

Registered number:
SC57921

Cameron Motors (Perth) Limited

Financial statements

31 May 2002



Cameron Motors (Perth) Limited
Financial statements - 31 May 2002

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Cameron Motors (Perth) Limited

Directors' report

The directors present their report together with the audited financial statements of the company for the year ended 31 May 2002.

Change of ownership

On 29 June 2001 the entire share capital of the company was purchased by Cameron Motors (Scotland) Limited.

Principal activities

The principal activities of the company continued to be the buying and selling of new and used motor vehicles, the supply of spare parts and vehicle servicing associated with its Volkswagen franchise.

Trading results, review of the business and future developments

The profit for the year after taxation was £72,039 (2001 - £11,278). The directors propose the payment of a final dividend of £100,000 (2001 interim dividend of £100,000) and, accordingly, £27,961 has been deducted from reserves (2001 - £88,722 deducted from reserves).

The trading performance of the company has continued to be strong over the year despite the continuing downward pressure on new car prices. The small deterioration in gross profit is offset by an increase in other operating income, resulting in a profit before taxation for the year of £95,538. The directors consider the company to be in a strong position to meet the challenges currently facing the retail motor industry and accordingly do not propose any significant changes in its operations.

There have been no events since the balance sheet date which materially affect the position of the company.

Directors and their interests

The directors who held office throughout the year were as follows:

I D Cameron
C A Stewart
W D Anderson

Mrs M Cameron died on 17 February 2002.

None of the directors held any interests in the shares of the company during the year.

The interests of the directors in the shares of the parent company, Cameron Motors (Scotland) Limited, are shown in the financial statements of that 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 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;
- 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.

Cameron Motors (Perth) Limited

Directors' report (continued)

Directors' responsibilities (continued)

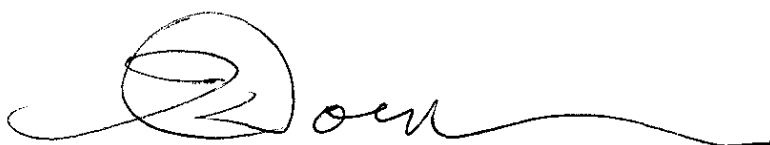
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Friend & Co as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 6 November 2002.

Signed on behalf of the directors:

A handwritten signature in black ink, appearing to read 'I D Cameron', with a large, stylized initial 'C' and a long, sweeping horizontal line extending to the right.

I D Cameron
Chairman

Independent auditors' report to the shareholder of Cameron Motors (Perth) Limited

We have audited the financial statements of Cameron Motors (Perth) Limited set out on pages 4 to 10 which have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on pages 1 and 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Friend & Co.

Friend & Co
Chartered Accountants and Registered Auditors

Neville House
42-46 Hagley Road
Edgbaston
Birmingham
B16 8PE

6 November 2002

Cameron Motors (Perth) Limited

Profit and loss account - for the year ended 31 May 2002

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
Turnover	1	10,851,404	10,517,915
Cost of sales		(9,827,864)	(9,478,936)
Gross profit		1,023,540	1,038,979
Other income		508,208	469,835
Administrative expenses		(1,484,304)	(1,512,303)
Operating profit/(loss)		47,444	(3,489)
Interest receivable		55,455	89,761
Interest payable	2	(7,361)	(13,456)
Profit on ordinary activities before taxation	2	95,538	72,816
Tax on profit on ordinary activities	4	(23,499)	(61,538)
Profit on ordinary activities after taxation		72,039	11,278
Dividend	5	(100,000)	(100,000)
Loss for the financial year		(27,961)	(88,722)
Balance brought forward		2,922,474	3,011,196
Balance carried forward		£2,894,513	£2,922,474

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form part of these financial statements.

