

FRAMLEYDOVE LIMITED

ANNUAL REPORT

31 DECEMBER 1999



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DIRECTORS AND PROFESSIONAL ADVISERS

DIRECTORS

Executive directors

P von Stauffenberg
J A Cunningham
J Thompson
G Elliott

Chief Executive Officer
Chief Operating Officer
Director
Finance Director

Non-executive director

L Lea

SECRETARY

G Elliott

REGISTERED OFFICE

1 Princes Road
Weybridge
Surrey KT13 9TU

BANKERS

Bank of Scotland PLC
Uberior House
61 Grassmarket
Edinburgh EH1 2JF

SOLICITORS

Weil, Gotshal & Manges
One South Place
London EC2M 2WG

Nabarro Nathanson
Lacon House
Theobald's Road
London WC1X 8RW

AUDITORS

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
1 Embankment Place
London WC2N 6NN

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company is a holding company, owning subsidiaries which provide automotive information in the United Kingdom, France and Australia.

The company and its subsidiaries traded satisfactorily during the year. The directors consider that the subsidiaries are well positioned to meet the automotive information needs of the market.

RESULTS AND DIVIDENDS

Details of the results for the year are set out in the profit and loss account on page 6. During the year dividends were paid of £7,051,000 in respect of ordinary shares (1998 - £3,400,000 in respect of the 'A' ordinary shares and £2,700,000 in respect of the ordinary shares).

TANGIBLE FIXED ASSETS

The company has no tangible fixed assets.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are shown below:

L Lea	
M R Oliphant	(resigned 30 September 2000)
G A Smith	(resigned 17 November 1999)
J Thompson	
J A Cunningham	(appointed 29 November 1999)
P von Stauffenberg	(appointed 19 July 2000)
G Elliott	(appointed 9 November 2000)

The interests of those directors serving at 31 December 1999 in the shares of the company and in the shares of Glass's Holdings Limited, the ultimate UK holding company, at 31 December 1999 (or later date of appointment) and at 31 December 1998 are shown below:

	Number of shares in the company		Number of shares in Glass's Holdings Limited	
	At 31 Dec 1999	At 31 Dec 1998 or later date of appointment	At 31 Dec 1999 or date of resignation	At 31 Dec 1998 or later date of appointment
L Lea	-	-	-	-
M R Oliphant (resigned)	-	-	4,472,550*	4,472,550 *
G A Smith (resigned)	-	-	1,863,562*	1,863,562 *
J Thompson	-	-	2,236,275*	2,236,275 *
J A Cunningham	-	-	-	-

* 'A' ordinary shares of 0.01p each

The following directors hold options to subscribe for 'A' ordinary shares in Glass's Holdings Limited at a price of £1 per share upon a flotation or sale of that company – J Thompson 694,319 shares, J A Cunningham 1,000,000 shares, G Elliott 231,440 shares. The options will lapse on 31 October 2008. (G A Smith options to subscribe for 694,319 shares lapsed on 17 November 1999. M R Oliphant options to subscribe for 1,504,358 shares lapsed on 30 September 2000)

POST BALANCE SHEET EVENT

On 10 February 2000, Glass's acquired the entire share capital of Gavco 203 Limited and Virtual Showroom Limited together with a number of related business assets for a total consideration of £2.5million. The consideration was satisfied by cash of £2,077,000, issue of 235,000 'A' ordinary shares and deferred consideration of £250,000 dependent upon meeting performance targets for 2000 and 2001.

DIRECTORS' REPORT (continued)

On 29 September 2000, the company's ultimate parent company, Qualified Fund CV, entered into a conditional contract to acquire 75% of Eurotax Group, a group incorporated in Switzerland. The acquisition is due to be completed on 11 December 2000 and on that date the group is to be restructured, resulting in a change in the company's holding company to Eurotax Glass's Investments Limited. The company's ultimate holding company is to remain unchanged.

As a consequence of the proposed restructuring, the term loan facility is to be amended to include the Eurotax group as additional borrowers and guarantors. The repayment profile of the loan is also to be extended to February 2006 and the denomination of the loan is to be changed so that 67% is denominated in sterling, 22% in euros and 11% in swiss francs.

AUDITORS

PricewaterhouseCoopers have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'G Elliott', written in a cursive style.

G Elliott
Secretary

7 December 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by company law to prepare financial statements for each financial year that 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 of the company for the financial year.

The directors confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1999 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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 the prevention and detection of fraud and other irregularities.

