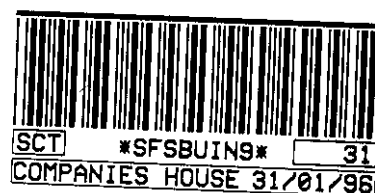


John Clark (Tayside) Limited

Directors' report and financial statements

31 March 1995

Registered number 89721



John Clark (Tayside) Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes	6 - 11

John Clark (Tayside) Limited

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 1995.

Principal activities

The company's business is that of motor vehicle dealers and garage proprietors.

Financial

The profit for the year is set out in the attached profit and loss account.

Trading resulted in a profit before taxation of £71,681 compared with a loss of £7,647 in the previous year. The directors recommend that no dividend be paid and the profit for the year of £45,243 be set against reserves.

Significant changes in fixed assets

Information relating to changes in fixed assets is given in Note 8 to the financial statements.

Market value of land and buildings

The directors are of the opinion that the open market value of the company's interest in long leasehold property is in excess of the book value but are unable to quantify the excess.

Directors and directors' interests

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

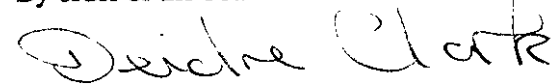
JHS Clark
DVA Clark

Neither of the directors at 31 March 1995 had any interests in the share capital of the company as recorded in the register of directors' interests. The interests of the directors in the share capital of the parent company, John Clark (Holdings) Limited, are set out in the directors' report of that company.

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



DVA Clark
Secretary

The Autoplex
Abbotswell Road
Aberdeen

26 January 1996

John Clark (Tayside) Limited

Statement of 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 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



37 Albyn Place
Aberdeen AB9 1JE

Report of the auditors to the members of John Clark (Tayside) Limited

We have audited the financial statements on pages 4 to 11.

Respective responsibilities of directors and auditors

As described on page 2, 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 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 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

30 January 1996

*Chartered Accountants
Registered Auditors*



John Clark (Tayside) Limited

Profit and loss account for the year ended 31 March 1995

	<i>Note</i>	1995 £	1994 £
Turnover	2	7,935,098	6,916,642
Cost of sales		(7,254,077)	(6,334,391)
Gross profit		681,021	582,251
Administrative expenses		(510,868)	(489,273)
Trading profit		170,153	92,978
Interest payable	6	(98,472)	(100,625)
Profit (loss) on ordinary activities before taxation	3-5	71,681	(7,647)
Tax on profit (loss) on ordinary activities	7	(26,438)	2,155
Profit (loss) for the financial year		45,243	(5,492)

A statement of movement on reserves is given in note 15.

Turnover and profit on ordinary activities before interest arises wholly from continuing operations.

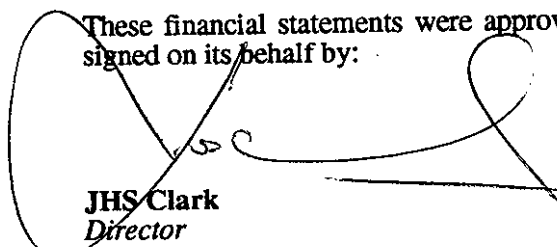
There are no recognised gains or losses other than the profit for the financial year.

John Clark (Tayside) Limited

Balance sheet at 31 March 1995

	Note	£	1995	£	£	1994	£
Fixed assets							
Tangible assets	8		646,999			616,337	
Current assets							
Stocks	9	1,005,803			653,676		
Debtors	10	572,429			399,467		
Cash at bank and in hand		307			314		
		<u>1,578,539</u>			<u>1,053,457</u>		
Creditors: amounts falling due within one year	11	<u>(1,904,740)</u>			<u>(1,351,470)</u>		
Net current liabilities			<u>(326,201)</u>			<u>(298,013)</u>	
Total assets less current liabilities			<u>320,798</u>			<u>318,324</u>	
Creditors: amounts falling due after more than one year	11		<u>(236,178)</u>			<u>(278,858)</u>	
Provisions for liabilities and charges	12		<u>(17,074)</u>			<u>(15,823)</u>	
Accruals and deferred income	13		<u>(4,188)</u>			<u>(5,528)</u>	
			<u>63,358</u>			<u>18,115</u>	
Capital and reserves							
Called up share capital	14		200,000			200,000	
Profit and loss account	15		(136,642)			(181,885)	
Equity shareholders' funds	16		<u>63,358</u>			<u>18,115</u>	

