

COSALT CARAVANS LIMITED

FINANCIAL STATEMENTS

for the fifty-two weeks ended
28th August, 1994



KIDSONS IMPEY
Chartered Accountants
HULL

COSALT CARAVANS LIMITEDDirectors

F. W. Wood
A. B. Clark

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the fifty-two weeks ended 28th August, 1994 ("the year").

BUSINESS REVIEW

The company has not traded during the year. The only movement on the profit and loss account as shown on page 4 is in respect of accruals released.

DIRECTORS

The membership of the Board is shown above. Mr. F. W. Wood served on the Board for the whole of the financial year. Mr. A. B. Clark has served on the Board since his appointment on 17th June, 1994. In addition, Messrs. R. C. F. Lloyd and M. J. Isaac served on the Board during the year until their resignations on 20th June, 1994.


DIRECTORS' SHAREHOLDINGS

Neither of the directors has any beneficial interest in the share capital of the company. The interest of Mr. F. W. Wood in the share capital of Cosalt plc, the ultimate parent company, is disclosed by that company. Mr. A. B. Clark had a beneficial interest in 338 ordinary shares of Cosalt plc at 28th August, 1994 (1993 - 225).

AUDITORS

The auditors, Messrs. Kidsons Impey, Chartered Accountants, have intimated their willingness to continue in office.

By Order of the Board



A. B. Clark

Secretary

Fish Dock Road,
Grimsby.

21st November, 1994.

COSALT CARAVANS LIMITEDSTATEMENT 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 at the end of the year, 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 assume 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 of fraud and other irregularities.

COSALT CARAVANS LIMITEDREPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 4 to 10 which have been prepared under the accounting policies set out on page 6.

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 financial 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 at 28th August, 1994 and of its profit for the fifty-two weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

Kidsons Impey
Kidsons Impey

Registered Auditors
Chartered Accountants

Hull: 21st November, 1994.

COSALT CARAVANS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE FIFTY-TWO WEEKS ENDED 28TH AUGUST, 1994

	<u>Note</u>	<u>52 weeks ended 28th August, 1994</u>	<u>52 weeks ended 29th August, 1993</u>
		<u>£</u>	<u>£</u>
TURNOVER	2	-	2,926,543
OPERATING LOSS	3	-	(732,903)
RELEASE OF ACCRUALS NO LONGER REQUIRED		66,189	-
INTEREST PAYABLE AND SIMILAR CHARGES	4	-	(1,087)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		66,189	(733,990)
TAXATION CHARGE	6	-	99,467
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	10	66,189	(833,457)

All operations are classed as being discontinued.

The company has no recognised gains or losses other than the profits/(losses) for the years disclosed above; accordingly, a statement of recognised gains and losses has not been included in these financial statements.

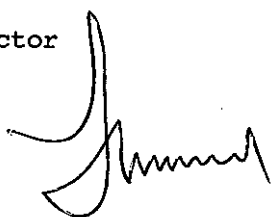
The notes on pages 6 to 10 form part of these financial statements.

COSALT CARAVANS LIMITEDBALANCE SHEET - 28TH AUGUST, 1994

	<u>Note</u>	<u>28th August,</u> <u>1994</u> £	<u>29th August,</u> <u>1993</u> £
CURRENT ASSETS			
Debtors	7	659,203	1,041,935
CREDITORS			
Amounts falling due within one year	8	(3,848,544)	(4,297,465)
NET LIABILITIES		<u>(3,189,341)</u>	<u>(3,255,530)</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,900	1,900
Share premium account	10	1,159	1,159
Profit and loss account	10	(3,192,400)	(3,258,589)
EQUITY SHAREHOLDERS' FUNDS - (ADVERSE)		<u>(3,189,341)</u>	<u>(3,255,530)</u>

Approved by the Board on 21st November, 1994.

F. W. Wood - Director



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

COSALT CARAVANS LIMITEDNOTES ON FINANCIAL STATEMENTS - 28TH AUGUST, 1994

1. ACCOUNTING POLICIES

(a) Basis of accounting

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

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds it is a wholly owned subsidiary undertaking of a parent undertaking which publishes a consolidated cash flow statement.

(b) Leased assets

Assets which are financed by leasing agreements transferring substantially all the risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to profit and loss account. All other payments under lease agreements are charged in full to profit and loss account.

2. TURNOVER

Turnover represents the goods and services, excluding value added tax, invoiced to customers arising from the principal activity of the manufacture and sale of caravans. The geographical analysis of turnover for 1993 was:

	£
United Kingdom	2,925,384
Overseas	<u>1,159</u>
	<u>2,926,543</u>

All turnover for 1993 originated in the United Kingdom.

