

BURTON (BRIDGEND) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2001



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Company no 2983192

BURTON (BRIDGEND) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2001

Company registration number: 2983192

Registered office: 4 Chiswell Street
LONDON
EC1Y 4UP

Directors: Motors Directors Limited
Motors Secretaries Limited

Secretary: Motors Secretaries Limited

Bankers: Royal Bank of Scotland
27 Park Row
LEEDS
LS1 5QB

Solicitors: Duane Morris
4th Floor
Broadgate Court
199 Bishopsgate
LONDON
EC2M 3TY

Auditors: Grant Thornton
Registered auditors
Chartered accountants
Grant Thornton House
202 Silbury Boulevard
CENTRAL MILTON KEYNES
MK9 1LW

BURTON (BRIDGEND) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2001

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BURTON (BRIDGEND) LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 30 June 2001.

Principal activities

The company did not trade during the year, although certain expenses were incurred, interest received and the loan from a related party written off.

Business review

There was a profit for the year after taxation amounting to £762,359 (2000: loss £1,107,187). The directors do not recommend payment of a dividend.

Directors

The present membership of the Board is set out below. Both directors served throughout the year.

The interests of the directors and their families in the shares of the company as at 30 June 2001 and 1 July 2000, or the date of their appointment to the Board if later, were as follows:

	Preference Shares		Ordinary shares	
	30 June 2001	1 July 2000	30 June 2001	1 July 2000
Motors Directors Limited	-	-	-	-
Motors Secretaries Limited	-	-	-	-

Motors Directors Limited is a company related to Vauxhall Motors Limited who hold the total issued share capital at 30 June 2001 and 1 July 2000.

Directors' responsibilities for the financial statements

United Kingdom 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:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

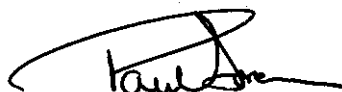
BURTON (BRIDGEND) LIMITED

REPORT OF THE DIRECTORS

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



P A Sorensen
For and on behalf of Motors Secretaries Limited
Director
10 July 2003

**REPORT OF THE INDEPENDANT AUDITORS TO THE MEMBERS OF
BURTON (BRIDGEND) LIMITED**

We have audited the financial statements of Burton (Bridgend) Limited for the year ended 30 June 2001 which comprise the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' 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 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 other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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.

REPORT OF THE INDEPENDANT AUDITORS TO THE MEMBERS OF
BURTON (BRIDGEND) LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
CENTRAL MILTON KEYNES
10 July 2003

BURTON (BRIDGEND) LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous period and are set out below.

TURNOVER

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Freehold buildings	2%
Plant and machinery	10%
Fixtures and fittings	10%
Computer equipment	20%

STOCKS

Under supply agreements with General Motors, the company has access to 'consignment stock' during a consignment period. Where the nature of these supply agreements transfers risks and rewards to the company, which in substance gives the company control over the stock during the consignment period and liabilities in respect of holding costs, the company recognises these stocks in the balance sheet together with an equivalent liability.

Where supply agreements do not provide risks and rewards to the company until such time as legal title actually passes at the end of the consignment period, these stocks are not included in the balance sheet. Both the terms under which stocks are held and the financial commitment in respect of these stocks are disclosed in the notes to the financial statements.

DEFERRED TAXATION

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

BURTON (BRIDGEND) LIMITED

PRINCIPAL ACCOUNTING POLICIES

MOTABILITY REPURCHASE COMMITMENTS

The company has certain obligations to repurchase vehicles at predetermined residual prices upon the expiry of the contracts, usually after three years, under agreements with Motability Finance Limited. The assets have been disclosed in stock at the lower of repurchase price and net realisable value. The liabilities have been recorded at the repurchase price. Where there is no obligation to repurchase vehicles, no disclosure is made.

BURTON (BRIDGEND) LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 30 June 2001

	Note	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £
Turnover	1	-	10,504,626
Cost of sales		-	(8,987,687)
Gross loss		-	1,516,939
Loan written off		765,000	-
Administrative expenses	1	(4,944)	(1,884,473)
Other operating income		322	172,330
Operating profit		760,378	(195,204)
Exceptional items			
Loss on sale of discontinued operations		-	(777,906)
Net interest	2	1,981	(134,077)
Profit/(loss) on ordinary activities before taxation	1	762,359	(1,107,187)
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(Loss) transferred to/(from) reserves	8	762,359	(1,107,187)

There were no recognised gains or losses other than the profit for the financial year.


