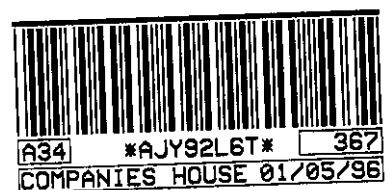


CAR PURCHASE (NORTHAMPTON) LIMITED

ANNUAL REPORT FOR THE YEAR ENDED  
31st MARCH, 1995

REGISTERED NUMBER:- 02074494

R.E. YIRRELL  
CERTIFIED ACCOUNTANT  
NORTHAMPTON



## Car Purchase (Northampton) Limited

1. The Directors present their report and audited financial statements for the year ended 31st March, 1995.

### Principal activities

2. The Company continues to carry on the trade of a retailer of secondhand motor vehicles.

### Review of business and future developments

3. The level of business had decreased during the year although the gross margins had slightly increased. Expenses had been held at an acceptable level and although compared with the previous year, there was a drop, it was felt that an acceptable net result had been achieved. It was hoped to increase the current level of business during the next financial year, although it was felt that profit margins would not show any improvement due to the fierce competition in the second hand car market.

### Dividends and reserves

4. The results for the period are set out in the profit and loss account on page 5. The Directors do not recommend the payment of a dividend in respect of the year ended 31st March, 1995 (1994 £NIL).

### Fixed Assets

5. The movement in fixed assets during the year are set out in note 7 to the accounts.

### Directors'

6. The Directors' of the Company at 31st March, 1995 all of whom have been Directors' for the whole of the year ended on that date, are summarised below:-

Mr John Davidson  
Mrs Alison Davidson

- 6(a) In accordance with the Articles of Association neither Mr John Davidson or Mrs Alison Davidson retire by rotation and are both permanent Directors' of the Company.

### Directors' Interests in shares of the Company

7. According to the register required to be kept under Section 325 of the Companies Act 1985 the Directors' at 31st March, 1995 and their interests in the share capital of the Company (all beneficially held) were as follows:-

	<u>At 31.3.95</u> <u>Ordinary Shares</u>	<u>At 31.3.94</u> <u>Ordinary Shares</u>
Mr John Davidson	1	1
Mrs Alison Davidson	1	1

Car Purchase (Northampton) Limited

REPORT OF THE DIRECTORS' CONTINUED  
FOR THE YEAR ENDED  
31st MARCH, 1995

Close Company Provisions

8. The Company is a close Company as defined by the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial year.

Auditors

9. A resolution to reappoint the Auditor, Mr R E Yirrell will be proposed at the Annual General Meeting, in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

*A. M. Davidson*

Mrs A Davidson  
Company Secretary

Car Purchase (Northampton) Limited

DIRECTORS' RESPONSIBILITIES

The Directors' are required by UK Company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss, total recognised gains and losses of the Company for that period.

The Directors' confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st March, 1995.

The Directors' also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Directors' are responsible for keeping proper accounting records, which disclose the 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 safe guarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD



Mrs A Davidson  
Company Secretary

Car Purchase (Northampton) LimitedAuditor's Report to the Share Holders of Car Purchase (Northampton) Limited

I have audited the financial statements on pages 5 to 9, which have been prepared under the historical cost convention.

Respective responsibilities of Directors' and Auditors

As described on page 3 the Company's Directors' are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on an audit, on those statements and to report my opinion to you.

Basis of Opinion

I conducted my 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 accounts 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material mistakes, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of the Company's affairs at 31st March, 1995 and of its profit and total recognised gains for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



R E Pittrell  
Certified Accountant and Registered Auditor  
Northampton  
12th April, 1996

Car Purchase (Northampton) Limited

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED  
31st MARCH, 1995

	<u>NOTES</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Turnover	1 - 2	296728	582273
Cost of Sales		<u>285743</u>	<u>563188</u>
Gross Profit		10985	19085
Net Operating Expenses	3	<u>9640</u>	<u>11039</u>
Operating Profit on ordinary activities before taxation		1345	8046
Tax on Profit on ordinary activities		<u>355</u>	<u>2012</u>
		990	6034
Exceptional Items:-			
Interest on Taxation		<u>17</u>	<u>-</u>
		973	6034
Profit on Ordinary activities after taxation and exceptional item for the year			
Accumulated Profits brought forward		<u>30937</u>	<u>24903</u>
Accumulated Profits carried forward		<u>£31910</u>	<u>£30937</u>

The Company has no recognised gains and losses for 1994 or 1995 other than those included in the profits above, and therefore, no separate statements of total recognised gains and losses have been presented.

The profit for the year is derived totally from continuing operations within the meaning of Financial Reporting Standard 3.

The notes on pages 7 to 9 form part of these financial statements.

Car Purchase (Northampton) Limited

BALANCE SHEET - 31st MARCH, 1995

	NOTES	1995		1994	
<u>Fixed Assets</u>		£	£	£	£
Tangible Assets	7		225		-
<u>CURRENT ASSETS</u>					
Stocks	9	22800		17200	
Cash at Bank		20721		18024	
Cash in Hand		-		8724	
Debtors		707		-	
		44228		43948	
<u>CREDITORS: amounts falling due within one year</u>	10	12541	31687	13009	30939
Total Assets less current Liabilities			£31912		£30939
<u>CAPITAL AND RESERVES</u>					
Called up share capital	11		2		2
Profit and Loss Account			31910		30937
Shareholder's Funds			£31912		£30939

The financial statements on pages 7 to 9 were approved by the board on 22.4.96 and were signed on its behalf by:-

J S DAVIDSON. .... )  
MRS A DAVIDSON. .... )

The notes on pages 7 to 9 form part of these financial statements.

