

CHEVRONCIRCLE LIMITED

REGISTERED NUMBER : 1658911

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER 1994**

Fox Evans & Partners
Chartered Accountants
Abbey House
Manor Road
Coventry



CHEVRONCIRCLE LIMITED

DIRECTORS	I.E. Jones M. Jones
SECRETARY	M.W.M. Gardner
REGISTERED OFFICE	3 Welton Road Wedgenock Industrial Estate Warwick CV34 5PZ
REGISTERED NUMBER	1658911
REGISTERED AUDITORS	Fox Evans & Partners Chartered Accountants Abbey House Manor Road Coventry CV1 2FW
BANKERS	Midland Bank Plc 11 High Street Warwick CV34 4AS

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CHEVRONCIRCLE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1994

The directors present their annual report together with the financial statements for the year ended 31st December 1994.

PRINCIPAL ACTIVITIES

The principal activities of the company are that of building contractors.

REVIEW OF BUSINESS

A summary of the results of the year's trading is given on page 5 of the accounts. The directors' consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend a dividend to be paid, which leaves a profit of £7,053 to be transferred to reserves.

FIXED ASSETS

The changes in the fixed assets of the company are as shown in note 8 to the accounts.

DIRECTORS AND THEIR SHAREHOLDINGS

The directors in office in the year and their beneficial interests in the shares of the company were as follows:

	<u>31st December 1994</u>	<u>31st December 1993</u>
I.E. Jones	1	1
M. Jones	-	-

The directors' interests in the holding company were as follows:

I.E. Jones	416,667	416,667
M. Jones	83,333	83,333

The director retiring by rotation is M. Jones who, being eligible, offers herself for re-election.

POST BALANCE SHEET EVENTS

All events after the balance sheet date which have a material effect on the accounts are shown in note 17 to the accounts.

AUDITORS

The auditors, Fox Evans & Partners will be proposed for re-appointment in accordance with S385 of the Companies Act 1985.

Signed on behalf of the
Board of Directors

M.W.M. Gardner

M.W.M. Gardner

Secretary

Approved by the Board: 31st March 1995

CHEVRONCIRCLE LIMITED

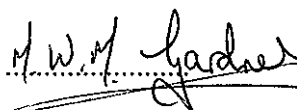
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires us as 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 we are required to

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

Signed on behalf of the
Board of Directors

A handwritten signature in dark ink, appearing to read 'M.W.M. Gardner', is written over a horizontal dotted line. Below the signature, there is a solid horizontal line.

M.W.M. Gardner

Secretary

Approved by the Board: 31st March 1995

AUDITORS' REPORT**TO THE MEMBERS OF CHEVRONCIRCLE LIMITED**

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

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 to you.

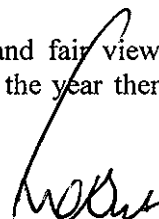
BASIS OF OPINION

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 31st December 1994, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**FOX EVANS & PARTNERS****CHARTERED ACCOUNTANTS
REGISTERED AUDITORS**

Abbey House
Manor Road
Coventry
CV1 2FW

31st March 1995

CHEVRONCIRCLE LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1994

	Notes	1994 £	1993 £
TURNOVER	2	339,963	374,455
Cost of Sales		<u>310,628</u>	<u>341,413</u>
GROSS PROFIT		29,335	33,042
Distribution Costs		1,678	1,823
Administrative Expenses		<u>18,550</u>	<u>10,753</u>
		<u>20,228</u>	<u>12,576</u>
OPERATING PROFIT	3	9,107	20,466
Income from Investments	5	64,534	83,548
Interest Payable	6	<u>64,534</u>	<u>83,548</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		9,107	20,466
Taxation	7	<u>2,054</u>	<u>5,075</u>
PROFIT AFTER TAXATION		<u>7,053</u>	<u>15,391</u>

The only recognised gain for the year is the profit for the year of £7,053 (1993 £15,391). There were no acquisitions and no discontinued operations in the year.

