



John Clark (Tayside) Limited

**Directors' report and financial
statements**

Registered number 89721

31 March 2000



Contents

Directors' report	1
Statement of directors' responsibilities	2
Report of the auditors to the members of John Clark (Tayside) Limited	3
Profit and loss account	4
Balance sheet	5
Statement of reconciliation of movements in shareholders' funds	6
Notes	7

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 2000.

Principal activities

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

Financial

The profit for the year after taxation, as set out in the attached profit and loss account, amounted to £116,299. After payment of dividends of £50,000 the profit for the year is £66,299.

Market value of land and buildings

The directors are of the opinion that the open market value of the company's interest in land and buildings 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
M Wilcock

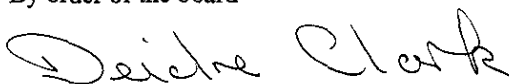
The interests of JHS Clark and DVA Clark are disclosed in the directors' report of the parent company.

M Wilcock had no interest in the share capital of the company or other group companies at 31 March 2000 or at 31 March 1999 as recorded in the register of directors' interests.

Auditors

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

20 October 2000

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
AB10 1JB
United Kingdom

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

We have audited the financial statements on pages 4 to 13.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

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 2000 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG.

KPMG
Chartered Accountants
Registered Auditors

20 October 2000

Profit and loss account
for the year ended 31 March 1999

	<i>Note</i>	2000 £	1999 Restated £
Turnover	2	11,498,357	11,822,988
Cost of sales		(10,436,691)	(10,729,011)
Gross profit		1,061,666	1,093,977
Administrative expenses		(816,478)	(777,728)
Operating profit		245,188	316,249
Interest payable	6	(70,150)	(87,446)
Profit on ordinary activities before taxation	3-5	175,038	228,803
Tax on profit on ordinary activities	7	(58,739)	(81,903)
Profit for the financial year		116,299	146,900
Dividends on equity shares	8	(50,000)	(50,000)
Retained profit for the year	16	66,299	96,900

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

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

Balance sheet

at 31 March 2000

	Note	2000	1999
		£	£
Fixed assets			
Tangible assets	9	709,376	687,752
Current assets			
Stocks	10	1,300,445	1,359,340
Debtors	11	725,304	606,302
Cash at bank and in hand		1,701	457
		<u>2,027,450</u>	<u>1,966,099</u>
Creditors: amounts falling due within one year	12	<u>(2,186,293)</u>	<u>(2,142,320)</u>
Net current liabilities		<u>(158,843)</u>	<u>(176,221)</u>
Total assets less current liabilities		<u>550,533</u>	<u>511,531</u>
Creditors: amounts falling due after more than one year	12	<u>(132,082)</u>	<u>(168,823)</u>
Provisions for liabilities and charges	13	<u>(19,602)</u>	<u>(17,858)</u>
Accruals and deferred income	14	<u>(33,600)</u>	<u>(25,900)</u>
Net assets		<u>365,249</u>	<u>298,950</u>
Capital and reserves			
Called up share capital	15	200,000	200,000
Profit and loss account	16	165,249	98,950
Equity shareholders' funds		<u>365,249</u>	<u>298,950</u>

These financial statements were approved by the board of directors on 20 October 2000 and were signed on its behalf by:

JHS Clark
Director

Statement of reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	116,299	146,900
Dividends	(50,000)	(50,000)
Net addition to shareholders funds	66,299	96,900
Shareholders' funds at beginning of year	298,950	202,050
Shareholders' funds at end of year	<u>365,249</u>	<u>298,950</u>

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 requirement 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.

As the company is a wholly owned subsidiary of John Clark (Holdings) Limited, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of John Clark (Holdings) Limited, within which this company is included, can be obtained from Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB.

Comparatives restatement

The comparative figures in the consolidated profit and loss account have been restated following a revision of the cost groupings used by management. This has resulted in a reallocation of £607,310 between cost of sales and administrative expenses. No other comparative figures have been restated. This change in allocation has had no impact on operating profit previously reported.

Fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost less estimated residual value over their expected useful economic lives as follows:

Freehold property	-	30 years
Plant and fittings	-	between 3 to 5 years
Motor vehicles	-	over 4 years
Leasehold improvements	-	over remaining lease period

No depreciation is provided on land.

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

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes (continued)

1 Accounting policies (continued)

Pension costs

The company operates a defined contribution pension plan for certain employees and also contributes to personal pension plans of employees. The assets of the plans are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the plans in respect of the accounting period.

2 Turnover

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

3 Profit on ordinary activities before taxation

	2000 £	1999 £
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation of tangible fixed assets	74,899	74,264
Auditors' remuneration	8,000	8,000
	<u>82,899</u>	<u>82,264</u>

4 Staff costs

	2000 £	1999 £
Employee costs (including directors):		
Wages and salaries	717,895	636,850
Social security costs	66,602	59,876
Other pension costs (see note 18)	24,663	20,532
	<u>809,160</u>	<u>717,258</u>

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

	2000	1999
Management	3	2
Administration	5	5
Sales	5	5
Other	28	28
	<u>41</u>	<u>40</u>

Notes (continued)

5 Directors' remuneration

The aggregate emoluments of the directors who are also directors of the holding company are disclosed in the financial statements of that company. The other director's emoluments were:

	2000 £	1999 £
Director's emoluments	66,168	34,522
Company contributions to money purchase plans	2,400	1,312

Retirement benefits are accruing to one director (1999: one) under a money purchase plan.

6 Interest payable

	2000 £	1999 £
On bank loans	15,237	26,461
On all other loans	31,988	40,381
Finance charges in respect of finance leases and hire purchase contracts	22,925	20,604
	70,150	87,446

7 Tax on profit on ordinary activities

	2000 £	1999 £
Corporation tax at 20% (1999: 21%)	8,571	9,000
Group relief	48,697	63,771
Deferred tax	1,744	1,186
Prior year adjustments	(273)	7,946
	58,739	81,903

8 Dividends

	2000 £	1999 £
Dividends	50,000	50,000