

1668811

PROMISEBROOK LIMITED

REPORT AND ACCOUNTS

Year Ended 31st March 1995

OPPENHEIMS

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



DIRECTORS' REPORT (Continued)

DIRECTORS INTEREST

The Directors interest in the Issued Share Capital of the Company at 31st March 1994 and 1995 were as follows:

D J Brown

Ordinary Shares

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 -



SECRETARY

PROMISEBROOK LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 8 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 1995 £158,619 was due to the Company by its associate.

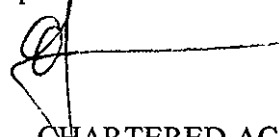
If the associated company ceased trading it is unlikely that the inter company debt would be repaid in full and the balance due would have to be written off. In such circumstances the Company would be insolvent and may be unable to continue trading.

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 1995 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
Berkshire
SL6 1NB

26th January 1996


CHARTERED ACCOUNTANTS
Registered Auditors

PROMISEBROOK LIMITED

4.

PROFIT AND LOSS ACCOUNT

Year ended 31st March 1995

	Note	1995	1994
TURNOVER	1/2	143,429	127,300
Overhead and Administrative Expenses		(138,742)	(125,365)
OPERATING PROFIT	3	4,687	1,935
TAXATION	5	—	—
PROFIT ON ORDINARY ACTIVITIES		4,687	1,935
Balance Brought Forward		<u>48,121</u>	<u>46,186</u>
BALANCE CARRIED FORWARD		<u>£52,808</u>	<u>£48,121</u>


The notes on pages 6 to 8 form part of this account.

BALANCE SHEET

As at 31st March 1995

	Note	1995	1994
TANGIBLE FIXED ASSETS	6	258,511	223,268
CURRENT ASSETS			
Due from associated Company	7	158,619	183,197
Sundry Debtors		<u> - </u>	<u> 2,702 </u>
		158,619	185,899
CREDITORS			
Amounts falling due within one year	8	<u>166,530</u>	<u>143,055</u>
NET CURRENT (LIABILITIES) ASSETS		(7,911)	<u>42,844</u>
		250,600	266,112
CREDITORS			
Amounts falling due after more than one year			
Bank Loan		147,243	175,289
H P Liability		<u>50,449</u>	<u>42,602</u>
		(197,692)	(217,891)
		<u>£52,908</u>	<u>£48,221</u>
SHARE CAPITAL			
Authorised, Issued and Fully Paid			
100 Ordinary Shares of £1 each		100	100
PROFIT AND LOSS ACCOUNT		<u>52,809</u>	<u>48,121</u>
		<u>£52,908</u>	<u>£48,221</u>

Approved by the Board of Directors on:



HB January 1996

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DIRECTOR

The notes on pages 6 to 8 form part of this Balance Sheet

NOTES TO THE ACCOUNTS

Year ended 31st March 1995

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.

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. TURNOVER

All the Company's turnover is derived from its principal activity of contract vehicle hire carried out within the U.K.

3. OPERATING PROFIT

	1995	1994
Operating Profit is stated after charging:	£	£
H P Interest	13,067	14,899
Bank Interest	22,197	28,215
Auditors' Remuneration	1,750	1,715
Directors' Fees	-	900
Depreciation and loss on sale	51,136	33,427
	=====	=====

4. INTEREST PAYABLE

	1995	1994
On bank loans, overdrafts and H P Contracts		
- Repayable within five years by instalments	13,067	14,899
- Repayable within five years, not by instalments	<u>4,239</u>	<u>6,582</u>
	17,306	21,481
On all other loans	<u>17,958</u>	<u>21,633</u>
	£35,264	£43,114
	=====	=====

NOTES TO THE ACCOUNTS

Year ended 31st March 1995

5. TAXATION

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

6. TANGIBLE FIXED ASSETS

COST

	Leasehold Improvements	Equipment	Vehicles	Total
As at 1st April 1994	40,910	33,413	428,234	502,557
Additions	-	-	94,498	94,498
Disposals	-	-	(38,824)	(38,824)
As at 31st March 1995	<u>40,910</u>	<u>33,413</u>	<u>483,908</u>	<u>558,231</u>

DEPRECIATION

As at 1st April 1994	8,181	17,486	253,622	279,289
Charge for the year	4,090	1,593	38,208	43,891
On disposals	-	-	(23,460)	(23,460)
As at 31st March 1995	<u>12,271</u>	<u>19,079</u>	<u>268,370</u>	<u>299,720</u>

NET BOOK VALUE

As at 31st March 1995	<u>28,639</u>	<u>14,334</u>	<u>215,538</u>	<u>£258,511</u>
As at 31st March 1994	<u>32,729</u>	<u>15,927</u>	<u>174,612</u>	<u>£223,268</u>

7. DUE FROM ASSOCIATED COMPANY

The accounts of the associated company for the year ended 31st March 1995 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.

NOTES TO THE ACCOUNTS (Continued)

Year ended 31st March 1995

8. CREDITORS

	1995	1994
Amounts falling due within one year		
Bank Overdraft	29,997	42,903
Bank Loan	46,004	46,004
Sundry Creditors and Accruals	23,635	17,110
H P Liability	<u>66,894</u>	<u>37,038</u>
	£166,530	£143,055
	=====	=====

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.