Cameron Motors (Perth) Limited

Balance sheet at 31 May 2002

	Notes	£	<u>2002</u> £	<u>2001</u> £
Fixed assets				
Tangible assets	6		577,755	583,905
Current assets				
Stocks held for resale	7	1,642,977		1,762,148
Debtors	8	958,273		1,656,289
Cash at bank and in hand		1,307,625		962,738
		3,908,875		4,381,175
Creditors: amounts falling due within one year	9	(1,524,017)		(1,976,206)
Net current assets			2,384,858	2,404,969
Total assets less current liabilities			2,962,613	2,988,874
Provisions for liabilities and charges				
Deferred taxation	10		(48,100)	(46,400)
Net assets			<u>£2,914,513</u>	<u>£2,942,474</u>
Capital and reserves				
Called up share capital	11		20,000	20,000
Profit and loss account			2,894,513	2,922,474
Shareholder's funds	12		<u>£2,914,513</u>	<u>£2,942,474</u>

These financial statements were approved by the board of directors on 6 November 2002 and signed on its behalf.



I D Cameron, Director

The notes on pages 6 to 10 form part of these financial statements.

Cameron Motors (Perth) Limited

Notes to the financial statements -- 31 May 2002

1. Accounting policies

The financial statements are prepared under the historical cost convention and are in accordance with applicable accounting standards.

The principal accounting policies of the company, which remain unchanged from the previous year, are set out below.

a) Turnover

Turnover comprises income from sales and work done, excluding value added tax, and is all within the United Kingdom.

b) Tangible fixed assets

Depreciation is calculated, on an annual basis, so as to write off the cost of tangible fixed assets over their expected useful lives, as follows:

Property improvements	2% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	10% reducing balance
Computer equipment	25% straight line
Motor vehicles	33% straight line.

c) Stocks

Stocks are stated at the lower of cost and net realisable value. In accordance with Financial Reporting Standard No 5 stocks include vehicles on consignment from the manufacturer.

d) Deferred taxation

Deferred taxation is provided, using the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes. Provision is made only where there is a reasonable probability that such tax will become payable in the foreseeable future.

e) Pensions

The company operates a pension scheme providing benefits based on defined contributions. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account as incurred.

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	<u>2002</u> £	<u>2001</u> £
Depreciation of tangible fixed assets	46,928	45,522
Auditors' remuneration	9,750	9,750
Bank interest payable	-	259
Other interest payable	<u>7,361</u>	<u>13,197</u>

3. Directors and employees

Directors' remuneration:

	<u>2002</u> £	<u>2001</u> £
Emoluments	202,090	84,214
Contributions to money purchase pension schemes	<u>155,626</u>	<u>318,500</u>
	<u>£357,716</u>	<u>£402,714</u>

The emoluments of directors disclosed above include the following amounts paid to the highest paid director:

	<u>2002</u> £	<u>2001</u> £
Emoluments	174,000	60,000
Contributions to money purchase pension schemes	<u>135,000</u>	<u>300,000</u>
	<u>£309,000</u>	<u>£360,000</u>

	<u>2002</u> Number	<u>2001</u> Number
During the year the following number of directors accrued benefits under a money purchase pension scheme	<u>2</u>	<u>2</u>

	<u>2002</u> £	<u>2001</u> £
Staff costs comprise:		
Wages and salaries	933,490	751,436
Social security costs	85,036	70,131
Other pension costs	<u>172,734</u>	<u>329,309</u>
	<u>£1,191,260</u>	<u>£1,150,876</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

3. Directors and employees (continued)

The average weekly number of employees (including directors) during the year was 50 (2001 - 50).

