

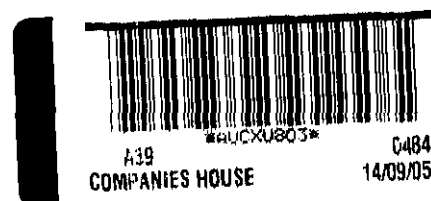
**WINFORD ROAD GARAGES LIMITED**

**(COMPANY NUMBER 902521)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

**Burton Sweet  
Chartered Accountants  
& Registered Auditors  
Thornton House  
Richmond Hill  
Clifton  
Bristol BS8 1AT**



**WINFORD ROAD GARAGES LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

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**WINFORD ROAD GARAGES LIMITED**

**OFFICERS & PROFESSIONAL ADVISERS**

Directors	G P M Taylor G M T Jeffreys D R Filer A J Hill
Secretary	G P M Taylor
Registered Office	Littleton Mills Winford Bristol BS40 8HJ
Bankers	National Westminster Bank Plc 32 Corn Street Bristol BS99 7UG
Auditors	Burton Sweet Chartered Accountants & Registered Auditors Thornton House Richmond Hill Clifton Bristol BS8 1AT

## **WINFORD ROAD GARAGES LIMITED**

### **REPORT OF THE DIRECTORS**

The Directors submit their report and the financial statements of the company for the year ended 30<sup>th</sup> June 2005.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the Company continued to be in the motor industry including the sale, hire and repair of motor vehicles and the sale of fuel and oil.

#### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	<b>Class of Share</b>	<b>at 30<sup>th</sup> June 2005</b>	<b>at 1<sup>st</sup> July 2004</b>
G P M Taylor	Ordinary	-	-
G M T Jeffreys	"	-	-
D R Filer	"	-	-
A J Hill	"	-	-

#### **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 for the year ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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 Burton Sweet as auditors for the ensuring year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**WINFORD ROAD GARAGES LIMITED**

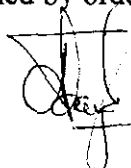
**REPORT OF THE DIRECTORS**

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Littleton Mills  
Winford  
Bristol BS40 8HJ

Signed by order of the directors



**Secretary**

Date: 25/08/05

**WINFORD ROAD GARAGES LIMITED**  
**INDEPENDENT AUDITORS' REPORT**  
**YEAR ENDED 30<sup>TH</sup> JUNE 2005**

We have audited the financial statements on pages 5 to 13 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002); under the historical cost convention and the accounting policies set out on pages 7 to 8.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom 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 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.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**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 30<sup>th</sup> June 2005 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Thornton House  
Richmond Hill  
Clifton  
Bristol BS8 1AT



**BURTON SWEET**  
Chartered Accountants  
& Registered Auditors

Date: 25 August 2005

**WINFORD ROAD GARAGES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

	<u>Notes</u>	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
<u>TURNOVER</u>	(1)	10,001,150	8,334,441
<u>COST OF SALES</u>		9,565,879	7,823,664
		<hr/>	<hr/>
<u>GROSS PROFIT</u>		435,271	510,777
Administrative Expenses		(346,520)	(290,188)
Other Operating Income		2,578	2,562
		<hr/>	<hr/>
<u>OPERATING PROFIT</u>		91,329	223,151
Interest Payable		(3,592)	(2,553)
		<hr/>	<hr/>
<u>PROFIT ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION</u>	(2)	87,737	220,598
Tax on Profit on ordinary Activities	(4)	(6,213)	(60,013)
		<hr/>	<hr/>
<u>RETAINED PROFITS FOR THE FINANCIAL</u>			
<u>YEAR</u>		81,524	160,585
<u>BALANCE BROUGHT FORWARD</u>		373,924	213,339
<u>BALANCE CARRIED FORWARD</u>		<hr/> £ 455,448 <hr/>	<hr/> £ 373,924 <hr/>

The notes on pages 7 to 13 form part of these financial statements.

