Company No: 1991237

Humphris (Oxford) Limited

Accounts

for the year ended

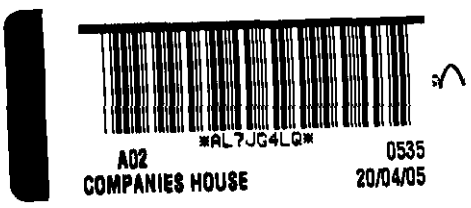
30th September 2004

WENN TOWNSEND

Wenn Townsend

Chartered Accountants

Oxford



Company Information

Directors	B Humphris W Humphris Mrs A J Humphris Mrs A E Humphris M P Humphris H J Humphris J W Humphris
Secretary	H J Humphris
Company Number	1991237
Registered Office	72 Rose Hill Oxford
Auditors	Wenn Townsend Oxford
Bankers	National Westminster Bank plc Oxford Bank of Scotland plc Threadneedle Street London
Solicitors	Blake Lapthorn Linnell Oxford

WENN TOWNSEND

Humphris (Oxford) Limited

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WENN TOWNSEND

Directors' Report
for the year ended 30th September 2004

The directors present their report and the financial statements for the year ended 30th September 2004.

Principal Activity and Review of the Business

The principal activities of the company have been the distribution and servicing of motor vehicles and the selling of accessories.

The company's balance sheet as detailed on page 5 shows a satisfactory position, shareholders funds amounting to £922,701.

Results and Dividends

The results for the year are set out on page 4.

The directors do not recommend payment of a final dividend.

Directors and their Interests

No director or member of their family has an interest in the share capital of the company other than nominee holdings.

The directors who served during the year and their interests in the shares of the holding company are as stated below:

	Ordinary shares	
	2004	2003
B Humphris	3,275	3,475
W Humphris	7,080	7,280
Mrs A J Humphris	340	340
Mrs A E Humphris	840	840
M P Humphris	8,885	8,685
H J Humphris	2,540	2,440
J W Humphris	2,040	1,940

Significant Shareholdings

Humphris (Oxford) Limited is a wholly owned subsidiary of Humphris Limited.

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

WENN TOWNSEND

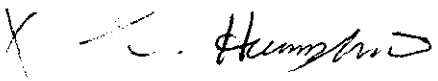
Directors' Report (continued)
for the year ended 30th September 2004

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.

Auditors

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

This report was approved by the Board on 16th March 2005 and signed on its behalf by



H J Humphris
Company Secretary

WENN TOWNSEND

Independent Auditors' Report to the Shareholders of Humphris (Oxford) Limited

We have audited the financial statements of Humphris (Oxford) Limited for the year ended 30th September 2004 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Gains and Losses and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed. We read the Directors' Report and consider the implications for our report if we become aware of any misstatement within it.

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 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 30th September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Wenn Townsend

Wenn Townsend

Chartered Accountants and Registered Auditor

16th March 2005

WENN TOWNSEND

Profit and Loss Account
for the year ended 30th September 2004

	Notes		2003
Turnover	2	7,165,121	7,240,943
Cost of sales		(6,499,489)	(6,380,808)
Gross profit		665,632	860,135
Distribution costs		(365,301)	(338,914)
Administrative expenses		(629,462)	(575,667)
Other operating income		108,623	64,304
Operating (loss)/profit	3	(220,508)	9,858
Interest receivable and similar income	4	60,124	48,050
(Loss)/profit on ordinary activities before taxation		(160,384)	57,908
Tax on (loss)/profit on ordinary activities	7	(875)	(13,370)
(Loss)/retained profit for the year		(161,259)	44,538
Retained profit brought forward		1,083,860	1,039,322
Retained profit carried forward		£ 922,601	£ 1,083,860

There are no recognised gains or losses other than the profit or loss for the above two financial years.

None of the company's activities were acquired or discontinued during the above financial years.

The notes on pages 7 to 13 form an integral part of these financial statements.

WENN TOWNSEND

Humphris (Oxford) Limited

Balance Sheet
30th September 2004

	Notes				2003
Fixed Assets					
Tangible assets	**8**		260,145		188,982
Current Assets					
Stocks	**9**	881,687		793,004	
Debtors	**10**	264,516		269,424	
Cash at bank and in hand		1,316,658		1,725,581	
		2,462,861		2,788,009	
Creditors: amounts falling due within one year	**11**	(1,782,830)		(1,876,431)	
Net Current Assets			680,031		911,578
Total Assets Less Current Liabilities			940,176		1,100,560
Provisions for Liabilities and Charges	**12**		(17,475)		(16,600)
Net Assets			£ 922,701		£ 1,083,960
Capital and Reserves					
Called up share capital	**13**		100		100
Profit and loss account			922,601		1,083,860
Equity Shareholders' Funds	**14**		£ 922,701		£ 1,083,960

The financial statements were approved by the Board on 16th March 2005 and signed on its behalf by

B Humphris
Director

W Humphris
Director

The notes on pages 7 to 13 form an integral part of these financial statements.