All transactions for the year relate to discontinued activities.

BURTON (BRIDGEND) LIMITED

BALANCE SHEET AT 30 JUNE 2001

	Note	2001 £	2001 £	2000 £	2000 £
Current assets					
Debtors	5	-		13,131	
Cash at bank and in hand		143,186		188,642	
		143,186		201,773	
Creditors: amounts falling due within one year	6	(2,440)		(823,386)	
Net current assets/(liabilities)			140,746		(621,613)
Total assets less current liabilities			140,746		(621,613)
Capital and reserves					
Called up share capital	7		808,000		808,000
Profit and loss account	8		(667,254)		(1,429,613)
Shareholders' funds	9		140,746		(621,613)
Equity shareholders' funds			(517,254)		(1,279,613)
Non-equity shareholders' funds			658,000		658,000
			140,746		(621,613)

The financial statements were approved by the Board of Directors on 10 July 2003.



S B Hughes
For and on behalf of Motors Directors Ltd

Director

BURTON (BRIDGEND) LIMITED**CASH FLOW STATEMENT**

For the year ended 30 June 2001

	Note	12 Months ended 30 June 2001 £	18 months ended 30 June 2000 £ (as restated)
Net cash outflow from operating activities	10	(46,202)	(275,601)
Returns on investments and servicing of finance			
Interest received		1,981	-
Interest paid		-	(129,621)
Finance lease interest paid		-	(4,456)
Net cash inflow/(outflow) from returns on investments and servicing of finance		1,981	(134,077)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		-	(12,608)
Net cash inflow from capital expenditure and financial investment		-	(12,608)
Acquisitions and disposals			
Sale of business		-	946,230
Financing			
Repayment of borrowings		-	(180,385)
Capital element of finance lease rentals		(1,235)	(46,149)
Net cash outflow from financing	11	(1,235)	(226,534)
(Decrease)/increase in cash	12	(45,456)	297,410

The accompanying accounting policies and notes form an integral part of these financial statements.

BURTON (BRIDGEND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2001

1 TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to the principal activity of the company.

The profit/(loss) on ordinary activities is stated after:

	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £
Auditors' remuneration	1,800	7,000
Depreciation and amortisation:		
Goodwill	-	10,833
Tangible fixed assets, owned	-	58,532
Tangible fixed assets, held under finance leases and hire purchase contracts	-	21,604
Other operating lease rentals	-	12,677

2 NET INTEREST

	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £
On bank loans and overdrafts	-	70,073
Finance charges in respect of finance leases	-	4,456
Interest payable to group undertakings	-	59,548
Other interest receivable and similar income	(1,981)	-
	(1,981)	134,077

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £
Wages and salaries	-	979,147
Social security costs	-	120,004
	-	1,099,151

The average number of employees of the company during the year was nil (2000: 40).

BURTON (BRIDGEND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2001

Remuneration in respect of directors was as follows:	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £
Emoluments	-	64,080
	-	64,080

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

No tax liability arises due to the availability of loss relief.

5 DEBTORS

	2001 £	2000 £
Trade debtors	-	4,471
Other debtors	-	8,660
	-	13,131

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	-	47,987
Amounts owed to group undertakings	-	765,000
Other creditors	250	-
Accruals and deferred income	2,190	9,164
Amounts due under finance leases	-	1,235
	2,440	823,386

	2001 £	2000 £
An analysis of amounts owed to group undertakings, being related parties, is as follows:		
Vauxhall Motors Limited loans	-	765,000

BURTON (BRIDGEND) LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2001

7 SHARE CAPITAL

	2001 £	2000 £
Authorised, allotted, called up and fully paid		
150,000 ordinary £1 shares	150,000	150,000
658,000 redeemable preference £1 shares	658,000	658,000
	<u>808,000</u>	<u>808,000</u>

Rights**Preference shares**

The redeemable preference shares are non-equity shares. The basic entitlement to a dividend at the rate of 1% net per share is waived, and instead these shares are entitled to a balance of any post tax profits remaining after redemption of the preference shares in accordance with the formula included in the company's Articles of Association. The redemption is made quarterly. Holders of preference shares have one vote for every share held. The rights of preference shareholders on winding up are dependant upon a calculation determining funds in excess of 85% of the original total share capital, and such rights are ranked before those of ordinary shareholders.