**WINFORD ROAD GARAGES LIMITED**

**BALANCE SHEET**  
**AS AT 30<sup>TH</sup> JUNE 2005**

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
<b><u>FIXED ASSETS</u></b>			
Tangible Assets	(5)	346,907	194,651
<b><u>CURRENT ASSETS</u></b>			
Stocks		473,379	399,108
Debtors	(6)	327,859	196,112
Cash at Bank & In Hand		131,961	116,139
		<u>933,199</u>	<u>711,359</u>
<b><u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u></b>	(7)	790,484	471,547
		<u>                    </u>	<u>                    </u>
<b><u>NET CURRENT ASSETS/(LIABILITIES)</u></b>		142,715	239,812
		<u>                    </u>	<u>                    </u>
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>		489,622	434,463
<b><u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u></b>	(8)	-	(16,500)
<b><u>PROVISIONS FOR LIABILITIES &amp; CHARGES</u></b>			
Deferred Tax	(9)	(12,174)	(22,039)
		<u>£477,448</u>	<u>£395,924</u>
<b><u>CAPITAL &amp; RESERVES</u></b>			
Called Up Share Capital	(12)	22,000	22,000
Profit and Loss Account		455,448	373,924
		<u>£477,448</u>	<u>£395,924</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the financial Reporting standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 25/08/2005 and are signed on their behalf by:

  
**G P M Taylor**  
**Director**

# WINFORD ROAD GARAGES LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005

#### 1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

b) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year exclusive of value added tax.

c) Depreciation

Depreciation is provided on all tangible fixed assets, other than hire vehicles which will not be held for more than twelve months, at rates calculated to write off the net cost, less estimated residual value, of each asset evenly over its estimated useful life, as follows:-

Plant and Machinery	- Over 10 years
Fixtures, fittings and Office Equipment	- Over 5 to 10 years
Motor Vehicles	- Over 4 years

d) Stocks

Stocks are stated at the lower of cost and net realizable value as follows:-

Motor Vehicles	- Purchase cost
Parts	- Purchase cost on a first-in first-out basis
Petrol	- Purchase cost on a first-in first-out basis

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

e) Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

f) Hire purchase agreements

Assets held under hire purchase agreements are capitalized and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

g) Operating lease agreements

Rentals applicable to operating leases where substantial all of the benefits and risk of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# WINFORD ROAD GARAGES LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005

#### h) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- \* provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- \* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint venture only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- \* deferred tax assets are recognized only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### i) Pensions

The company operates a stakeholder's pension scheme covering the Directors and some employees. The pension cost represents the contributions payable to the scheme in respect of the accounting period.

## 2. OPERATING PROFIT

Operating profit is stated after charging:

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Depreciation	51,811	48,857
Auditors' fees	4,100	1,978
	<hr/>	<hr/>

**WINFORD ROAD GARAGES LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

3. **DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Aggregate emoluments	125,872	141,146
Value of company pension contributions to money purchase schemes	8,994	8,994
	<u>£ 134,866</u>	<u>£ 150,140</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	<u>2005</u>	<u>2004</u>
	<u>No</u>	<u>No</u>
Money purchase schemes	2	2

4. **TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Corporation tax based on the results For the year at 19% (2004 – 30%)	16,078	60,013
Deferred tax	(9,865)	-
	<u>£ 6,213</u>	<u>£60,013</u>

**Factors affecting current tax charge**

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Profit on Ordinary Activities before Taxation	£ 87,737	£ 220,598
Profit on Ordinary Activities by rate of tax	16,315	66,179
Tax effect of expenses not deductible	(237)	1,390
Marginal relief	-	(7,556)
Total current tax	<u>£ 16,078</u>	<u>£ 60,013</u>

**WINFORD ROAD GARAGES LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

5. TANGIBLE FIXED ASSETS

	<u>Fixtures Fittings &amp; Office Equipment</u>	<u>Plant &amp; Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>COST</u>				
At 1 <sup>st</sup> July 2004	138,709	215,559	107,867	462,135
Additions	3,064	145,658	118,913	267,635
Disposals	-	-	(86,673)	(86,673)
At 30 <sup>th</sup> June 2005	£ 141,773	361,217	140,107	643,097