WENN TOWNSEND

Cash Flow Statement
for the year ended 30th September 2004

	Notes		2003
Reconciliation of operating (loss)/profit to net *cash outflow from operating activities*			
Operating (loss)/profit		(220,508)	9,858
Depreciation		71,078	49,754
(Increase) in stocks		(88,683)	(141,022)
Decrease in debtors		4,908	230,462
(Decrease) in creditors		(76,831)	29,163
Net cash outflow from operating activities		£ (310,036)	£ 178,215
CASH FLOW STATEMENT			
Net cash outflow from operating activities		(310,036)	178,215
Returns on investments and servicing of finance	**18**	60,123	48,050
Taxation	**18**	(16,770)	(3,253)
Capital expenditure	**18**	(142,241)	(2,700)
Decrease in cash in the year		£ (408,924)	£ 220,312
Reconciliation of net cash flow to movement in net debt (Note 19)			
Decrease in cash in the year		(408,924)	220,312
Net funds at 1st October 2003		1,725,581	1,505,269
Net funds at 30th September 2004		£ 1,316,657	£1,725,581

WENN TOWNSEND

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Improvements to leasehold properties	-	10% Straight line
Equipment	-	20% reducing balance & 33.3% straight line

1.4. *Stock and work in progress*

Stock and work in progress are valued at the lower of cost and net realisable value.

1.5. Pensions

The company has no pension scheme, but certain employees have their own individual schemes to which the company makes contributions. The company also makes contributions for two directors to a defined contribution scheme operated by Humphris Ltd, the company's parent undertaking. The contributions are charged against profits in the year in which they are made.

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date.

1.7. Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

WENN TOWNSEND

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3. Operating (loss)/profit

		2003
Operating (loss)/profit is stated after charging:		
Depreciation and other amounts written off tangible assets	£ 71,078	£ 49,754
Auditors' remuneration	£ 10,900	£ 10,900
Hire of equipment	£ 16,524	£ 17,155

4. Interest receivable and similar income

		2003
Bank interest	60,118	48,050
Other interest	6	-
	£ 60,124	£ 48,050

5. Employees

Number of employees

The average monthly numbers of employees (including the directors) during the year were:

	Number	2003 Number
Production staff	37	37
Office and management	3	3
Administration staff	2	2
	42	42

Employment costs

		2003
Wages and salaries	901,570	833,445
Social security costs	85,644	80,637
Other pension costs	24,160	3,483
	£1,011,374	£917,565

5.1. Directors Emoluments

		2003
Remuneration and other benefits	£ 72,166	£ 75,616

WENN TOWNSEND

..... continued

6. Pension costs

The company has no pension scheme but makes contributions for two directors to a defined contributions scheme operated by Humphris Ltd, the company's parent undertaking. The pension charge represents contributions due from the company and amounted to £20,748 (2003: £nil).

The company also makes contributions to individual schemes for certain employees amounting to £3,412 (2003: £3,483).

7. Taxation

		2003
UK current year taxation		
UK Corporation Tax at 0% (2003 – 19%)	-	16,770
Transfer from deferred taxation	875	(3,400)
	£ 875	£ 13,370
Factors effecting tax charge for the year		
Profit/(loss) on ordinary activities before tax	£(160,384)	£ 57,908
Tax at 19% (2003: 19%)	(30,473)	11,002
Effects of:		
Expenses not deductible for tax	-	34
Capital allowances less than depreciation	-	5,734
Group relief	30,473	-
As charged	£ -	£ 16,770

WENN TOWNSEND

..... continued

8. Tangible fixed assets

	Improvements to leasehold property	Plant, machinery, fixtures and fittings	Total
Cost			
At 1st October 2003	134,962	704,472	839,434
Additions	31,336	110,905	142,241
At 30th September 2004	£ 166,298	£ 815,377	£981,675
Depreciation			
At 1st October 2003	92,087	558,365	650,452
Charge for the year	16,631	54,447	71,078
At 30th September 2004	£ 108,718	£ 612,812	£721,530
Net book values			
At 30th September 2004	£ 57,580	£ 202,565	£260,145
At 30th September 2003	£ 42,875	£ 146,107	£188,982