## Car Purchase (Northampton) Limited

### Notes to the financial statements for the year ended 31st March, 1995.

#### Accounting Policies

##### 1.1 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention and include the results of the Company's operations which are described in the Director's Report and all of which are continuing. The Company has taken advantage of the exemption in Financial Reporting Standards No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### 1.2 Turnover

Turnover includes sales of secondhand motor vehicles and refund of road fund licences obtained from the purchase of motor vehicles for resale. All items are stated at selling price or income received exclusive of value added tax.

##### 1.3 Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at their purchase price together with any incidental expenses of acquisition, less depreciation. Provision for depreciation is made so as to write off the cost or valuation of tangible fixed assets on a straight line basis over the expected useful economic life of the assets concerned. The principle annual rates used for this purpose are:-

Equipment 25%

##### 1.4 Stocks

Stocks are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing, where appropriate, the cost of conversion from their existing state to a finished condition.

##### 1.5 Pension Scheme Arrangements

The Company's pension scheme is externally funded, payments to the fund and charged previously in the accounts comprised current service contributions which were estimates based on actuarial advice. The fund is to be actuarially valued every three year.

#### Turnover

2. The whole of the Company's turnover for both years is derived from activities conducted within the United Kingdom.



# Car Purchase (Northampton) Limited

## Notes to the financial statements for the year ended 31st March, 1995

### Net Operating Expenses

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
3.		
Selling and Distribution Costs	6036	7477
Administration Expenses	3604	3562
	<u>£9640</u>	<u>£11039</u>

### Operating Profit

4. Operating profit is stated after charging:-

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Auditor's Remuneration	<u>975</u>	<u>750</u>
Directors' Emoluments (see note 5)	<u>NIL</u>	<u>NIL</u>
Depreciation Charges on tangible fixed assets	<u>75</u>	<u>NIL</u>

### Directors' emoluments

5. There were no Directors' emoluments to be disclosed in accordance with Part 1 of Schedule 6 of the Companies Act 1985.

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Emoluments of the Chairman	<u>£NIL</u>	<u>£NIL</u>
Emoluments of the highest paid Director	<u>£NIL</u>	<u>£NIL</u>

### Employee information

6.1 The average number of persons employed by the Company (including Executive Directors') during the year is analysed below:-

	<u>1995</u>	<u>1994</u>
Selling and Distribution	1	1
Administration	1	1

6.2 Employment costs of all employees included above:-

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Gross Salaries	<u>NIL</u>	<u>NIL</u>
Employer's National Insurance Contributions	<u>NIL</u>	<u>NIL</u>
	<u>£NIL</u>	<u>£NIL</u>

Car Purchase (Northampton) Limited

Notes to the financial statements  
for the year ended 31st March, 1995 Continued

Tangible Fixed Assets

7.		<u>Equipment</u>
	<u>Cost</u>	
	At 31st March, 1995	<u>300</u>
	<u>Depreciation</u>	
	Charge for year	<u>75</u>
	Net Book Value at 31st March 1995	<u>225</u>

Tax on profit on ordinary activities

8. The tax charge is based on the profit on ordinary activities for the year and comprises:-

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
United Kingdom corporation tax at 25% (1994 - 25%)	<u>£355</u>	<u>£2012</u>

Stocks

9.	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Finished goods and goods for resale	<u>£22800</u>	<u>£17200</u>

Creditors: amounts falling due within one year

10.	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Trade Creditors	10722	8223
Other Creditors	1464	2774
Taxation and Social Security	<u>355</u>	<u>2012</u>
(see note (a) below)	<u>£12541</u>	<u>£13009</u>

The creditor for taxation and Social Security includes U.K. Corporation Tax payable of £355 (1994 £2012).

11. Called up share capital

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
<u>Allotted, called up and fully paid:</u>		
2 Ordinary shares of £1 each	<u>£ 2</u>	<u>£ 2</u>

Car Purchase (Northampton) LimitedAppendix

Trading and Profit and Loss Account  
for the period ended the  
31st March, 1995

	<u>£</u>	<u>£</u>
Stock on Hand: 1st April, 1994		17200
Trade Purchases		285667
		<u>302867</u>
<u>Less</u>		
Stock on Hand: 31st March, 1995		22800
		<u>280067</u>
 Vehicles Spares and Repairs		 5676
Contract Cleaning		
Auction Expenses		
		<u>285743</u>
Gross Profit		10509
SALES		<u>£296252</u>
 Gross Profit b/d		 10509
Road Fund Licence refunds		476
		<u>10985</u>
 <u>Less Expenses</u>		
 Insurances	1459	
Audit Fee	975	
	<u>2434</u>	
 Advertising and Promotions	2455	
Printing, Stationery and Postage	11	
Motor and Travelling	1464	
Subscriptions	186	
Telephone Charges	2042	
Bank Charges	468	
Trade Expenses	153	
Legal Charges	352	
Depreciation Charges	75	
	<u>7206</u>	
 TOTAL EXPENSES		 9640
NET PROFIT		<u>£1345</u>