The annexed notes form part of these financial statements.

CHEVRONCIRCLE LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible Assets	8	2,860	2,870
CURRENT ASSETS			
Stocks	9	354,909	348,240
Debtors	10	295,164	887,086
Cash at Bank and in Hand	11	100	100
		<u>650,173</u>	<u>1,235,426</u>
CREDITORS			
Amounts due within one year	12	<u>581,554</u>	<u>1,173,870</u>
NET CURRENT ASSETS		<u>68,619</u>	<u>61,556</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>71,479</u></u>	<u><u>64,426</u></u>
CAPITAL AND RESERVES			
Share Capital	13	100	100
Profit and Loss Account	14	<u>71,379</u>	<u>64,326</u>
		<u><u>71,479</u></u>	<u><u>64,426</u></u>

Signed on behalf of the Board of Directors

.....*I.E. Jones*.....
 I.E. Jones

Director

Approved by the Board: 31st March 1995

.....*M. Jones*.....
 M. Jones

Director

The annexed notes form part of these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 1994

	1994		1993	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		579,876		(523,912)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest Received	64,534		83,548	
Interest Paid - On Bank Loans Overdrafts	(64,534)		(83,548)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		-		-
TAX PAID		(8,887)		-
INVESTING ACTIVITIES				
Payments to acquire tangible fixed assets	(500)		-	
Receipts from sales of tangible	-		-	
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(500)		-
NET CASH INFLOW (OUTFLOW) BEFORE FINANCING		570,489		(523,912)
FINANCING				
Repayments of Loans	1,000,000		-	
NET CASH INFLOW (OUTFLOW) FROM FINANCING		1,000,000		-
INCREASE IN CASH AND CASH EQUIVALENTS		(429,511)		(523,912)

CHEVRONCIRCLE LIMITED

NOTES TO CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 1994

1. RECONCILIATION OF OPERATING PROFIT (LOSS) TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES

	1994 £	1993 £
Operating Profit (Loss)	9,107	20,466
Depreciation	510	410
Decrease (Increase) in Stocks	(6,669)	(326,086)
Decrease (Increase) in Debtors	591,922	(228,422)
Increase (Decrease) in Creditors	(14,994)	9,720
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u><u>579,876</u></u>	<u><u>(523,912)</u></u>

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1994 £	1993 £	Change in Year £
Cash at Bank and in Hand	100	100	-
Bank Overdrafts	<u>559,516</u>	<u>130,005</u>	<u>(429,511)</u>
	<u><u>559,416</u></u>	<u><u>129,905</u></u>	<u><u>(429,511)</u></u>

CHEVRONCIRCLE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

1. ACCOUNTING POLICIES**a. Basis of Accounting**

The financial statements have been prepared under the historical cost convention.

b. Turnover

The turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities exclusive of value added tax.

c. Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their anticipated useful life in equal annual instalments at the following rates :

Motor Vehicles	20%
Other Assets	10%

d. Stocks

Stocks and work-in-progress are valued on a first-in, first-out basis at the lower of cost or net realisable value. In respect of finished goods and work-in-progress, cost includes direct materials and labour with addition of appropriate overheads. Net realisable value is based on an estimated selling price less further costs expected to be incurred to completion and disposal.

e. Deferred Taxation

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the directors, there is reasonable probability that a liability or asset will crystallize in the foreseeable future.

f. Leased Assets

Rentals paid under operating leases are charged to the profit and loss account in the period in which they are incurred. Assets held under finance leases are capitalised and depreciated over their expected useful life. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

CHEVRONCIRCLE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

2. TURNOVER

All the company's turnover was derived from its principal activity and the analysis was as follows:

	1994 £	1993 £
United Kingdom	<u>339,964</u>	<u>374,455</u>

3. OPERATING PROFIT

This is stated after charging:

Audit Fee	975	975
Depreciation of Tangible Fixed Assets	510	410
Hire of Plant and Machinery	<u>1,654</u>	<u>3,464</u>