<u>DEPRECIATION</u>				
At 1 <sup>st</sup> July 2004	107,983	140,160	19,341	267,484
Charge for the Year	9,076	23,070	19,895	52,041
Disposals	-	-	(23,335)	(23,335)
At 30 <sup>th</sup> June 2005	£ 117,059	163,230	15,901	296,190

<u>NET BOOK VALUE</u>				
At 30 <sup>th</sup> June 2005	£ 24,714	197,987	124,206	346,907

<u>NET BOOK VALUE</u>				
At 30 <sup>th</sup> June 2004	£ 30,726	75,399	88,526	194,651

Hire purchase agreements

Included within the net book value of £ nil is £ nil (2004 - £ nil) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £ nil (2004 - £ nil).

6. DEBTORS

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Trade Debtors	286,075	174,567
VAT	25,565	1,581
Prepayments and Accrued Income	16,219	19,964
	£327,859	£196,112

**WINFORD ROAD GARAGES LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

7. **CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2005</u>	<u>2004</u>
	£	£
Trade creditors	692,321	269,232
Other creditors comprise:		
Other creditors	28,477	27,316
Corporation Tax	16,078	60,013
	<hr/>	<hr/>
	44,555	87,329
Accruals and deferred income	53,608	114,986
	<hr/>	<hr/>
	£790,484	£471,547

8. **CREDITORS** – Amounts falling due after more than one year

	<u>2005</u>	<u>2004</u>
	£	£
Deferred loans	£ -	£16,500

9. **DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was:

	<u>2005</u>	<u>2004</u>
	£	£
Provision brought forward	22,039	22,039
Charge for the year	(9,865)	-
	<hr/>	<hr/>
Provision carried forward	£ 12,174	£ 22,039

The provision for deferred taxation costs of the tax effect of timing differences in respect of:

	<u>2005</u>	<u>2004</u>
	£	£
Excess of taxation allowances over depreciation on fixed assets	12,174	22,039
	<hr/>	<hr/>
	£ 12,174	£ 22,039

**WINFORD ROAD GARAGES LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

10. COMMITMENTS UNDER OPERATING LEASES

At 30<sup>th</sup> June 2005 the company had aggregate annual commitments under non-cancelable operating leases as set out below:

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
Operating leases which expire		
After more than 5 years	33,000	33,000
	<u>£33,000</u>	<u>£33,000</u>

11. RELATED PARTY TRANSACTIONS

The company was under the control of Mr J N Hazell and Mr G P M Taylor by virtue of their directorships and 90% shareholdings in the parent company, throughout the current and previous year.

Included within trade debtors are the following amounts owed by related parties:

	<u>2005</u>
	<u>£</u>
Winford Red Limited	£ 42,322

Included within trade creditors are the following amounts owed to related parties:

	<u>2005</u>
	<u>£</u>
Lectern Properties Limited	£ 7,443

The following transactions have taken place with the respective related parties:

	<u>2005</u>
	<u>£</u>
Rent paid:	
Winford Red Limited	£ 33,000

J N Hazell and G P M Taylor are directors and shareholders in Winford Red Limited. G M T Jeffreys is a director. All three are directors and shareholders in Lectern Properties Limited.

G M T Jeffreys received £7,200 in respect of accounting services.

**WINFORD ROAD GARAGES LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2005**

12. **SHARE CAPITAL**

**Authorised share capital:**

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
48,000 B Deferred shares of £1 each	48,000	48,000
20,000 Ordinary shares of £0.10p each	2,000	2,000
	<u>£50,000</u>	<u>£50,000</u>

**Allotted, called up and fully paid:**

	<u>2005</u>		<u>2004</u>	
	<u>No</u>	<u>£</u>	<u>No</u>	<u>£</u>
B Deferred shares	20,000	20,000	20,000	20,000
Ordinary shares	20,000	2,000	20,000	2,000
	<u>40,000</u>	<u>£22,000</u>	<u>40,000</u>	<u>£22,000</u>

13. **ULTIMATE HOLDING COMPANY**

The ultimate holding company is Premieredge Limited, a company incorporated in England.