

Sign and Return

SPRINGVALE HOLDINGS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1999



SPRINGVALE HOLDINGS LIMITED

COMPANY INFORMATION

Directors

R Bevan
A S Bevan
P J Bevan
C A Bevan

Secretary

P J Bevan

Company number

2274018

Registered office

Blakeley Hall Road
Oldbury
West Midlands
B69 4ET

Auditors

Clement Keys
Dartmouth House
Sandwell Road
West Bromwich
B70 8TH

SPRINGVALE HOLDINGS LIMITED

CONTENTS

	Page
Directors' report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Cash flow statement	5
Notes to the cash flow statement	6
Notes to the financial statements	7 - 12

SPRINGVALE HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

The directors present their report and financial statements for the year ended 31 December 1999.

Principal activities and review of the business

The principal activity of the company was property investment and management services.

Results and dividends

The results for the year are set out on page 3.

Directors

The following directors have held office since 1 January 1999:

R Bevan
A S Bevan
P J Bevan
C A Bevan

Directors' interests

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

	Ordinary of £ 1 each	
	31 December 1999	1 January 1999
R Bevan	-	-
A S Bevan	528	528
P J Bevan	264	264
C A Bevan	264	264

Auditors

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

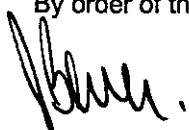
Directors' responsibilities

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;
- 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



P J Bevan
Director
16 May 2000

SPRINGVALE HOLDINGS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF SPRINGVALE HOLDINGS LIMITED

We have audited the financial statements on pages 3 to 12 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 directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Clement Keys

Chartered Accountants
Registered Auditor

16 May 2000

Dartmouth House
Sandwell Road
West Bromwich
B70 8TH

SPRINGVALE HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	1999 £	1998 £
Turnover	2	1,004,526	670,000
Administrative expenses		(938,051)	(616,032)
Operating profit		<u>66,475</u>	<u>53,968</u>
Other interest receivable and similar income	3	83,525	97,517
Profit on ordinary activities before taxation		<u>150,000</u>	<u>151,485</u>
Tax on profit on ordinary activities	4	(30,375)	(31,997)
Profit on ordinary activities after taxation	10	<u>119,625</u>	<u>119,488</u>

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.

SPRINGVALE HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1999

	Notes	1999 £	£	1998 £	£
Fixed assets					
Tangible assets	5	708,385		450,000	
Investments	6	157,557		157,557	
			<u>865,942</u>		<u>607,557</u>
Current assets					
Debtors	7	5,500		5,500	
Cash at bank and in hand		1,130,326		1,070,011	
			<u>1,135,826</u>		<u>1,075,511</u>
Creditors: amounts falling due within one year	8	(1,005,401)		(806,326)	
Net current assets			<u>130,425</u>		<u>269,185</u>
Total assets less current liabilities			<u>996,367</u>		<u>876,742</u>
Reserves					
Called up share capital	9	1,056		1,056	
Share premium account	10	157,241		157,241	
Revaluation reserve	10	227,565		227,565	
Profit and loss account	10	610,505		490,880	
	11		<u>996,367</u>		<u>876,742</u>

The financial statements were approved by the Board on 16 May 2000


P J Bevan
Director

SPRINGVALE HOLDINGS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1999

	1999 £	1998 £
Net cash inflow/(outflow) from operating activities	267,172	(126,570)
Returns on investments and servicing of finance		
Interest received	83,525	97,517
Net cash inflow for returns on investments and servicing of finance	83,525	97,517
Taxation	(31,997)	(27,759)
Payments to acquire tangible assets	(258,385)	-
Net cash outflow for capital expenditure	(258,385)	-
Net cash inflow/(outflow) before management of liquid resources and financing	60,315	(56,812)
Increase/(decrease) in cash in the year	60,315	(56,812)

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1999

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	1999	1998
		£	£
	Operating profit	66,475	53,968
	Increase in debtors	-	(5,500)
	Increase/(decrease) in creditors within one year	200,697	(175,038)
	Net cash inflow/(outflow) from operating activities	267,172	(126,570)