3. OPERATING LOSS

Operating loss for 1993 was arrived at after charging:

	£
Movement in stocks of finished goods and work in progress	1,470,048
Raw materials and consumables	1,411,064
Auditors' remuneration	2,000
Operating lease charges - plant	13,322
Other external charges	420,506
Staff costs (note 5)	<u>342,506</u>
	<u>3,659,446</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges for 1993 was:

	£
Interest on finance leases	<u>1,087</u>

COSALT CARAVANS LIMITEDNOTES ON FINANCIAL STATEMENTS - 28TH AUGUST, 1994(CONTINUED)

5. DIRECTORS AND EMPLOYEES

£

Staff costs for 1993 were:

Wages and salaries	235,409
Social security costs	28,930
Other pension costs	18,977
Redundancy and compensation	<u>59,190</u>
	<u>342,506</u>

Directors emoluments for 1993 were:

£

Remuneration for management	<u>34,582</u>
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Compensation for loss of office

59,190

Emoluments of the directors (excluding pension contributions) for 1993 were:

£

Chairman

Nil

Highest paid director

42,649

Other directors:

Number

Under £5,000

3

£5,001 - £10,000

1

£35,001 - £40,000

1

The average number of employees of the company during 1993 was:

Management and administration

3

Production and sales staff

2629

COSALT CARAVANS LIMITEDNOTES ON FINANCIAL STATEMENTS - 28TH AUGUST, 1994(CONTINUED)

6. TAXATION		£
The taxation charge for 1993 based on the loss on ordinary activities was:		
Group taxation relief recoverable at 33%		(150,000)
Transfer from deferred taxation		<u>(17,010)</u>
		(167,010)
Adjustments in respect of prior years:		
Corporation tax		<u>266,477</u>
		99,467
		<hr/>
7. DEBTORS	<u>1994</u>	<u>1993</u>
	£	£
Amounts falling due within one year:		
Trade debtors	7,052	41,254
Amounts due from fellow subsidiary undertakings	496,373	457,493
Group taxation relief recoverable	149,979	532,144
Other taxation recoverable	<u>5,799</u>	<u>11,044</u>
	659,203	1,041,935
	<hr/>	<hr/>
8. CREDITORS	<u>1994</u>	<u>1993</u>
	£	£
Amounts falling due within one year:		
Bank overdraft	213,735	1,484,560
Trade creditors	8,416	17,115
Amount owed to ultimate parent company	2,612,655	2,503,404
Amounts owed to fellow subsidiary undertakings	927,585	138
Accruals	75,713	278,678
Obligations under finance leases (note 11)	<u>10,440</u>	<u>13,570</u>
	3,848,544	4,297,465
	<hr/>	<hr/>
9. CALLED UP SHARE CAPITAL	<u>1994</u>	<u>1993</u>
	£	£
Authorised, issued and fully paid:		
1,900 Ordinary shares of £1 each	1,900	1,900
	<hr/>	<hr/>

COSALT CARAVANS LIMITEDNOTES ON FINANCIAL STATEMENTS - 28TH AUGUST, 1994(CONTINUED)

10. RESERVES

(a) Reconciliation of movements in equity shareholders' funds

	<u>1994</u> £	<u>1993</u> £
Profit/(loss) for the financial year and net increase/(reduction) in equity shareholders' funds	66,189	(833,457)
Opening equity shareholders' funds - adverse	(3,255,530)	(2,422,073)
Closing equity shareholders' funds - adverse	(3,189,341)	(3,255,530)

(b) Reserves

	<u>Share Premium account</u> £	<u>Profit and loss account</u> £	<u>Total</u> £
Balance 30th August, 1993	1,159	(3,258,589)	(3,257,430)
Profit for the year	-	66,189	66,189
Balance 28th August, 1994	1,159	(3,192,400)	(3,191,241)

11. LEASING OBLIGATIONS

(a) Future commitments due under finance leases are:

	<u>1994</u> £	<u>1993</u> £
Within one year	12,008	16,512
Less: future finance charges	<u>1,568</u>	<u>2,942</u>
	10,440	13,570
Shown in creditors (note 8) as:	£	£
Amounts falling due within one year	<u>10,440</u>	<u>13,570</u>

COSALT CARAVANS LIMITEDNOTES ON FINANCIAL STATEMENTS - 28TH AUGUST, 1994(CONTINUED)

11. LEASING OBLIGATIONS (continued)

(b) Annual commitments due under non-cancellable operating leases are:

	<u>1994</u>	<u>1993</u>
	£	£
Plant leases which expire:		
Between two and five years	5,383	9,976
	<u> </u>	<u> </u>

12. ULTIMATE PARENT COMPANY

The ultimate parent company is Cosalt plc, which is incorporated in England.