These financial statements were approved by the board of directors on 26 January 1996 and were signed on its behalf by:


JHS Clark
Director

John Clark (Tayside) Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules.

Under Financial Reporting Standard 1, the company is exempt from the requirements to prepare a cash flow statement as it is a wholly-owned subsidiary undertaking of a parent undertaking which has produced a group cash flow statement in accordance with the provisions of the standard.

Fixed assets and depreciation

Depreciation is provided on all tangible fixed assets, with the exception of long leasehold property, at rates calculated to write off their cost over their expected useful economic lives as follows:

Plant and fittings	-	over 5 years
Motor vehicles	-	over 4 years

No depreciation is provided on long leasehold property. It is the company's practice to maintain the property in a continual state of sound repair and to extend and make improvements thereto from time to time and accordingly the directors consider that the life of the property is so long and the residual value, based on prices prevailing at the time of acquisition or subsequent revaluation, is so high that depreciation is insignificant. Any permanent diminution in the value of the property is charged to the profit and loss account as appropriate.

Stocks

Stocks are valued at the lower of cost and estimated net realisable value.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent that it is probable that an actual liability will crystallise.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

John Clark (Tayside) Limited

Notes (continued)

1 Accounting policies (continued)

Pension costs

Pension costs are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company.

2 Turnover

Turnover, which is attributable to one activity, represents the amounts (excluding value added tax, car tax and licence duties) derived from the provision of goods and services to customers during the year.

3 Profit (loss) on ordinary activities before taxation

	1995 £	1994 £
<i>Profit (loss) on ordinary activities before taxation is stated after charging</i>		
Depreciation of tangible fixed assets	59,426	70,327
Auditors' remuneration	7,200	7,200

4 Staff costs

	1995 £	1994 £
Employee costs (including directors):		
Wages and salaries	460,679	481,585
Social security costs	45,451	38,136
Other pension costs	17,316	16,921
	523,446	536,642

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	1995	1994
Management	4	4
Administration	4	4
Sales	3	5
Other	19	15
	30	28

John Clark (Tayside) Limited

Notes (continued)

5 Directors' remuneration

No director received any emoluments from this company during the year (1994: £Nil).

6 Interest payable

	1995 £	1994 £
--	-----------	-----------

On bank loans, overdrafts and other loans wholly repayable within five years	98,472	100,625
--	--------	---------

7 Tax on profit (loss) on ordinary activities

	1995 £	1994 £
--	-----------	-----------

Corporation tax (including group relief)	23,777	(12,350)
Deferred tax	1,911	10,195
Prior year adjustments	750	-
	26,438	(2,155)

8 Tangible fixed assets

	Long leasehold property £	Plant and fittings £	Motor vehicles £	Total £
Cost				
At beginning of year	469,814	302,833	96,312	868,959
Additions	12,830	28,963	109,937	151,730
Disposals	-	-	(90,243)	(90,243)
At end of year	482,644	331,796	116,006	930,446
Depreciation				
At beginning of year	22,696	208,783	21,143	252,622
Charge for year	-	30,615	28,811	59,426
Disposals	-	-	(28,601)	(28,601)
At end of year	22,696	239,398	21,353	283,447
Net book value				
At 31 March 1995	459,948	92,398	94,653	646,999
At 31 March 1994	447,118	94,050	75,169	616,337

John Clark (Tayside) Limited

Notes (continued)

9	Stocks	1995 £	1994 £
	Miscellaneous	14,799	9,146
	Goods for resale	991,004	644,530
		<u>1,005,803</u>	<u>653,676</u>

In addition to the above the company holds consignment stock totalling £583,011 (1994: £131,726). Title to such stock is normally transferred after 90-180 days if items are not sold, transferred or adopted in the intervening period.

