65,000 which would arise in the event of such a disposal.		
16. Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	233,633	144,272
Depreciation charges	295,853	305,087
Decrease/(increase) in stock	183,848	(153,172)
(Increase)/decrease in debtors	(330,368)	204,063
Increase/(decrease) in creditors	407,877	(730,308)
	<u>790,843</u>	<u>(230,058)</u>
17. Analysis of net debt		
	1-December 2000	Cashflow 30-November 2001
Cash at bank	3,835	3,885
Overdrafts	(1,187,352)	(981,570)
	<u>(1,183,517)</u>	<u>(977,685)</u>
Loans	(380,634)	(166,864)
Net Debt	<u>(1,564,151)</u>	<u>(1,144,549)</u>
18. Reconciliation of movements in shareholders' funds		
	2001 £	2000 £
Profit for the financial year	13,102	(9,223)
Opening shareholders' funds	1,126,695	1,135,918
Closing shareholders' funds	<u>1,139,797</u>	<u>1,126,695</u>
19. Contingent liability		

The company is the representative member of a group registration for value added tax purposes and, accordingly, is jointly and severally liable for any such tax due by other group members.

Slough Motor Company Limited

Notes (continued)

20. Financial commitments

Pensions

The parent company operates a group personal pension plan under which contributions are paid into individual policies. Contributions paid by the company are written off to the profit and loss account in the accounting period in which they are incurred.

Operating leases

The company has annual commitments expiring as follows:

	2000 £	2000 £
	Land and Buildings	Land and Buildings
Within one year	-	26,000
In two to five years	61,200	35,200
After five years	319,685	318,952
	<u>380,885</u>	<u>380,152</u>

Other commitments

	2001 £	2000 £
The company has commitments to repurchase Motability vehicles as follows:		
Within one year	35,510	195,306
Thereafter	-	30,100
	<u>35,510</u>	<u>225,406</u>

21. Deferred taxation

The total potential liability, none of which has been provided in these financial statements, is as follows:

Revaluation of properties	<u>65,000</u>	<u>65,000</u>
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