

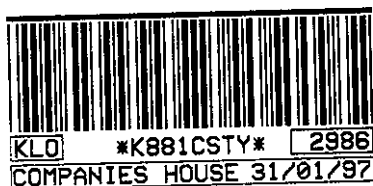
**PROMISEBROOK LIMITED**

**REPORT AND ACCOUNTS**

**Year Ended 31st March 1996**

**OPPENHEIMS**

**Chartered Accountants  
25-29 Queen Street  
Maidenhead  
Berks SL6 1NB**



RN 166884

DIRECTORS

D J Brown

SECRETARY

S A BROWN

REGISTERED OFFICE

6 Porter Street  
Baker Street  
LONDON W1M 1HZ

DIRECTORS REPORT

The Directors present their Report and the Audited Accounts of the Company for the year ended 31st March 1996.

PRINCIPAL ACTIVITIES

During the period under review the Company's principal activity continued to be that of contract vehicle leasing.

RESULTS AND STATE OF AFFAIRS

The trading results are set out on page 4 and the Balance Sheet on page 5. These should be read in conjunction with the notes of pages 6 to 9.

In the opinion of the Directors the Company's state of affairs at 31st March 1996 and its future prospects were satisfactory.

DIRECTORS

The Directors who served the Company throughout the year under review were as stated above.

DIRECTORS' REPORT (Continued)

---

## DIRECTORS INTEREST

The Directors interest in the Issued Share Capital of the Company at 31st March 1995 and 1996 were as follows:

	Ordinary Shares
D J Brown	99

## AUDITORS

In accordance with the provisions of Section 384 of the Companies Act, 1985, a resolution re-appointing Oppenheims will be proposed at the forthcoming Annual General Meeting.

LONDON - *30th January 1997*

*S BROWN*

SECRETARY

## PROMISEBROOK LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

## Respective Responsibilities of Directors and Auditors

As described on page 9 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 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 any 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

The financial statements have been prepared on a going concern basis. This basis may not be appropriate in view of the substantial debt due from the associated company which is insolvent. At 31st March 1996 £119,266 was due to the Company by its associate.

If the associated company ceased trading it is unlikely that the inter company debt would be repaid in full and the balance due would have to be written off. In such circumstances the Company would be insolvent and may be unable to continue trading.

Should the Company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities which might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Subject to the Company being able to continue trading, in our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31st March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25-29 Queen Street

Maidenhead  
Berks  
SL6 1NB

*38th Summary 1997*

  
CHARTERED ACCOUNTANTS  
Registered Auditors

## PROFIT AND LOSS ACCOUNT

For the year ended 31st March 1996

---

	Note	1996	1995
TURNOVER	1	155,059	143,429
Overhead and Administrative Expenses		<u>(104,151)</u>	<u>(138,742)</u>
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	2	50,908	4,687
Interest Payable	3	<u>45,535</u>	<u>35,264</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5,373	4,687
Taxation	4	<u>—</u>	<u>—</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT	5	£5,373 =====	£4,687 =====

There were no acquisitions or discontinued operations during the current or preceding year

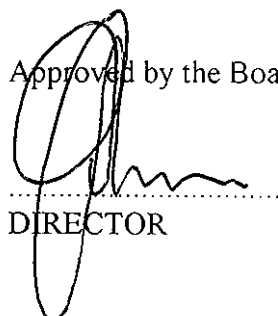
The notes on pages 6 to 9 form part of this account.

## BALANCE SHEET

As at 31st March 1996

	Note	1996	1995
TANGIBLE FIXED ASSETS	6	227,602	258,511
CURRENT ASSETS			
Due from associated Company	7	119,266	158,619
Sundry Debtors		<u>          </u>	<u>          </u>
		119,266	158,619
CREDITORS			
Amounts falling due within one year	8	<u>147,904</u>	<u>166,530</u>
NET CURRENT (LIABILITIES)		<u>(28,638)</u>	<u>(7,911)</u>
		198,964	250,600
CREDITORS			
Amounts falling due after more than one year			
Bank Loan		118,758	147,243
H P Liability		<u>21,924</u>	<u>50,449</u>
		<u>(140,682)</u>	<u>(197,692)</u>
		<u>£58,282</u>	<u>£52,908</u>
		=====	=====
SHARE CAPITAL			
Authorised, Issued and Fully Paid 100 Ordinary Shares of £1 each		100	100
PROFIT AND LOSS ACCOUNT		<u>58,182</u>	<u>52,809</u>
		<u>£58,282</u>	<u>£52,908</u>
		=====	=====

Approved by the Board of Directors on:



.....  
DIRECTOR

30th January 1997

## OTHER STATEMENTS

For the year ended 31st March 1996

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1996	1995
PROFIT FOR THE YEAR	5,373	4,687
Adjustments	—	—
TOTAL GAINS AND LOSSES RECOGNISED IN THE YEAR AND SINCE LAST ANNUAL REPORT	£5,373 =====	£5,373 =====

## RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	1996	1995
Profit for the year	5,373	4,687
Ordinary dividends	—	—
	5,373	4,687
Other recognised gains and losses in the year	—	—
Net increase in shareholders funds	5,373	4,687
Opening shareholders funds	<u>52,908</u>	<u>48,221</u>
CLOSING SHAREHOLDERS FUNDS	£58,282 =====	£52,908 =====

## NOTES TO THE ACCOUNTS

For the year ended 31st March 1996

## 1. ACCOUNTING POLICIES

## Accounting Convention

The accounts are prepared under the Historical Cost Convention.

## Turnover

Turnover is stated at sales to third parties net of VAT. All the Company's turnover is derived from its principal activity of contract vehicle hire carried out within the U.K.

## Depreciation

Depreciation is provided in these accounts at rates estimated to write off the cost of each asset over the term of its useful life.

## 2. OPERATING PROFIT

	1996	1995
	£	£
Operating Profit is stated after charging:		
Staff Costs	-	-
Auditors' Remuneration	1,500	1,750
Directors' Fees	-	-
Depreciation and loss on sale	34,915	51,136
	=====	=====

## 4. INTEREST PAYABLE

	1996	1995
On bank loans, overdrafts and H P Contracts		
- Repayable within five years by instalments	18,111	13,067
- Repayable within five years, not by instalments	<u>6,068</u>	<u>4,239</u>
	24,179	17,306
On all other loans	<u>21,356</u>	<u>17,958</u>
	£45,535	£35,264
	=====	=====



## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31st March 1996

## 4. TAXATION

Due to the availability of capital allowances and losses brought forward no provision for UK Corporation Tax has been made in these accounts.

5. MOVEMENT ON RESERVES	1996	1995
Balance at beginning of year	52,809	48,122
Profit for the year	<u>5,373</u>	<u>4,687</u>
BALANCE AT END OF YEAR	£58,182 =====	£52,809 =====

## 6. TANGIBLE FIXED ASSETS

## COST

	Leasehold Improvements	Equipment	Vehicles	Total
As at 1st April 1995	40,910	33,413	483,908	558,231
Additions	-	-	26,500	26,500
Disposals	<u>-</u>	<u>-</u>	<u>(37,485)</u>	<u>(37,485)</u>
As at 31st March 1996	<u>40,910</u>	<u>33,413</u>	<u>472,923</u>	<u>547,246</u>

## DEPRECIATION

As at 1st April 1995	12,271	19,079	268,370	299,720
Charge for the year	4,091	1,433	33,657	39,181
On disposals	<u>-</u>	<u>-</u>	<u>(19,257)</u>	<u>(19,257)</u>
As at 31st March 1996	<u>16,362</u>	<u>20,512</u>	<u>282,770</u>	<u>319,644</u>

## NET BOOK VALUE

As at 31st March 1996	<u>24,548</u>	<u>12,901</u>	<u>190,153</u>	£227,602 =====
As at 31st March 1995	<u>28,639</u>	<u>14,334</u>	<u>215,538</u>	£258,511 =====

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31st March 1996

## 7. DUE FROM ASSOCIATED COMPANY

The accounts of the associated company for the year ended 31<sup>st</sup> March 1996 were qualified in view of substantial accumulated losses and the reliance on continuing support from both Promisebrook Limited and its bankers to enable it to continue trading.

8. CREDITORS	1996	1995
Amounts falling due within one year		
Bank Overdraft	20,000	29,997
Bank Loan	46,004	46,004
Other loan	15,000	-
Sundry Creditors and Accruals	29,651	23,635
H P Liability	37,249	66,891
	£147,904	£166,530
	=====	=====

## 9. 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 of the Company for that period. In preparing those financial statements the Directors are required to:

- i) Select suitable accounting policies and then apply them consistently
- ii) Make judgements and estimates that are reasonable and prudent
- iii) 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

## TRADING AND PROFIT AND LOSS ACCOUNT

For the year ended 31st March 1996

---

	1996	1995
HIRE CHARGES	155,059	143,429
Deduct:		
Leased Equipment	21,500	6,220
HP Interest	18,111	13,067
Bank Charges and Interest	27,689	22,534
Rent, Rates and Insurance	39,563	34,447
Property Maintenance	4,485	8,804
Office	1,923	784
Directors' Fees	-	-
Audit and Accountancy	1,500	1,750
Legal and Professional	-	-
Depreciation	39,181	43,891
(Profit) Loss on Sale of Fixed Assets	<u>(4,266)</u>	<u>7,245</u>
	<u>149,686</u>	<u>138,742</u>
NET PROFIT	<u>£5,373</u> =====	<u>£4,687</u> =====