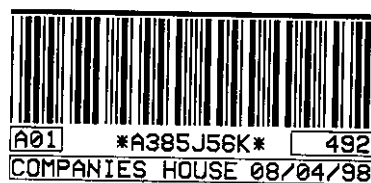


COMPANY NO: 2767784

EUROTREADS 93 LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH NOVEMBER 1997



EUROTREADS 93 LIMITED

REPORT OF THE AUDITOR

TO THE DIRECTORS OF EUROTREADS 93 LIMITED
(Under Schedule 8(10) of the Companies Act 1985)

* * *

In my opinion, for the year ended 30th November 1997, the Company satisfies the requirements of S.246-9 of the Companies Act 1985 for exemption as a small company and the annexed accounts have been properly prepared in accordance with Schedule 8 of the Companies Act 1985. I am not required to express an audit opinion on the truth and fairness of these Abbreviated Accounts. I reproduce below my audit report to the members of the Company on the full accounts for the year ended 30th November 1997.

I have audited the accounts and accounting policies as set out on pages 4 to 10, which have been prepared under the Historical Cost Convention.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described on Page 1, the Company's Directors are responsible for the preparation of accounts. It is my responsibility to form an independent opinion, based on my audit, on those accounts and to report my opinion to you.

BASIS OF OPINION

I conducted my 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 made 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.

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

OPINION

In my opinion the accounts give a true and fair view of the state of the Company's affairs at 30th November 1997, and of its Profit for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



J.R. SIMMS, F.C.C.A., F.C.I.S., MIMgt.,
REGISTERED AUDITOR

Date: 27th March 1998

EUROTREADS 93 LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30TH NOVEMBER 1997

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>		
Tangible Assets	<u>126414</u>	<u>125741</u>
<u>CURRENT ASSETS</u>		
Debtors	101800	107082
Stock	43552	46862
Cash at Bank and In Hand	<u>36271</u>	<u>30945</u>
	<u>181623</u>	<u>184889</u>
<u>CREDITORS: Falling due within</u> <u>one year</u>	<u>(253048)</u>	<u>(191455)</u>
<u>NET CURRENT (LIABILITIES)</u>	<u>(71425)</u>	<u>(6566)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>54989</u>	<u>119175</u>
<u>CREDITORS: Falling due after</u> <u>more than one year</u>	<u>(3753)</u>	<u>(80000)</u>
	<u>£51236</u>	<u>£39175</u>
<u>CAPITAL AND RESERVES</u>		
Called up Share Capital	3	3
Profit and Loss Account	<u>51233</u>	<u>39172</u>
	<u>£51236</u>	<u>£39175</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 on the basis that the Company qualifies as a small company.

In the preparation of the Companys annual accounts, the Directors have taken advantage of special exemptions applicable to Small Companies, on the grounds that in their opinion, the Company is entitled to those exemptions.


.....
I. SMITH
DIRECTOR

Approved by the Board of Directors on the 27th March 1998

EUROTREADS 93 LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH NOVEMBER 1997

1. ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts

The financial statements are prepared under the Historical Cost Convention and incorporate the results of the principal activity which is described in the directors report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirements to prepare a Cash Flow Statement on the grounds that it is a small company.

(b) Turnover

Turnover represents the value of goods and services supplied, exclusive of Value Added Tax.

(c) Depreciation

Depreciation is provided on the Written Down Values of Fixed Assets to write off each asset over its estimated useful life at the following annual rates:

Plant and Equipment	25%
Office Equipment	25%
Motor Vehicles	25%

(d) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Continued/.....

EUROTREADS 93 LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH NOVEMBER 1997

2. FIXED ASSETS

	<u>Freehold Property</u>	<u>Plant & Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
<u>COST</u>					
At 30th November 1996	100083	42777	684	15350	158894
Additions	—	450	—	8999	9449
At 30th November 1997	100083	43227	684	24349	168343
<u>DEPRECIATION</u>					
At 30th November 1996	—	25645	346	7162	33153
For the year	—	4395	84	4297	8776
At 30th November 1997	—	30040	430	11459	41929
<u>NET BOOK VALUE</u>					
At 30th November 1997	100083	13187	254	12890	126414
At 30th November 1996	100083	17132	338	8188	125741

3. CALLED UP SHARE CAPITAL

	<u>1996</u>	<u>1997</u>
	£	£
Ordinary Shares of £1 each :		
Authorised	£100000	£100000
Allotted and Fully Paid	£3	£3
	=	=

4. CREDITORS: FALLING DUE WITHIN ONE YEAR

The Balance Sheet amount of £253048 includes a Bank Overdraft of £4234 which is secured by a first mortgage over the freehold commercial premises together with a standard unlimited Debenture on the assets of the company, and an unlimited joint and several guarantee from L.J.C. Cox, I. Smith and S. M. Smith. It also includes loan from 3i Group PLC for £80,000 which is due for repayment in one sum in August 1998. This loan is secured by a Guarantee from Lloyds Bank PLC.

6. MATERIAL INTERESTS OF DIRECTORS

During the year the Company has traded with Chase Tyre Specialists Limited, a Company in which two of the Directors, namely I. Smith and S.M. Smith, are materially interested as shareholders. Trading between the two companies has been on a normal commercial basis.