2	Analysis of net funds	1 January 1999	Cash flow	Other non-cash changes	31 December 1999
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,070,011	60,315		1,130,326
	Debt:				
	Net funds	1,070,011	60,315	-	1,130,326

3	Reconciliation of net cash flow to movement in net funds	1999	1998
		£	£
	Increase in cash in the year	60,315	(56,812)
	Cash inflow from increase in debt	-	-
	Movement in net funds in the year	60,315	(56,812)
	Opening net funds	1,070,011	1,126,823
	Closing net funds	1,130,326	1,070,011

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

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

Land and buildings Freehold	Nil
Plant and machinery	10% straight line

No depreciation is provided in respect of freehold property as the directors are of the opinion that their useful economic lives are such that any element of depreciation is not material.

1.4 Investments

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

1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

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 Other interest receivable and similar income

	1999	1998
	£	£
Bank interest	83,525	97,517

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

4	Taxation	1999 £	1998 £
	U.K. current year taxation		
	U.K. corporation tax at 21% (1998 - 31%)	30,375	31,997
		<u>30,375</u>	<u>31,997</u>

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

5 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Total
	£	£	£
Cost or valuation			
At 1 January 1999	450,000	2,340	452,340
Additions	258,385	-	258,385
	<hr/>	<hr/>	<hr/>
At 31 December 1999	708,385	2,340	710,725
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 1999 & at 31 December 1999	-	2,340	2,340
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 1999	708,385	-	708,385
	<hr/>	<hr/>	<hr/>
At 31 December 1998	450,000	-	450,000
	<hr/>	<hr/>	<hr/>

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
Historical cost at 1 January 1999 and at 31 December 1999	480,820
	<hr/>
Depreciation based on cost	
At 1 January 1999	-
Charge for the year	-
	<hr/>
At 31 December 1999	-
	<hr/>
Net book values	
At 31 December 1999	480,820
	<hr/>
At 31 December 1998	222,435
	<hr/>

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 January 1999 & at 31 December 1999	157,557

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	Class	Shares held %
Subsidiary undertakings			
Bevan Motor Bodies Limited	England	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	Profit for the year
Bevan Motor Bodies Limited	893,901	197,071

7 Debtors

	1999 £	1998 £
Other debtors	5,500	5,500

8 Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	832,333	560,000
Amounts owed to subsidiary undertakings	16,998	130,329
Corporation tax	30,375	31,997
Other taxes and social security costs	101,667	84,000
Other creditors	24,028	-
	1,005,401	806,326

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

9	Share capital	1999 £	1998 £
	Authorised		
	10,000 Ordinary of £ 1 each	10,000	10,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	1,056 Ordinary of £ 1 each	1,056	1,056
		<u> </u>	<u> </u>

10 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 January 1999	157,241	227,565	490,880
Retained profit for the year	-	-	119,625
	<u> </u>	<u> </u>	<u> </u>
Balance at 31 December 1999	157,241	227,565	610,505
	<u> </u>	<u> </u>	<u> </u>

11	Reconciliation of movements in shareholders' funds	1999 £	1998 £
	Profit for the financial year	119,625	119,488
	Opening shareholders' funds	876,742	757,254
		<u> </u>	<u> </u>
	Closing shareholders' funds	996,367	876,742
		<u> </u>	<u> </u>

12	Directors' emoluments	1999 £	1998 £
	Emoluments for qualifying services	833,333	560,000
		<u> </u>	<u> </u>
	Emoluments disclosed above include the following amounts paid to the highest paid director:		
	Emoluments for qualifying services	416,667	280,000
		<u> </u>	<u> </u>

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

13 Employees

Number of employees

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

	1999 Number	1998 Number
Office and management	4	4

Employment costs

	£	£
Wages and salaries	833,333	560,000
Social security costs	104,686	56,000
	<u>938,019</u>	<u>616,000</u>