

GRAYHART LIMITED

2422607

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31 MARCH 1995



DEY & CO
CHARTERED ACCOUNTANTS

GRAYHART LIMITED

DIRECTORS:	K L Knight D Adlington
SECRETARY:	K L Knight
REGISTERED OFFICE:	Nether Farm Stubbing Court Wingerworth Chesterfield
REGISTERED NUMBER:	2422607
BANKERS:	Barclays Chesterfield
ACCOUNTANTS:	Dey & Co Chartered Accountants Brookdale 41 Clarence Road Chesterfield S40 1LH

GRAYHART LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1995

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The following page does not form part of the Statutory Accounts

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GRAYHART LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 1995

The directors present their annual report with the accounts of the company for the year ended 31 March 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the repair and sale of used motor vehicles.

REVIEW OF BUSINESS

A summary of the results for the year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisitions and disposals of fixed assets during the year are shown in note 9.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	<u>1995</u>	<u>1994</u>
K L Knight	50	50
D Adlington	50	25

Signed on behalf of the
board of directors

K L Knight
Secretary



ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED FINANCIAL ACCOUNTS OF
GRAYHART LIMITED

We report on the financial accounts for the year ended 31 March 1995 set out on pages 3 to 5d.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 4b, the company's directors are responsible for the preparation of the financial accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

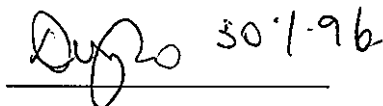
BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the financial accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

 30/1-96

DEY & CO
Reporting Accountants

Brookdale
41 Clarence Road
Chesterfield
S40 1LH

GRAYHART LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
TURNOVER	2	197,739	196,869
Cost of Sales		144,430	186,547
<u>GROSS PROFIT</u>		53,309	10,322
Net Operating Expenses			
Administrative Expenses		51,007	(7,589)
<u>OPERATING PROFIT</u>	3	2,302	17,911
Income from Investments	5	3	-
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		2,305	17,911
Interest Payable	8	631	657
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		1,674	17,254
Tax on Ordinary Activities	6	576	-
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		£ 1,098	£ 17,254
<u>STATEMENT OF RETAINED EARNINGS</u>			
Loss Brought Forward		(13,599)	(30,853)
Retained Profit for the Year		1,098	17,254
<u>RETAINED LOSS CARRIED FORWARD</u>		£ (12,501)	£ (13,599)

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

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

The notes on pages 5a to 5d form part of these accounts.

GRAYHART LIMITEDBALANCE SHEET
AS AT 31 MARCH 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible Assets	9	10,197	12,746
CURRENT ASSETS			
Stock and Work in Progress	10	10,400	9,900
Debtors	11	4,996	12,231
Cash at Bank and in Hand		-	338
		<u>15,396</u>	<u>22,469</u>
CREDITORS : Amounts Falling			
Due within One Year	12	<u>(35,799)</u>	<u>(45,708)</u>
NET CURRENT LIABILITIES		<u>(20,403)</u>	<u>(23,239)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(10,206)</u>	<u>(10,493)</u>
CREDITORS : Amounts Falling			
Due After more than One Year	14	1,619	3,006
PROVISION FOR LIABILITIES			
AND CHARGES	15	<u>576</u>	<u>-</u>
		<u>£ (12,401)</u>	<u>£ (13,499)</u>
CAPITAL AND RESERVES			
Share Capital	13	100	100
Profit and Loss Account		<u>(12,501)</u>	<u>(13,599)</u>
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u>£ (12,401)</u>	<u>£ (13,499)</u>

continued

GRAYHART LIMITEDBALANCE SHEET

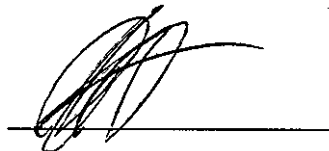
(continued)

AS AT 31 MARCH 1995

The directors consider that for the year ended 31 March 1995 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Signed on behalf of the
board of directors

A handwritten signature in dark ink, appearing to be 'K L Knight', is written over a horizontal line.

