

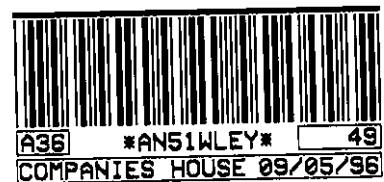
JACK ALLEN CONTRACT MAINTENANCE LIMITED

REGISTRAR'S COPY

REPORT AND ACCOUNTS

31ST DECEMBER 1995

Barnett Ravenscroft
Chartered Accountants
13 Portland Road
Birmingham B16 9HN



JACK ALLEN CONTRACT MAINTENANCE LIMITED

COMPANY INFORMATION

Directors	John Allen A.J. Wilkinson N.W. Branson J.A. Rowe
Secretary	A.B. Stowe
Registered Office	The Customer Support Centre Northgate Aldridge West Midlands WS9 8TY
Registered Number	2200681
Bankers	Barclays Bank PLC

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The following pages do not form part of the statutory accounts.

12 - 13	Trading and Profit and Loss Account
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JACK ALLEN CONTRACT MAINTENANCE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited accounts of the company for the year ended 31st December 1995.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of the repair and maintenance of commercial vehicles.

REVIEW OF THE BUSINESS

A summary of the results of the year's trading is given on page 5 of the accounts.

DIVIDENDS AND RESERVES

The directors do not recommend the payment of a dividend. The retained profit transferred to reserves will be £3,143.

FIXED ASSETS

The changes in the company's fixed assets are set out in note 7 to the accounts.

DIRECTORS

The directors who served during the year and the interests in the shares of the company of those serving at the end of the year were as follows:-

	<u>At 31st December 1995</u>	<u>At 31st December 1994</u>
	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
John Allen	-	-
A.J. Wilkinson	5	5
N.W. Branson	5	5
J.A. Rowe (appointed 1.6.95)	-	-

John Allen is a director of the parent company and his interest in the shares of that company is shown in its directors report.


The director retiring by rotation is A.J. Wilkinson who, being eligible, offers himself for re-election.

J.A. Rowe having been appointed during the year retires and, being eligible, offers herself for re-election.

AUDITORS

Barnett Ravenscroft have expressed their willingness to continue as auditors and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

By Order of the Board


A.B. Stowe
Secretary

26th March 1996

JACK ALLEN CONTRACT MAINTENANCE LIMITED

STATEMENT OF 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 the year. 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 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.

JACK ALLEN CONTRACT MAINTENANCE LIMITED

AUDITORS' REPORT TO THE MEMBERS OF JACK ALLEN CONTRACT MAINTENANCE LIMITED

We have audited the financial statements on pages 5 to 11 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 3 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

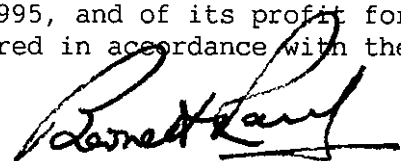
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 mis-statement, 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 at 31st December 1995, and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

13 Portland Road
Edgbaston
Birmingham
B16 9HN



Barnett Ravenscroft

Registered Auditor
Chartered Accountants

26th March 1996

JACK ALLEN CONTRACT MAINTENANCE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1995

	<u>NOTE</u>	<u>Year to</u> <u>31.12.95</u>		<u>9 months to</u> <u>31.12.94</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
TURNOVER	2		974,769		220,743
Cost of Sales			732,086		131,566
			<hr/>		<hr/>
GROSS PROFIT			242,683		89,177
Administration costs		170,659		41,208	
Other operating costs		64,405		10,220	
		<hr/>		<hr/>	
			235,064		51,428
			<hr/>		<hr/>
OPERATING PROFIT	3		7,619		37,749
Interest Payable and Similar Charges	4		859		-
			<hr/>		<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			6,760		37,749
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	6		3,617		11,100
			<hr/>		<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			3,143		26,649
RETAINED PROFIT AT 1ST JANUARY 1995			26,649		-
			<hr/>		<hr/>
RETAINED PROFIT AT 31ST DECEMBER 1995			29,792		26,649
			<hr/>		<hr/>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses for the year other than the profit for the financial year of £3,143 (1994 - profit £26,649).

JACK ALLEN CONTRACT MAINTENANCE LIMITED

BALANCE SHEET

31ST DECEMBER 1995

	<u>NOTE</u>	<u>1995</u>	<u>1994</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	7	66,858	4,535
<u>CURRENT ASSETS</u>			
Stock	8	19,847	5,999
Debtors	9	264,726	166,819
Cash at Bank and in Hand		800	28,675
		<u>285,373</u>	<u>201,493</u>
<u>LESS CREDITORS</u>			
Amounts falling due within one year	10	<u>322,339</u>	<u>179,279</u>
NET CURRENT (LIABILITIES)/ASSETS		(36,966)	22,214
		<u>29,892</u>	<u>26,749</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	12	100	100
Profit and Loss Account		29,792	26,649
		<u>29,892</u>	<u>26,749</u>

John Allen

N.W. Branson

Directors

Approved by the Board on 26th March 1996

JACK ALLEN CONTRACT MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

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

(a) Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

(b) Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and equipment	15% on cost
Motor vehicles	25% on cost

(c) Stock and work in progress

Stock and work in progress is valued at the lower of cost or net realisable value on a basis consistent with previous years.