By order of the Board



G Elliott
Secretary

7 December 2000

AUDITORS' REPORT TO THE MEMBERS OF FRAMLEYDOVE LIMITED

We have audited the financial statements set out on pages 6 to 12.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 4, the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

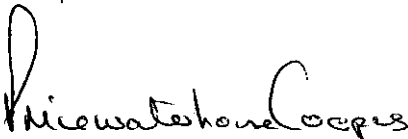
Basis of opinion

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 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 affairs of the company at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the United Kingdom Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
1 Embankment Place
London WC2N 6NN

7 December 2000

PROFIT AND LOSS ACCOUNT

Year ended 31 December 1999

	Note	1999 £'000	1998 £'000
TURNOVER		-	200
Other external and operating charges		(38)	(136)
OPERATING (LOSS)/PROFIT	3	(38)	64
Exceptional item:- permanent diminution in value of investment	7	(5,068)	-
Net interest payable	4	(75)	(3,009)
Dividends receivable from subsidiary companies		12,484	8,077
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,303	5,132
Tax on profit on ordinary activities	5	37	54
PROFIT FOR THE YEAR		7,340	5,186
Dividends and appropriations	6	(7,051)	(6,100)
RETAINED PROFIT/(LOSS) FOR THE YEAR	11	<u>289</u>	<u>(914)</u>

All activities derive from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

The company has no recognised gains and losses other than the profits above. Therefore a separate statement of total recognised gains and losses has not been presented.

FRAMLEYDOVE LIMITED

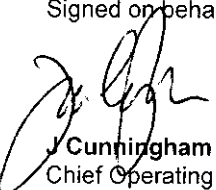
BALANCE SHEET

31 December 1999

	Note	£'000	1999 £'000	1998 £'000
FIXED ASSETS				
Investments	7		33,920	38,988
CURRENT ASSETS				
Debtors	8	7,812		56
CREDITORS: amounts falling due within one year	9	(40,745)		(38,346)
NET CURRENT LIABILITIES			(32,933)	(38,290)
TOTAL ASSETS LESS CURRENT LIABILITIES			987	698
CREDITORS: amounts falling due after more than one year			-	-
NET ASSETS			987	698
CAPITAL AND RESERVES				
Called up share capital	10		8	8
Share premium	11		476	476
Profit and loss account	11		503	214
TOTAL EQUITY SHAREHOLDERS' FUNDS	12		987	698

These financial statements were approved by the Board of Directors on 7 December 2000

Signed on behalf of the Board of Directors


J Cunningham
Chief Operating Officer


G Elliott
Finance Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1999

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

Accounting convention

The financial statements have been prepared in accordance with the historical cost convention.

Consolidated financial information

The company is a subsidiary of Glass's Holdings Limited, which prepares consolidated financial statements. Consequently, as permitted under section 228(1)(a) of the Companies Act 1985, these financial statements do not contain consolidated financial information.

Cash flow statement

The company is exempt from preparing a cash flow statement under FRS 1 on the basis that it is a wholly-owned subsidiary whose cash flows are included in the consolidated financial statements of the ultimate parent company.

Turnover

Turnover represents management charges for services provided to subsidiary companies.

Borrowings

All borrowings are initially stated as the consideration received less issue costs incurred. Issue costs together with interest costs are charged to the profit and loss account over the term of the borrowings so as to give a constant periodic rate of charge on the capital repayments outstanding.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. Differences on exchange are charged or credited to the profit and loss account as they arise.

Pension Costs

The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in the scheme, in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

2 DIRECTORS' EMOLUMENTS

	1999 £'000	1998 £'000
Directors		
Aggregate emoluments	270	338
Sums paid to third parties for directors' services	-	28
	<hr/>	<hr/>
	270	366
	<hr/>	<hr/>
Highest paid director		
Aggregate emoluments	108	104
Defined benefit pension scheme - Accrued pension at end of year	14	12
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1999

2 DIRECTORS' EMOLUMENTS (continued)

The aggregate emoluments of the five executive directors serving during the year were paid by a subsidiary. All five executive directors are members of the defined benefit pension scheme operated by the group. No director is a member of a money purchase pension scheme operated by the group. Details of shares and options over shares held by directors are disclosed in the Directors' Report.