K L Knight
Director

Approved by the board:

The notes on pages 5a to 5d form part of these accounts.

GRAYHART LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1995**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

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

Plant and Equipment	20% on reducing balance
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Stocks and Work in Progress

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

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

2. TURNOVER

The Turnover and Profit (1994 - Profit) before taxation for the year is attributable to the principal activity of the Company which is the repair and sale of used motor vehicles.

3. OPERATING PROFIT

The Operating Profit (1994 - Profit) is stated after charging:

	<u>1995</u>	<u>1994</u>
	£	£
Depreciation of Tangible Fixed Assets	2,549	3,226
Staff Costs - note 4	30,189	35,684
	<u> </u>	<u> </u>

GRAYHART LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1995

4. STAFF COSTS

The costs incurred, including directors remuneration (note 7), were as follows:

	<u>1995</u>	<u>1994</u>
	£	£
Wages and Salaries	28,929	34,980
Social Security Costs	1,260	704
	<u>30,189</u>	<u>35,684</u>

5. INCOME FROM INVESTMENTS

	<u>1995</u>	<u>1994</u>
	£	£
Bank Interest Received	3	-

6. TAXATION

The tax charge on the profit on ordinary activities was as follows:

	<u>1995</u>	<u>1994</u>
	£	£
Deferred Taxation	576	-

Corporation tax has been charged on the profit at 25% (1994 25%).

The charge for the year has been increased by expenditure not allowable for taxation.

7. DIRECTORS' REMUNERATION

	<u>1995</u>	<u>1994</u>
	£	£
Directors' Remuneration	6,060	8,130

8. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	£	£
Hire Purchase Interest	624	572
Bank Interest	7	85
	<u>631</u>	<u>657</u>

GRAYHART LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 19959. TANGIBLE FIXED ASSETS

	Plant & Equipment
COST OR VALUATION	£
At 1 April 1994	23,518
At 31 March 1995	23,518
DEPRECIATION	
At 1 April 1994	10,772
Charge for year	2,549
At 31 March 1995	13,321
NET BOOK VALUE	
At 31 March 1995	10,197
At 31 March 1994	12,746

10. STOCKS

	<u>1995</u>	<u>1994</u>
	£	£
Raw Materials and Consumables	3,500	3,000
Finished Goods and Goods for Resale	6,900	6,900
	<u>10,400</u>	<u>9,900</u>

11. DEBTORS

	<u>1995</u>	<u>1994</u>
	£	£
Amounts due within one year:		
Trade Debtors	4,996	9,203
Value Added Tax	-	3,028
	<u>4,996</u>	<u>12,231</u>

GRAYHART LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 199512. CREDITORS

Amounts falling due within one year:	<u>1995</u>	<u>1994</u>
	£	£
Bank Loans and Overdrafts (see below)	889	-
Trade Creditors	7,784	14,780
Other Creditors:		
Social Security and Other Taxes	1,927	1,984
Other Creditors	22,218	25,687
Accruals	2,981	3,257
	<u>35,799</u>	<u>45,708</u>
Bank Overdraft	<u>889</u>	<u>-</u>

The bank loan and overdraft are secured by a fixed and floating charge over the other assets and related undertakings of the company.

13. SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised	<u>100</u>	<u>100</u>
Allotted, Issued and Fully Paid	<u>100</u>	<u>100</u>

14. CREDITORS

Amounts falling due after more than one year:	<u>1995</u>	<u>1994</u>
	£	£
Hire Purchase Creditor	<u>1,619</u>	<u>3,006</u>

15. PROVISION FOR LIABILITIES AND CHARGES

Provisions:	<u>At Start</u>	<u>Movement</u>	<u>At End</u>
	<u>of Year</u>		<u>of Year</u>
	£	£	£
Deferred Taxation (see below)	-	(576)	(576)