Ordinary shares

The ordinary shares carry no voting rights until all preference shares have been redeemed.

8 RESERVES

	Profit and loss account £
At 1 July 2000	(1,429,613)
Retained profit for the year	762,359
At 30 June 2001	<u>(667,254)</u>

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS/(DEFICIT)

	2001 £	2000 £
Profit/(loss) for the financial year	762,359	(1,107,187)
Net increase/(decrease) in shareholders' funds	762,359	(1,107,187)
Shareholders' funds at 1 July 2000	(621,613)	485,574
Shareholders' funds at 30 June 2001	<u>140,746</u>	<u>(621,613)</u>

BURTON (BRIDGEND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2001

10 NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £ (as restated)
Operating profit	760,378	(195,204)
Depreciation and amortisation	-	90,969
Increase in stocks	-	3,545,589
Decrease in debtors	13,131	487,440
Decrease in creditors	(54,711)	(4,204,395)
Loan written off	(765,000)	-
Net cash (outflow)/inflow from continuing operating activities	(46,202)	(275,601)
Net cash outflow from operating activities	(46,202)	(275,601)

11 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	12 months ended 30 June 2001 £	18 months ended 30 June 2000 £ (as restated)
(Decrease)/increase in cash in the year	(45,456)	297,410
Cash outflow from financing in the year	-	180,385
Cash outflow from finance leases in the year	1,235	46,149
Change in net debt resulting from cashflows	(44,221)	523,944
Loan written off	765,000	-
Net debt at 1 July 2000	(577,593)	(1,101,537)
Net funds at 30 June 2001	143,186	(577,593)

12 ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2000 £ (as restated)	Cash flow £	Non - cash items £	At 30 June 2001 £
Cash at bank and in hand	188,642	(45,456)	-	143,186
Debt	(765,000)	-	765,000	-
Finance leases	(1,235)	1,235	-	-
	(577,593)	(44,221)	765,000	143,186

BURTON (BRIDGEND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2001

13 CAPITAL COMMITMENTS

The company had no capital commitments at 30 June 2001 or 30 June 2000.

14 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2001 or 30 June 2000.

15 TRANSACTIONS WITH RELATED PARTIES

Amounts due in respect of loans, quasi-loans and credit transactions by directors were as follows:

Name of related party	Value of transactions		Amounts written off or provided in the year
	12 months ended 30 June 2001	18 months ended 30 June 2000	
	£	£	£
Vauxhall Motors Limited. Subsidiary of General Motors Corporation - vehicle related sales transactions	-	827,742	-
Vauxhall Motors Limited. Subsidiary of General Motors Corporation - vehicle related purchase transactions	-	1,411,780	-
Vauxhall Motors Limited. Subsidiary of General Motors Corporation - loan written off	-	-	765,000
General Motors Acceptance Corporation. Subsidiary of General Motors Corporation - vehicle financing sales transactions	-	1,913,857	-
General Motors Acceptance Corporation. Subsidiary of General Motors Corporation - vehicle related purchase transactions	-	5,585,883	-
Fellow-controlled retailers. Subsidiaries of General Motors Corporation - vehicle related sales transactions	-	16,495	-
Fellow-controlled retailers. Subsidiaries of General Motors Corporation - vehicle related purchase transactions	-	1,419	-

BURTON (BRIDGEND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2001

16 CONTROLLING RELATED PARTY

The directors consider that the ultimate parent undertaking of this company is General Motors Corporation incorporated in the United States of America.

Vauxhall Motors Limited is this company's controlling related party by virtue of its holding of redeemable preference shares. The ultimate controlling related party is General Motors Corporation as a result of Vauxhall Motors Limited being one of its subsidiary companies.

On the grounds of materiality, no group accounts have been drawn up which include this company's results.

17 POST BALANCE SHEET EVENTS

On 17 December 2001, the company acquired land and buildings from a related party at a cost of £700,796.