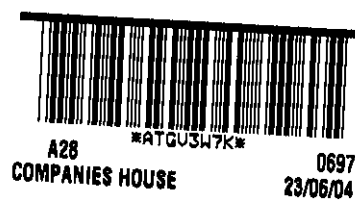


Registration number: 2069607

Thames Service Station (Oval) Limited

Financial statements

for the year ended 31st December 2003



Geo. Little Sebire & Co.
Chartered Accountants

Thames Service Station (Oval) Limited

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Thames Service Station (Oval) Limited

Directors' report

for the year ended 31st December 2003

The directors present their report and the financial statements for the year ended 31st December 2003.

Principal activity and review of the business

The principal activity of the company was that of garage proprietors.

The company's balance sheet as detailed on page 6, shows a satisfactory position with shareholders funds totaling £140,346.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

Policy towards payment of suppliers

It is the policy to pay suppliers within one month of the date of receiving their statement or in accordance with the agreed business terms. The company does not follow any standard code of practice with regard to the payment of creditors.

Directors and their interests

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

	Ordinary shares	
	31/12/03	01/01/03
V. Khanna	-	-
A.E. Khanna	-	-

The interests of the directors are dealt with in the accounts of the ultimate holding company.

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;
- 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.

Thames Service Station (Oval) Limited

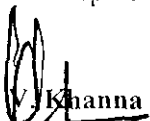
Directors' report

for the year ended 31st December 2003

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Geo. Little, Sebire & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 3/6/04 and signed on its behalf by


V. Khanna
Director

Thames Service Station (Oval) Limited

Independent auditors' report to the shareholders of Thames Service Station (Oval) Limited

We have audited the financial statements of Thames Service Station (Oval) Limited for the year ended 31st December 2003 which comprise the profit and loss account, the balance sheet 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, 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 members as a body, for our audit work, for this report, or 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 the financial statements in accordance with applicable law and United Kingdom 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 apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Thames Service Station (Oval) Limited

Independent auditors' report to the shareholders of Thames Service Station (Oval) Limited continued

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Victoria House
64 Paul Street
London

EC2A 4TT

Date: 3/6/04

Geo Little Sebire & Co

Geo. Little, Sebire & Co
Chartered Accountants and
Registered auditors

Thames Service Station (Oval) Limited

Profit and loss account

for the year ended 31st December 2003

		2003	2002
	Notes	£	£
Turnover	2	2,625,717	2,609,980
Cost of sales		(2,490,040)	(2,483,506)
Gross profit		<u>135,677</u>	<u>126,474</u>
Administrative expenses		(94,107)	(96,170)
Profit on ordinary activities before taxation	3	41,570	30,304
Tax on profit on ordinary activities	5	(7,872)	(6,000)
Retained profit for the year		<u>33,698</u>	<u>24,304</u>
Retained profit brought forward		106,548	82,244
Retained profit carried forward		<u>140,246</u>	<u>106,548</u>

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

The notes on pages 7 to 12 form an integral part of these financial statements.

Thames Service Station (Oval) Limited

Balance sheet

as at 31st December 2003

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		1,004		1,405
Current assets					
Stocks	7	72,804		75,314	
Debtors	8	19,815		72,647	
Cash at bank and in hand		234,598		97,605	
		<u>327,217</u>		<u>245,566</u>	
Creditors: amounts falling due within one year	9	(187,875)		(140,323)	
Net current assets			139,342		105,243
Net assets			<u>140,346</u>		<u>106,648</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			140,246		106,548
Equity shareholders' funds	11		<u>140,346</u>		<u>106,648</u>

The financial statements were approved by the Board on 3/4/04 and signed on its behalf by


V. Khanna
Director

The notes on pages 7 to 12 form an integral part of these financial statements.

