

REGISTERED NUMBER

214469

England and Wales

BROWN OF HELMSLEY LIMITED

ANNUAL REPORT AND ACCOUNTS

30 JUNE 1996

MONTGOMERY & CO

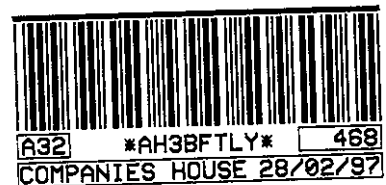
Chartered Accountants

Norham House

Mountenoy Road

Moorgate

ROTHERHAM



BROWN OF HELMSLEY LIMITED

DIRECTORS
N P BROWN
MRS A L BROWN

SECRETARY
N P BROWN

REGISTERED OFFICE
NORHAM HOUSE
MOUNTENOY ROAD
MOORGATE
ROTHERHAM S60 2AJ

REGISTERED NUMBER
2141469 England and Wales

AUDITORS
MONTGOMERY & CO
Chartered Accountants
Norham House
Mountenoy Road
Moorgate
ROTHERHAM
S60 2AJ

ANNUAL REPORT AND ACCOUNTS 30 JUNE 1996

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BROWN OF HELMSLEY LIMITED

DIRECTORS' REPORT

The Directors present their Report with the audited Balance Sheet and Accounts for the year ended 30 June 1996.

PRINCIPAL ACTIVITY

The company's principal activities during the year were those of garage, including car dealing, repairing and servicing. The Company's premises, equipment and business were sold on 1 March 1996.

DIRECTORS

The Directors during the year and their share interests, including family interests, at the beginning and end of the year, were as follows:

	<u>1996</u>	<u>1995</u>
N P Brown	999	999
Mrs A L Brown	1	1

In accordance with the Company's Articles of Association, the Directors are not required to retire by rotation.

DIRECTORS' RESPONSIBILITIES

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

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act. 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.

CLOSE COMPANY

The Company is a Close Company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to re-appoint Montgomery & Co Chartered Accountants, Norham House, Mountenoy Road, Moorgate, Rotherham as Auditors will be put to the Members at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

Signed on behalf of the Board of Directors:

N P BROWN
SECRETARY

.....

Approved by the Board:

Date

..... 14.1.97

AUDITORS' REPORT TO THE SHAREHOLDERS OF

BROWN OF HELMSLEY LIMITED

We have audited the Accounts on pages 4 to 10 which have been prepared under the historical cost convention 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 accounts. It is our responsibility to form an independent opinion, based on our audit on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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, reliable and relevant evidence to give reasonable assurance that the accounts are free from material misstatements, 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 1996 and of its Loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.

Montgomery & Co

MONTGOMERY & CO

Chartered Accountants and Registered Auditors

Norham House
Moutenoy Road
Moorgate
ROTHERHAM
S60 2AJ

Date 25.2.97

BROWN OF HELMSLEY LIMITED

BALANCE SHEET at 30 June 1996

	<u>1996</u>	<u>NOTES</u>	<u>1995</u>
	£		£
<u>FIXED ASSETS</u>			
Tangible Assets	-	(5)	300,832
<u>CURRENT ASSETS</u>			
Stocks	-	(6)	47,666
Debtors	13,857	(7)	71,965
Cash at Bank and in Hand	44,034		72
	<u>57,891</u>		<u>119,703</u>
CREDITORS: amounts falling due within one year	16,398	(8)	302,798
	<u>41,493</u>		<u>(183,095)</u>
Net Current Assets/ (Liabilities)			
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>41,493</u>		<u>117,737</u>
CREDITORS: amounts falling due after more than one year	-	(9)	69,521
<u>PROVISION FOR LIABILITIES AND CHARGES</u>			
Deferred Taxation	-	(10)	-
	<u>-</u>		<u>69,521</u>
<u>CAPITAL AND RESERVES</u>	<u>£41,493</u>		<u>£48,216</u>
Called up Share Capital	1,000	(11)	1,000
Profit & Loss Account	40,493		47,216
	<u>£41,493</u>	(12)	<u>£48,216</u>

The notes on pages 7 to 10 inclusive form an integral part of these Accounts.

The Directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the Accounts and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions.

Signed on behalf of the Board of Directors

MRS A L BROWN *Mrs A L Brown*

Approved by the Board:

Date *14.1.97*

BROWN OF HELMSLEY LIMITED

PROFIT & LOSS ACCOUNT

for the year ended 30 June 1996

		<u>1996</u>	<u>NOTES</u>	<u>1995</u>
	<u>£</u>	<u>£</u>		<u>£</u>
<u>TURNOVER</u>		605,854	(2)	1,022,108
Cost of Sales		<u>630,790</u>		<u>970,581</u>
Gross (Loss)/Profit		(24,936)		51,527
Distribution Costs	-			-
Administrative Expenses	<u>24,359</u>	<u>24,359</u>		<u>39,203</u>
		49,295		12,324
Other Operating Income		<u>54,394</u>		<u>19</u>
<u>OPERATING PROFIT</u>		5,099	(3)	12,343
Interest Payable	<u>11,981</u>	<u>11,981</u>		<u>16,723</u>
<u>(LOSS) ON ORDINARY</u>				
<u>ACTIVITIES BEFORE TAXATION</u>		(6,882)		(4,380)
Taxation on ordinary activities		<u>(159)</u>	(4)	<u>215</u>
<u>(LOSS) ON ORDINARY</u>		(6,723)		(4,595)
<u>ACTIVITIES AFTER TAXATION</u>				
Dividends paid and proposed		<u>-</u>		<u>-</u>
<u>(LOSS) FOR THE FINANCIAL YEAR</u>		(6,723)		(4,595)
<u>RETAINED PROFIT AT 30.6.1995</u>		<u>47,216</u>		<u>51,811</u>
<u>RETAINED PROFIT AT 30.6.1996</u>		<u>£40,493</u>		<u>£47,216</u>

The notes on pages 7 to 10 inclusive form an integral part of these Accounts.

CONTINUING OPERATIONS

The whole of the Company's activities were discontinued during the 1996 financial year.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit or loss for the two above financial years.

BROWN OF HELMSLEY LIMITED**SCHEDULE OF TANGIBLE FIXED ASSETS 30 JUNE 1996**

	LAND & BUILDINGS	PLANT & MACHINERY	MOTOR VEHICLES	TOTAL
	£	£	£	£
<u>COST</u>				
<u>At 1.7.1995</u>	253,178	42,054	92,167	387,399
<u>ADDITIONS</u>	-	-	20,107	20,107
<u>DISPOSALS</u>				
Proceeds	(250,000)	(15,000)	(41,126)	(306,126)
Accumulated Depreciation	-	(25,771)	(60,796)	(86,567)
Depreciation This Year	-	-	(9,352)	(9,352)
Transfer	-	-	(1,430)	(1,430)
Surplus	-	-	5,258	5,258
Deficit	(3,178)	(1,283)	(4,828)	(9,289)
<u>At 30.6.1996</u>	£ -	-	-	-
<u>DEPRECIATION</u>				
<u>At 1.7.1995</u>	-	-	-	-
Charge for the year	-	-	-	-
<u>At 30.6.1996</u>	£ -	-	-	-
<u>NET BOOK VALUES</u>				
<u>At 30.6.1996</u>	£ -	-	-	-
<u>At 30.6.1995</u>	£253,178	16,283	31,371	300,832

BROWN OF HELMSLEY LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of Accounting

The Accounts are prepared under the Historical Cost Convention.

Depreciation

Depreciation is provided on all Fixed Assets, other than Freehold Land, at rates calculated to write off the cost or valuation, less estimated residual value of each asset evenly over its expected useful life as follows:

Freehold Buildings	- Not being depreciated
Plant & Machinery	- Over 5 years
Motor Vehicles	- Over 4 years

Stocks (including Work in Progress)

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash Flow

The accounts do not include a cash flow statement because the Company, as a small reporting entity is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Deferred Taxation

Deferred Taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences, except for those which are not expected to reverse in the future.

Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

2. TURNOVER

Turnover amounting to £605,854 represents the invoiced amount of goods sold and services provided (stated net of Value Added Tax).