The remuneration paid to Directors was

<u>Nil</u>	<u>Nil</u>
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DIRECTORS TRANSACTIONS

During the year the company carried out work for Mr & Mrs I.E.Jones to a value of £1,415. (1993 £Nil)

4. STAFF COSTS

	1994 £	1993 £
Wages and Salaries	16,432	16,576
Social Security Costs	<u>1,682</u>	<u>1,719</u>
	<u>18,114</u>	<u>18,295</u>

The average weekly number of employees during the year was as follows

	1994 Number	1993 Number
	<u>3</u>	<u>3</u>

CHEVRONCIRCLE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

5. INCOME FROM INVESTMENTS

	1994	1993
	£	£
Interest Receivable	<u>64,534</u>	<u>83,548</u>

6. INTEREST PAYABLE

	1994	1993
	£	£
On sums wholly repayable within five years		
Bank Loan Interest	<u>64,534</u>	<u>83,548</u>

7. TAXATION

	1994	1993
	£	£
Tax on profit on ordinary activities at 25%, (1993 25%).		
Corporation Tax	<u>2,054</u>	<u>5,075</u>

8. TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant & Equipment	Fixtures & Fittings	Total
	£	£	£	£
COST OR VALUATION				
At 1st January 1994	-	4,100	-	4,100
Additions	500	-	-	500
At 31st December 1994	<u>500</u>	<u>4,100</u>	<u>-</u>	<u>4,600</u>
DEPRECIATION				
At 1st January 1994	-	1,230	-	1,230
Charge for the Year	100	410	-	510
At 31st December 1994	<u>100</u>	<u>1,640</u>	<u>-</u>	<u>1,740</u>
NET BOOK VALUE				
At 31st December 1994	<u>400</u>	<u>2,460</u>	<u>-</u>	<u>2,860</u>
At 31st December 1993	-	2,870	-	2,870

CHEVRONCIRCLE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

9. STOCKS	1994 £	1993 £
Work in Progress	16,470	29,665
Tools	2,000	1,304
Development Land & Buildings	336,439	317,271
	<u>354,909</u>	<u>348,240</u>
10. DEBTORS	1994 £	1993 £
Amounts due within one year:-		
Trade Debtors	520	520
Amounts Owed by Group Companies	294,644	885,865
Prepayments	-	701
	<u>295,164</u>	<u>887,086</u>
11. CASH AT BANK AND IN HAND	1994 £	1993 £
Cash	<u>100</u>	<u>100</u>
12. CREDITORS	1994 £	1993 £
a.Amounts due within one year:-		
Bank Overdraft	559,516	130,005
Bank Loan	-	1,000,000
Trade Creditors	13,396	31,810
Corporation Tax	2,379	9,212
PAYE and NIC	852	1,061
Accruals	5,411	1,782
	<u>581,554</u>	<u>1,173,870</u>

The bank borrowings are secured by a floating charge over the assets of the company, together with a first charge over the development land and buildings, together with an interlocking guarantee of group companies.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

13. SHARE CAPITAL

	1994 £	1993 £
Authorised Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Called Up and Fully Paid Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

14. PROFIT AND LOSS ACCOUNT

	£	£
At 1st January 1994	64,326	48,935
Retained Profit for the Year	<u>7,053</u>	<u>15,391</u>
	<u>71,379</u>	<u>64,326</u>

15. COMMITMENTS**Other Financial Commitments**

There were no capital commitments at the balance sheet date.

16. CONTINGENT LIABILITIES

The company has jointly guaranteed the bank overdraft of the group to a total of £ 2,531,329 (1993 £ 2,570,610) at 31st December 1994.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

17. POST BALANCE SHEET EVENTS

There have been no events since the balance sheet date which will have a material effect on the financial statements of the company to that date.

18. ULTIMATE HOLDING COMPANY

The ultimate holding company is regarded as Coventry Turned Parts Limited a company incorporated in England.