(d) Deferred taxation

Provision for deferred taxation has not been made in these accounts as there are no material timing differences.

(e) Pension costs

The company contributes to a defined contribution pension scheme on behalf of a director and certain employees. Contributions are charged in the profit and loss as they accrue.

2. ANALYSIS OF TURNOVER AND PROFIT

Turnover represents net invoiced sales, excluding value added tax.

Turnover and pre-tax profit (1994 - profit) is attributable to the one principal activity of the company.

JACK ALLEN CONTRACT MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31ST DECEMBER 1995

3. OPERATING PROFIT

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Operating profit is arrived at after charging:		
Depreciation of tangible fixed assets	20,657	800
Loss on disposal of tangible fixed assets	750	-
Directors' emoluments	40,546	11,555
Staff costs (note 5)	380,260	55,623
Auditors' remuneration	4,000	1,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Interest payable on bank and other loans and overdrafts repayable within 5 years	859	-
	<u> </u>	<u> </u>

5. EMPLOYEES

	<u>No of Employees</u>	
	<u>1995</u>	<u>1994</u>
Average number of people (including directors) employed by the company during the year:		
Production	11	7
Administration	7	5
	<u> </u>	<u> </u>
	18	12
	<u> </u>	<u> </u>

Cost in respect of these employees:

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Wages and salaries	343,278	50,245
Social security costs	33,404	4,888
Pension costs	3,578	490
	<u> </u>	<u> </u>
	380,260	55,623
	<u> </u>	<u> </u>

JACK ALLEN CONTRACT MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST DECEMBER 1995

5. EMPLOYEES – CONTINUED

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Directors' emoluments:		
Fees and salaries	36,693	10,630
Pension contributions	1,453	300
Benefits in kind	2,400	625
	<u>40,546</u>	<u>11,555</u>
Further details, excluding pension contributions:		
Chairman	<u>2,000</u>	<u>1,000</u>
Highest paid director	<u>35,093</u>	<u>9,255</u>
Directors' emoluments fell within the following ranges:	<u>No.</u>	<u>No.</u>
£Nil – £5,000	3	2
£5,001 – £10,000	–	1
£35,001 – £40,000	1	–

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Charge for taxation based on the profit for the year:		
Corporation tax at 25% (1994 – 29%)	2,000	11,100
Adjustment in respect of earlier years	1,617	–
	<u>3,617</u>	<u>11,100</u>

JACK ALLEN CONTRACT MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS – CONTINUED

FOR THE YEAR ENDED 31ST DECEMBER 1995

7. TANGIBLE FIXED ASSETS

	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>			
At 1st January 1995	5,335	–	5,335
Additions	8,887	80,093	88,980
Disposals	–	(6,000)	(6,000)
	<hr/>	<hr/>	<hr/>
At 31st December 1995	<u>14,222</u>	<u>74,093</u>	<u>88,315</u>
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
At 1st January 1995	800	–	800
Charge for the year	2,133	18,524	20,657
	<hr/>	<hr/>	<hr/>
At 31st December 1995	<u>2,933</u>	<u>18,524</u>	<u>21,457</u>
	<hr/>	<hr/>	<hr/>
<u>Net book values</u>			
At 31st December 1995	<u>11,289</u>	<u>55,569</u>	<u>66,858</u>
	<hr/>	<hr/>	<hr/>
At 31st December 1994	<u>4,535</u>	<u>–</u>	<u>4,535</u>
	<hr/>	<hr/>	<hr/>

8. STOCKS

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Materials	19,621	5,843
Work in progress	226	156
	<hr/>	<hr/>
	<u>19,847</u>	<u>5,999</u>
	<hr/>	<hr/>

9. DEBTORS

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Trade debtors	263,757	166,748
Prepayments	969	71
	<hr/>	<hr/>
	<u>264,726</u>	<u>166,819</u>
	<hr/>	<hr/>

JACK ALLEN CONTRACT MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

FOR THE YEAR ENDED 31ST DECEMBER 1995

10. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Trade creditors	75,716	65,966
Amounts owed to group undertakings	138,124	66,030
Social security and other taxes	28,122	12,680
Other creditors	23,600	21,800
Accruals	4,459	1,703
	<hr/>	<hr/>
	270,021	168,179
Bank overdraft (note 11)	50,318	-
Taxation	2,000	11,100
	<hr/>	<hr/>
	322,339	179,279
	<hr/>	<hr/>

11. BANK OVERDRAFT

The bank overdraft, which is repayable on demand, is secured by a debenture over the assets of the company together with a guarantee of up to £50,000 given by Jack Allen (Sales & Service) Limited.

12. CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Authorised		
100 ordinary shares of £1. each	100	100
	<hr/>	<hr/>
	<u>£</u>	<u>£</u>
Allotted		
100 ordinary shares of £1. each fully paid	100	100
	<hr/>	<hr/>

13. ULTIMATE HOLDING COMPANY

The company is a subsidiary undertaking of Jack Allen Holdings Limited, a company registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Jack Allen Holdings Limited. The consolidated accounts of this company are available from its registered office. No other group accounts include the results of the company.

14. PENSION COSTS

The company contributes to a defined pension scheme on behalf of a director and certain employees. Contributions are charged in the profit and loss as they accrue and the charge for the year was £3,578. Outstanding contributions at the year end amounted to £750.