The Turnover and pre-tax Loss is attributable to the principal activity of the Company.

3. OPERATING PROFIT

(a) This is stated after charging	<u>1996</u>	<u>1995</u>
Directors' Remuneration (See below)	7,871	5,079
Auditors' Remuneration	1,260	1,200
Non audit services of the Company's auditors	2,128	2,480
Depreciation	9,352	20,282

(b) Directors' Remuneration

	<u>SALARY</u>	<u>BONUS</u>	<u>1996</u> <u>TOTAL</u>	<u>1995</u> <u>TOTAL</u>
	£	£	£	£
N P Brown (Chairman)	7,871	-	7,871	5,079
Mrs A L Brown	-	-	-	-
	<u>£7,871</u>	<u>£ -</u>	<u>£7,871</u>	<u>£5,079</u>

In addition, the directors received estimated benefits as follows:-

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
N P Brown	<u>£1,815</u>	<u>£6,024</u>

4. TAXATION ON ORDINARY ACTIVITIES

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Based on the results for the year 25% (25%)	(159)	240
Prior year adjustments	-	(25)
	<u>£(159)</u>	<u>£215</u>

5. TANGIBLE FIXED ASSETS

A Schedule of Tangible Fixed Assets is shown as a Schedule to the Accounts.

Assets being acquired under Hire Purchase Contracts and Finance Leases are included at their respective costs.

6. STOCKS

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
New and used vehicles	-	7,740
Goods for resale	-	39,926
	<u>£ -</u>	<u>£47,666</u>

7. DEBTORS

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Trade Debtors	13,699	70,700
Other Debtors	158	-
Prepayments and Accrued Income	-	1,265
	<u>£13,857</u>	<u>£71,965</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Current Instalment due on Bank Loans	-	33,844
Bank Overdraft (See Below)	-	72,589
Obligations under Hire Purchase/Finance Leases	-	6,430
Trade Creditors	-	102,659
Current Corporation Tax	-	240
Other Taxes and Social Security Costs	1,582	5,327
Other Creditors	-	-
Accruals	1,260	5,706
Directors' Loan Accounts	-	56,697
Associated Companies	13,556	19,306
	<u>£16,398</u>	<u>£302,798</u>

The Bank Overdraft is secured by a mortgage debenture giving a floating charge over the Company's assets.

Included in Trade Creditors are amounts due in respect of goods for which title does not pass until payment is made.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Bank Loans	-	66,168
Obligations under Finance Leases	-	3,353
	<u>£ -</u>	<u>£69,521</u>

The long term Bank Loans bear interest at normal banking rates and are repayable in Annual instalments for both loans totalling £46,632.

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Amounts repayable within 5 years	-	66,168
Amounts repayable after 5 years	-	-
	<u>£ -</u>	<u>£66,168</u>

The current portion of the Loan is shown in Current Liabilities.
The Loans are secured on a mortgage debenture giving a floating charge over the Company's assets.

10. DEFERRED TAXATION

Deferred Taxation provided in the Accounts and the potential amounts, including the amounts for which provision has been made, are as follows:

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Fixed Assets	-	1,125
Provided in the Accounts	-	-
Potential Liability not provided	<u>£ -</u>	<u>£1,125</u>

11. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Ordinary Shares £1 Each		
Authorised	25,000	25,000
Issued & Fully Paid	<u>1,000</u>	<u>1,000</u>

12. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
(Loss) for the financial year after taxation.	(6,723)	(4,595)
Dividends	-	-
	<u>(6,723)</u>	<u>(4,595)</u>
Opening Shareholders' funds 30.6.1995	48,216	52,811
Closing Shareholders' funds 30.6.1996	<u>£41,493</u>	<u>£48,216</u>

13. CAPITAL COMMITMENTS

There are no Contracts in existence for present or future Capital Commitments. (1995 - NIL).

14. CONTINGENT LIABILITIES

There were no Contingent Liabilities. (1995 - Nil)

15. DIRECTORS' INTERESTS

The Company trades on a normal day to day basis with Link Vehicle Assistance Al Limited and Link Vehicle Assistance Al9 Limited of which N P Brown and Mrs A L Brown are both Directors.