10	Debtors	1995 £	1994 £
	Trade debtors	429,303	265,076
	Amounts owed by group undertakings	20,435	15,505
	Other debtors	81,984	53,652
	Corporation tax recoverable	5,500	6,250
	Group relief	35,207	58,984
		<u>572,429</u>	<u>399,467</u>

11	Creditors	1995		1994	
		Due within one year £	Due after one year £	Due within one year £	Due after one year £
	Bank overdraft	599,631	-	492,536	-
	Bank loans	23,333	221,667	23,333	245,000
	Trade creditors	487,528	-	157,833	-
	Amounts owed to group undertakings	170,423	-	132,066	-
	Other taxes and social security	73,389	-	34,809	-
	Hire purchase creditor	282,336	14,511	229,983	33,858
	Stocking loan	150,000	-	150,000	-
	Other creditors	118,100	-	130,910	-
		<u>1,904,740</u>	<u>236,178</u>	<u>1,351,470</u>	<u>278,858</u>
	Repayable within five years		107,843		127,191
	Repayable after five years		128,335		151,667
			<u>236,178</u>		<u>278,858</u>

John Clark (Tayside) Limited

Notes (continued)

11 Creditors (continued)

A bank loan of £350,000 was obtained during the year to 31 March 1991 and is repayable by way of sixty quarterly instalments of £5,833. Interest is payable at 1¹/₂% above bank base rate. The bank holds a standard security over the company's property together with a bond and floating charge over the company's assets.

The stocking loan is secured by guarantees issued by certain other group undertakings. Interest on this facility is charged at Finance House Base Rate.

12 Provisions for liabilities and charges

	Accelerated capital allowances £
<i>Deferred tax</i>	
At beginning of year	15,823
Profit and loss account	1,251
At end of year	17,074

13 Accruals and deferred income

	1995 £	1994 £
Deferred income (net of deferred tax @ 33%)	4,188	5,528

On 1 April 1992 the company received financial assistance of £14,250 which was transferred from its parent undertaking, such amount being credited to profit by equal monthly instalments over the period of five years. During 1995 the parent undertaking secured a further grant and the remaining balance is to be credited to profit over five years. The unexpired balance is repayable only if the group fails to carry out its obligations under its oil supply agreement

14 Share capital

	1995 £	1994 £
<i>Authorised, allotted, called up and fully paid</i>		
Ordinary shares of £1 each	200,000	200,000

15 Profit and loss account

	£
At beginning of year	(181,885)
Retained profit for the year	45,243
At end of year	(136,642)

John Clark (Tayside) Limited

Notes (continued)

16 Statement of movements in shareholders' funds

	1995 £	1994 £
Profit (loss) for the financial year	45,243	(5,492)
Shareholders' funds at beginning of year	18,115	23,607
Shareholders' funds at end of year	63,358	18,115

17 Commitments

- (i) Capital commitments at the end of the financial year, for which no provision has been made:

	1995 £	1994 £
Contracted	10,000	-

- (ii) At the end of the financial year the company had no annual commitments under non-cancellable operating leases.

18 Pension scheme

The company subscribes to a defined contribution pension scheme operated by the group. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £17,316 (1994: £16,921).

19 Contingent liabilities

The company has issued cross guarantees with certain other group companies in connection with bank facilities and stocking loan facilities received by the group. The total of balances covered by the cross guarantees at 31 March 1995 was £2,551,000 and £570,000 respectively.

20 Parent company

The ultimate parent company is John Clark (Holdings) Limited, a company incorporated in Great Britain and registered in Scotland.

The largest group in which the results of the company are consolidated is that headed by John Clark (Holdings) Limited. The consolidated accounts of John Clark (Holdings) Limited are available to the public and may be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB.

No other group accounts include the results of the company.