9. Stocks

		2003
Motor vehicles	771,305	682,456
Fuel	22,425	24,306
Parts and accessories	87,957	86,242
	£ 881,687	£ 793,004

10. Debtors

		2003
Trade debtors	251,040	244,483
Other debtors	20	20
Prepayments and accrued income	13,456	24,921
	£ 264,516	£ 269,424

WENN TOWNSEND

..... continued

11. Creditors: amounts falling due within one year

		2003
Trade creditors	516,576	458,089
Amounts owed to group undertaking	1,113,708	1,251,238
Corporation tax	-	16,770
Other taxes and social security costs	12,882	37,693
Other creditors	94,750	87,629
Accruals and deferred income	44,914	25,012
	£1,782,830	£1,876,431

12. Deferred Taxation

Deferred tax is analysed over the following timing differences:

	Provided 2004	2003
Accelerated capital allowances	£ 17,475	£ 16,600

Movements on the provision for deferred taxation are:

		2003
At 1st October 2003	16,600	20,000
Transferred from profit and loss account	875	(3,400)
At 30th September 2004	£ 17,475	£ 16,600

The potential liability and provision are based on a corporation tax rate of 19% (2003 : 19%).

WENN TOWNSEND

..... continued

13. Share capital

		2003
Authorised equity		
100 Ordinary shares of £1 each	£ 100	£ 100
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	£ 100	£ 100

14. Reconciliation of movements in shareholders' funds

		2003
(Loss)/profit for the year	(161,259)	44,538
Opening shareholders' funds	1,083,960	1,039,422
	£ 922,701	£1,083,960

15. Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year:

	Land and buildings 2003	
Expiring between two and five years	£ 20,000	£ 14,000

16. Related party transactions

The company has been charged a net total of £122,276 (2003:£66,548) for rent and management services, car purchases and equipment hire (after taking into account car sales and expenses recharged) by Humphris Limited, the ultimate holding company. At 30th September 2004 the company owed Humphris Limited £1,113,708 (2003 - £1,251,238).

Mr B Humphris sold a car to the company for £16,300. This transaction was considered by the directors to have been at market value.

WENN TOWNSEND

..... continued

17. Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet was Humphris Limited, a company incorporated in England.

18. Gross Cash Flows

		2003
Returns on investments and servicing of finance		
Interest received	£ 60,123	£ 48,050
Taxation		
Corporation tax paid	£ (16,770)	£ (3,253)
Capital expenditure		
Payments to acquire tangible assets	£ (142,241)	£ (2,700)

19. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
Cash at bank and in hand	1,725,581	(408,923)	1,316,658
Net funds	£ 1,725,581	£ (408,923)	£ 1,316,658

WENN TOWNSEND

Humphris (Oxford) Limited

The following pages are for the directors only

WENN TOWNSEND

Humphris (Oxford) Limited

Detailed Profit & Loss Account
for the year ended 30th September 2004

				2003
Sales		7,165,121		7,240,943
Cost of sales				
Purchases (adjusted for stocks)	5,748,103		5,718,771	
Direct wages	751,386		662,037	
		(6,499,489)		(6,380,808)
Gross profit		665,632		860,135
Distribution costs				
Salesmens' remuneration	166,880		169,544	
Advertising and promotions	132,132		102,721	
Service charge	62,040		66,439	
Bad debts	4,249		210	
		(365,301)		(338,914)
Administrative expenses				
Rates	61,478		58,168	
Rent - Watlington Road	20,000		16,000	
Heat and light	18,244		14,890	
Repairs and renewals	28,986		12,073	
Insurances	29,178		24,374	
Rent and service charge	205,796		205,796	
Pension scheme	24,160		3,483	
Training	5,466		5,806	
Motor expenses	2,221		2,940	
Audit and accountancy	10,900		10,900	
Other professional fees	2,204		3,494	
Sundries and cleaning	22,703		25,940	
Stationery and printing	8,311		8,158	
Telephone and postage	13,147		13,069	
Computer maintenance and service charges	22,671		25,601	
Bank charges and interest	13,971		12,720	
Salaries and wages	68,948		82,501	
Depreciation Equipment, Fixtures and Fit	71,078		49,754	
		(629,462)		(575,667)
		(329,131)		(54,446)
Other operating income				
Sundry income	75,000		-	
Commissions and bonuses receivable	33,623		64,304	
		108,623		64,304
Operating (loss)/profit carried forward		(220,508)		9,858

WENN TOWNSEND

Humphris (Oxford) Limited

Detailed Profit & Loss Account
for the year ended 30th September 2004

				2003
Operating (loss)/profit carried forward		(220,508)		9,858
Other income and expenses				
Interest receivable				
Bank deposit interest	60,118		48,050	
Other interest	6		-	
		60,124		48,050
Net (loss)/profit for the year		£ (160,384)		£ 57,908

WENN TOWNSEND