

1102295

Marque 2 Limited

Report and Financial Statements

Year Ended

31 December 2001



BDO

BDO Stoy Hayward
Chartered Accountants

Marque 2 Limited

Annual report and financial statements for the year ended 31 December 2001

Contents

Page:

1	Report of the director
3	Report of the independent auditors
4	Profit and loss account
5	Balance sheet
6	Notes forming part of the financial statements

Director

M Bowie

Secretary and registered office

D Bowie, Accrington Road, Burnley BB11 5EX

Company number

1102295

Auditors

BDO Stoy Hayward, Commercial Buildings, 11-15 Cross Street, Manchester, M2 1WE

Marque 2 Limited

Report of the director for the year ended 31 December 2001

The director presents his report together with the audited financial statements for the year ended 31 December 2001.

Results

The profit and loss account is set out on page 4 and shows the result for the year.

The directors do not recommend the payment of a dividend.

Principal activities

The company's principal activity was that of garage proprietors.

The company ceased to actively trade during the year.

Director

The director of the company during the year was:

M Bowie

The director had no beneficial interest in the share capital of the company, his interest in V G Holdings Limited the ultimate parent undertaking is shown in that company's financial statements..

Director's responsibilities

Company law requires the director 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 year. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Marque 2 Limited

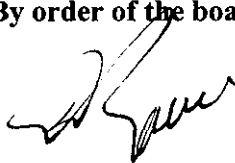
Report of the director for the year ended 31 December 2001 (*Continued*)

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

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

By order of the board

A handwritten signature in black ink, appearing to be 'D Bowie', written over the printed name.

D Bowie
Secretary

31 October 2002

Marque 2 Limited**Profit and loss account for the year ended 31 December 2001**

	Note	2001 £	2000 £
Turnover		-	676,137
Cost of sales		-	664,195
		<hr/>	<hr/>
Gross profit		-	11,942
Administrative expenses		-	28,397
		<hr/>	<hr/>
Operating loss	2	-	(16,455)
Interest payable and similar charges		-	(1,385)
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation for the financial year		-	(17,840)
Accumulated loss brought forward		(674,250)	(656,410)
		<hr/>	<hr/>
Accumulated loss carried forward		(674,250)	(674,250)
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the loss for the year.

The notes on pages 6 to 8 form part of these financial statements.

Marque 2 Limited

Report of the independent auditors

To the shareholders of Marque 2 Limited

We have audited the financial statements of Marque 2 Limited for the year ended 31 December 2001 on pages 4 to 8 which have been prepared under the accounting policies set out on pages 6.

Respective responsibilities of directors and auditors

The director's 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 Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with 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 Director's 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.


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 director 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 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Manchester

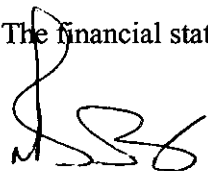
31 October 2002

Marque 2 Limited**Balance sheet at 31 December 2001**

	Note	2001 £	2000 £
Creditors: amounts falling due within one year	3	169,463	169,463
Total assets less current liabilities		(169,463)	(169,463)
Creditors: amounts falling due after more than one year	4	503,454	503,454
		(672,917)	(672,917)
Capital and reserves			
Called up share capital	5	1,333	1,333
Profit and loss account		(674,250)	(674,250)
Equity shareholders' funds		(672,917)	(672,917)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the director on 31 October 2002.



M Bowie
Director

The notes on pages 6 to 8 form part of these financial statements.

Notes forming part of the financial statements for the year ended 31 December 2001

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover represents sales to external customers at invoiced amounts less value added tax.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Fixtures & fittings - 10-50% straight line

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Contributions to defined contribution pension scheme are charged to the profit and loss account in the period in which they become payable.

The company has received a letter of support from the ultimate parent undertaking V G Holdings Limited, indicating that it will support the company for a period of at least 12 months from the date of approval of these accounts. The directors, therefore, consider it appropriate to continue to prepare these financial statements on a going concern basis.

Marque 2 Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (Continued)

2 Operating loss

	2001 £	2000 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	-	793
Audit services	-	1,000
	<hr/>	<hr/>

The audit fee has been borne by another group company.

3 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts (secured)	-	168,670
Trade creditors	542	542
Amounts owed to group undertakings	168,670	-
Other creditors	251	251
	<hr/>	<hr/>
	169,463	169,463
	<hr/>	<hr/>

4 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Amounts owed to group undertakings	503,454	503,454
	<hr/>	<hr/>

Marque 2 Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

5 Share capital

	2001	Authorised	Allotted, called up	
	2001	2000	and fully paid	
	£	£	2001	2000
			£	£
<i>Equity share capital</i>				
5,000 Ordinary shares of £1 each	5,000	5,000	1,000	1,000
5,000 'A' Ordinary shares of £1 each	5,000	5,000	333	333
	<u>10,000</u>	<u>10,000</u>	<u>1,333</u>	<u>1,333</u>

6 Contingent liabilities

The company has guaranteed bank borrowings of its subsidiaries. At the year end the liabilities covered by these guarantees totalled £904,465 (2000: £1,625,136).

7 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by V G Holdings Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

8 Ultimate parent company and parent undertaking of larger group

The largest group in which the results of the company are consolidated is that headed by the ultimate parent undertaking, V G Holdings Limited, incorporated in England. The consolidated accounts of this company are available to the public.

Mr M Bowie is the ultimate controlling party.