4. Tax on profit on ordinary activities

	<u>2002</u> £	<u>2001</u> £
Corporation tax based on the profit for the year at 22.6% (2001 - 20%)	21,799	14,781
Adjustment in respect of previous year	-	42,957
Deferred taxation charge	1,700	3,800
	<u>£23,499</u>	<u>£61,538</u>

5. Dividend

	<u>2002</u> £	<u>2001</u>
Interim dividend paid on ordinary shares at £5 per share	-	100,000
Final dividend proposed on ordinary shares at £5 per share (2001 - £nil)	100,000	-
	<u>£100,000</u>	<u>£100,000</u>

6. Tangible fixed assets

	<u>Property improve- ments</u> £	<u>Plant and equipment</u> £	<u>Fixtures and fittings</u> £	<u>Computer equipment</u> £	<u>Total</u> £
Cost					
At 1 June 2001	520,894	197,062	236,904	75,912	1,030,772
Additions	-	36,334	1,943	3,763	42,040
Disposals	-	(20,000)	-	-	(20,000)
	<u>520,894</u>	<u>213,396</u>	<u>238,847</u>	<u>79,675</u>	<u>1,052,812</u>
Accumulated depreciation					
At 1 June 2001	130,963	150,542	104,174	61,188	446,867
Charge for the year	10,418	11,233	17,740	7,537	46,928
Disposals	-	(18,738)	-	-	(18,738)
	<u>141,381</u>	<u>143,037</u>	<u>121,914</u>	<u>68,725</u>	<u>475,057</u>
Net book value					
At 31 May 2002	<u>£379,513</u>	<u>£70,359</u>	<u>£116,933</u>	<u>£10,950</u>	<u>£577,755</u>
At 31 May 2001	<u>£389,931</u>	<u>£46,520</u>	<u>£132,730</u>	<u>£14,724</u>	<u>£583,905</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

6. Tangible fixed assets (continued)

The property improvements relate to buildings erected on land owned by an associated company, Ian H Cameron Limited.

7. Stocks

	<u>2002</u> £	<u>2001</u> £
New vehicles	167,463	116,003
Used vehicles	851,557	871,740
Parts	125,422	114,503
Paint, consumables and work in progress	11,925	11,093
Consignment vehicles	486,610	648,809
	<u>£1,642,977</u>	<u>£1,762,148</u>

8. Debtors

	<u>2002</u> £	<u>2001</u> £
Amounts falling due within one year:		
Trade debtors	336,247	213,744
Amounts owed by associated undertaking	546,122	1,351,978
Prepayments and accrued income	75,904	90,567
	<u>£958,273</u>	<u>£1,656,289</u>

9. Creditors: amounts falling due within one year

	<u>2002</u> £	<u>2001</u> £
Trade creditors	367,303	242,229
Amounts owed to associated undertakings	232,742	830,395
Corporation tax	21,799	14,781
Other taxes and social security	142,655	121,485
Directors' current accounts	127,271	1,291
Accruals	45,637	117,216
Dividend payable	100,000	-
Consignment stock creditor	486,610	648,809
	<u>£1,524,017</u>	<u>£1,976,206</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

10. Deferred taxation

Full provision has been made at 30% (2001 - 30%) for the potential taxation arising in respect of:

	<u>2002</u>	<u>2001</u>
Capital allowances in advance of depreciation	<u>£48,100</u>	<u>£46,400</u>
Movement in provision during the year:		£
At 1 June 2001		46,400
Provided in the year		1,700
At 31 May 2002		<u>£48,100</u>

11. Called up share capital

	<u>2002</u>	<u>2001</u>
Ordinary shares of £1 each:		
Authorised, issued and fully paid	<u>£20,000</u>	<u>£20,000</u>

12. Reconciliation of movements in shareholder's funds

	<u>2002</u> £	<u>2001</u> £
Profit for the financial year	72,039	11,278
Dividend	(100,000)	(100,000)
Reduction in shareholder's funds	(27,961)	(88,722)
Opening shareholder's funds	<u>2,942,474</u>	<u>3,031,196</u>
Closing shareholder's funds	<u>£2,914,513</u>	<u>£2,942,474</u>

13. Pension costs

The company operates a number of defined contribution schemes. The assets are held separately from those of the company in both independently and self administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £172,734 (2001 - £329,309). No amounts were payable at the year end.

14. Parent company

The company is a wholly owned subsidiary of Cameron Motors (Scotland) Limited, a company registered in Scotland.