

EXOTICAR LTD
COMPANY REG:NO 3198521
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 AUGUST 1997

MESSRS PARAM & COMPANY
REGISTERED AUDITORS &
CERTIFIED ACCOUNTANTS
FIRST FLOOR
44-50 THE BROADWAY
SOUTHALL
MIDDLESEX UB1 1QB
0181 571 9594



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COMPANIES HOUSE 25/03/98

COMPANIES HOUSE 14/03/98

EXOTICAR LIMITED

FINANCIAL ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 1997

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COMPANY INFORMATION

Directors: R.Rudrakumar
R.Mahendrakumar

Secretary: R.Mahendrakumar

Registered Office: 232-234 St Albans Road
Watford
WD2 4AU

Bankers: National Westminster Bank
9 Bank Court
Hemel Hempstead
HP1 1BT.

Lloyds Bank Plc
Uxbridge

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EXOTICAR LTD

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Report together with the Accounts of the Company for the Period Ended 31st August 1997.

Statement of directors's 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 that period. 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;
- prepare the financial statement 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.

Principal Activities and Business Review

Principal Activities of the company are those of Retailing in sports cars.

Results and Dividends

The results of operations for the Period Ended 31st August 1997 are set out in the profit and loss Account.

Directors

The Directors who served during the Period Ended 31st August 1997 together with their interests in the £1 Ordinary Shares of the company were:

1997

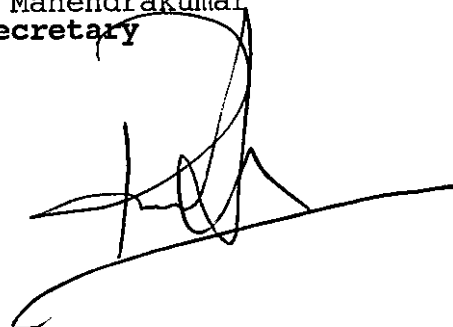
R Mahendrakumar	500
R Rudrakumar	500

By Order of the Board

Date...24-3-98.....

R Mahendrakumar
Secretary

Signature Date



AUDITORS' REPORT TO THE MEMBERS OF**EXOTICAR LTD**

We have audited the financial statements set out on Pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 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 the 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 August 1997 and of its result for the period then ended and have properly prepared in accordance with the companies Act 1985 applicable to small companies.

FIRST FLOOR
44-50 THE BROADWAY
SOUTHALL
MIDDLESEX UB1 1QB

.....
PARAM & COMPANY
REGISTERED AUDITORS &
CERTIFIED ACCOUNTANTS

SIGNATURE DATE.....24.3.98.....

SAC

EXOTICAR LTD

PROFIT AND LOSS ACCOUNT
PERIOD TO 31ST AUGUST 1997

	Note	1997 £
TURNOVER		1,125,879
COST OF SALES		(1,003,697)
GROSS PROFIT		122,182
Administrative Expenses		(59,156)
Interest Payable and Similar Charges	2	(13,899)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,127
Tax on Profit on Ordinary Activities	5	(11,151)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		37,976
Dividends Paid and Proposed		10,000
RETAINED PROFIT		27,976
RETAINED PROFIT CARRIED FORWARD		£ 27,976

TOTAL RECOGNISED GAINS

The company has no recognised gains and losses other than the profit for the period.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the period.

The accompanying notes are an integral part of these
financial statements

EXOTICAR LTDBALANCE SHEET AS AT31ST AUGUST 1997

	Note	£	1997	£
FIXED ASSETS				
Tangible Assets	6		135,596	
CURRENT ASSETS				
Stocks	7	89,400		
Debtors		2,500		
Cash at Bank and in Hand		1,488		
			93,388	
CREDITORS: Amounts falling due within one year	8	(102,642)		
NET CURRENT LIABILITIES				(9,254)
TOTAL ASSETS LESS CURRENT LIABILITIES				126,342
CREDITORS: Amounts falling due after one year	9			(97,366)
			£ 28,976	
CAPITAL AND RESERVES				
Called-up Share Capital	11		1,000	
Profit and Loss Account			27,976	
			£ 28,976	

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the ground that the company qualifies as a small company by virtue of section 247 of the companies Act 1985.