Thames Service Station (Oval) Limited

Notes to the financial statements

for the year ended 31st December 2003

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

1.2. 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:

Plant and machinery	-	10% - 20% on cost
Fixtures, fittings and equipment	-	20% on cost

1.3. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.4. Stock

Stock is valued at the lower of cost and net realisable value.

1.5. Deferred taxation

Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date.

1.6. Cash flow statement

The company is exempt from the requirement to produce a cash flow statement on the grounds that it is a member of a group of which the ultimate holding company prepares a consolidated cash flow statement.

2. Turnover

The turnover for the period was derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

3. Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation and other amounts written off fixed assets	401	1,138
Operating lease rentals		
- Land and buildings	-	10,000

Thames Service Station (Oval) Limited

Notes to the financial statements

for the year ended 31st December 2003

..... continued

4. Employees

Number of employees

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

	2003	2002
Management and administration	1	1
Forecourt sales	9	9
	10	10

Employment costs

	2003	2002
	£	£
Wages and salaries	104,521	94,434
Social security costs	7,417	5,313
	111,938	99,747

Thames Service Station (Oval) Limited

Notes to the financial statements

for the year ended 31st December 2003

..... continued

5. Tax on profit on ordinary activities

Analysis of charge in period	2003	2002
	£	£
Current tax		
UK corporation tax	7,872	6,000
Total current tax charge	7,872	6,000
Tax on profit on ordinary activities	7,872	6,000

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (19 per cent). The differences are explained below:

	2003	2002
	£	£
Profit on ordinary activities before taxation	41,570	30,304
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31st December 2002 : 19%)	7,898	5,758
Expenses not deductible for tax purposes (primarily goodwill amortisation)	(26)	242
Current tax charge for period	7,872	6,000

Thames Service Station (Oval) Limited

Notes to the financial statements

for the year ended 31st December 2003

..... continued

6. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1st January 2003	20,893	27,655	48,548
At 31st December 2003	20,893	27,655	48,548
Depreciation			
At 1st January 2003	20,892	26,251	47,143
Charge for the year	-	401	401
At 31st December 2003	20,892	26,652	47,544
Net book values			
At 31st December 2003	1	1,003	1,004
At 31st December 2002	1	1,404	1,405

7. Stocks	2003 £	2002 £
Goods for resale	72,804	75,314
8. Debtors	2003 £	2002 £
Trade debtors	10,939	3,331
Amount owed by group companies	1,255	64,397
Other debtors	2,394	-
Prepayments and accrued income	5,227	4,919
	19,815	72,647

Thames Service Station (Oval) Limited

Notes to the financial statements

for the year ended 31st December 2003

..... continued

9. Creditors: amounts falling due within one year	2003 £	2002 £
Trade creditors	97,588	91,212
Amounts owed to group companies	44,008	17,126
Corporation tax	8,517	10,692
Other taxes and social security costs	11,965	14,240
Other creditors	23,857	2,578
Accruals and deferred income	1,940	4,475
	<u>187,875</u>	<u>140,323</u>
10. Share capital	2003 £	2002 £
Authorised equity		
100,000 Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	100	100
11. Reconciliation of movements in shareholders' funds	2003 £	2002 £
Profit for the year	33,698	24,304
Opening shareholders' funds	106,648	82,344
Closing shareholders' funds	<u>140,346</u>	<u>106,648</u>
12. Guarantees and other financial commitments		

The company is liable with group companies to its bankers in respect of overdrafts and loans operated by those companies under the terms of an unlimited multilateral guarantee. The full potential liability at the balance sheet date was £3,142,939.

The company is also liable with other group companies to a supplier in respect of trade credit facilities. The full potential liability at the balance sheet date was £1,022,168.

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Notes to the financial statements

for the year ended 31st December 2003

..... continued

13. Transactions with directors

Included within other creditors is £12,730 owed to the director V.Khanna.

14. Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet date was TSS Group PLC, a company registered in England and Wales.

The company's ultimate controlling party is the director V. Khanna.