Signed on behalf of the Board:-

..... } Directors
 }

Signature Date 24-3-98

The accompanying notes are an integral part of these financial statements

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 1997Accounting Policies

The financial statements have been prepared under the historical cost convention and include the results of the company's operation which are described in the directors' Report and all of which are continuing.

The company has taken advantage of the exemption in financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the ground that it is a small company.

The principal accounting policies have remained unchanged and are set out below:-

Turnover

Turnover represents the total amount receivable by the Company in the ordinary course of business for goods supplied and services provided excluding value added tax.

Depreciation

Depreciation is calculated to write off the book value of each tangible fixed asset over its expected useful life by equal annual instalments at the following rates:-

Fixtures And Equipments

20%

Stock

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

Cost is based on purchase price including transport and handling costs calculated on a first in first out basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal.

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 19972. Interest Payable and Similar Charges

	<u>1997</u>
	£
Bank Interest and	
Charges	2,922
Loan Interest	10,977
	<u>£ 13,899</u>

3. Profit on Ordinary Activities before Taxation

Profit on ordinary activities before taxation is stated after
charging:-

	<u>1997</u>
	£
Depreciation	2,101

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 19974. Staff Costs

Particulars of employees (including Directors) are as follows:-

Employee costs during the Period Ended 31st August 1997 amounted to:-

	<u>1997</u>
	£
Wages and Salaries	13,751

The average weekly number of persons employed by the Company were as follows:-

	<u>1997</u>
Cost of Sales	
Distribution and Marketing	
Administration	
	—
	—

Directors remuneration all of which is included above is made up of:-

	<u>1997</u>
	£
Directors Emoluments	13,751

5. Tax on Profit on Ordinary Activities

The tax charge is based on the profit and comprises:-

	<u>1997</u>
	£
U.K. Corporation Tax Charge	11,151
	<u>£ 11,151</u>

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 19976. Tangible Assets

	Freehold Property	Motor Vehicles	Fixtures and Equipments	Total
	£	£	£	
<u>Cost</u>				
At 14th May 1996	-	-	-	-
Additions	127,192	-	10,505	137,697
Disposals	-	-	-	-
At 31st August 1997	<u>127,192</u>	<u>-</u>	<u>10,505</u>	<u>137,697</u>
<u>Depreciation</u>				
At 14th May 1996	-	-	-	-
Charge	-	-	2,101	2,101
Disposals	-	-	-	-
At 31st August 1997	<u>-</u>	<u>-</u>	<u>2,101</u>	<u>2,101</u>
<u>Net Book Values</u>				
At 31st August 1997	<u>£127,192</u>	<u>£ -</u>	<u>£ 8,404</u>	<u>£135,596</u>

7. Stocks

	<u>1997</u>
	£
Finished Goods	89,400
	<u>£ 89,400</u>

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 1997.Debtors

Amounts falling due within one year:-

	1997
	<u>£</u>
ACT Recoverable	2,500
	<u>£ 2,500</u>

8.Creditors

Amounts falling due within one year:-

	1997
	<u>£</u>
Bank Loans and	
Overdrafts	11,650
Trade Creditors	14,160
Other Creditors	45,881
Act Payable	2,500
Social Security and	
Taxation	7,642
Accruals	9,658
Corporation Tax	11,151
	<u>£ 102,642</u>

9.Creditors

Amounts falling due after one year:-

	1997
	<u>£</u>
Other Loans > 1 year	97,366
	<u>£ 97,366</u>

10.Bank Overdraft

The bank overdraft is secured by joint and several gurantee of the directors.

EXOTICAR LTDNOTES TO THE FINANCIAL STATEMENTSPERIOD TO 31ST AUGUST 199711. Called-up Share Capital

	<u>1997</u>
	<u>£</u>
Authorised:-	
10,000 Ordinary Shares of £1 each	10,000
Issued and fully paid:-	
1,000 Ordinary Shares of £1 each	1,000