3 OPERATING PROFIT

	1999 £'000	1998 £'000
Operating profit is after charging:		
Auditors' remuneration		
Audit	4	5
Other services	1	-
Other services not within operating profit	-	47
	<hr/>	<hr/>

4 NET INTEREST PAYABLE

Bank loans - Repayable wholly or partly in less than 5 years by instalments	56	2,989
Interest payable to subsidiary companies	19	26
less: Bank deposit interest receivable	-	(6)
	<hr/>	<hr/>
	75	3,009
	<hr/>	<hr/>

5 TAX CHARGE/(CREDIT) ON PROFIT ON ORDINARY ACTIVITIES

UK corporation tax at 30% (1998 - 31%)	(37)	(858)
Overseas tax	175	148
Double taxation relief	(175)	(148)
Tax credits on franked investment income	-	850
Adjustment to tax provisions for prior years	-	(46)
	<hr/>	<hr/>
	(37)	(54)
	<hr/>	<hr/>

6 DIVIDENDS AND APPROPRIATIONS

Dividends paid on equity shares		
'A' ordinary shares - £17.00 per share	-	3,400
Ordinary shares - £3.46 per share	-	2,700
Ordinary shares - interim - £3.59 per share	2,800	-
Ordinary shares - final - £5.45 per share	4,251	-
	<hr/>	<hr/>
	7,051	6,100
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1999

7 FIXED ASSET INVESTMENTS

	£'000
Shares in subsidiary companies at cost	
At 1 January 1999	38,988
Exceptional item: permanent diminution in value	(5,068)
	<hr/>
At 31 December 1999	<u>33,920</u>

BodyMaster UK Ltd made a final dividend payment to Framleydove Limited representing all distributable reserves. Framleydove Limited's investment in BodyMaster UK Ltd was written down to net asset value.

The shares held by the company in trading subsidiary companies at 31 December 1999 are as follows:

Company	Country of incorporation	Class of shares held	Proportion of issued shares held
Glass's Information Services Limited	England and Wales	£1 ordinary shares	100%
Glass's Guide Pty Ltd	Australia	US \$0.01 preferred ordinary shares	100%
BodyMaster UK Ltd	England and Wales	A\$2 ordinary shares	100%
		£1 ordinary shares	100%

The principal activity of the trading subsidiaries is the provision of automotive information. The directors consider the net realisable value of the company's interests in its subsidiary companies to be not less than their carrying value.

8 DEBTORS

	1999 £'000	1998 £'000
Prepayments and accrued income	-	56
Corporation tax	-	-
Amounts due from group companies	7,812	-
	<hr/>	<hr/>
	<u>7,812</u>	<u>56</u>

All amounts fall due within one year.

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £'000	1998 £'000
Accruals	2	13
Amounts due to group companies	40,743	38,333
	<hr/>	<hr/>
	<u>40,745</u>	<u>38,346</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1999

10 CALLED UP SHARE CAPITAL

	1999		1998	
	Number	£'000	Number	£'000
Authorised				
Ordinary shares of 1p each	780,000	8	780,000	8
		<u>8</u>		<u>8</u>
Issued fully paid				
Ordinary shares of 1p each	780,000	8	780,000	8
		<u>8</u>		<u>8</u>

Employee Share Ownership Trust

The company established the Framleydove Limited Employee Share Ownership Trust (ESOT) in September 1995. (On 28 August 1998 the ESOT distributed 5,746 'A' ordinary shares to employees of subsidiaries of the company and sold 80 'A' ordinary shares to Glass's Holdings Limited.) At 31 December 1999 and at 31 December 1998 the ESOT held no 'A' ordinary shares.

11 RESERVES

	Share premium account £'000	Profit and loss account £'000
At 1 January 1999	476	214
Retained profit for the year	-	289
	<u>476</u>	<u>503</u>
At 31 December 1999		

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £'000	1998 £'000
Profit for the year	7,340	5,186
Dividends and appropriations	(7,051)	(6,100)
	<u>289</u>	<u>(914)</u>
Net decrease in shareholders' funds		
Opening shareholders' funds	698	1,612
	<u>987</u>	<u>698</u>
Closing shareholders' funds		

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1999

13 CAPITAL COMMITMENTS AND OPERATING LEASE COMMITMENTS

The company had no capital commitments at 31 December 1999 (1998 - nil) and no operating lease commitments at 31 December 1999 (1998 - nil).

14 PENSION OBLIGATIONS

The group operates a funded pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the group. The scheme is administered by the trustee. The assets of the scheme are invested under a pension contract with the Standard Life Assurance Company.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by an independent qualified actuary on the basis of regular valuations.

The most recent actuarial valuation was at 30 June 1999. The valuation, carried out by professionally qualified independent actuaries, used the projected unit method. The market value of the scheme's assets at that date was £7,960,000.

The main assumptions used to determine the pension cost were that the return on investments would be 4.5% pa above inflation, the discount rate would be 3% pa above inflation, the salary increases would be 1.5% pa above inflation and that Limited Price Indexation pension increases would average 0.1% pa below inflation. Using these assumptions, the Scheme's on-going funding level at 30 June 1999 was 92%, representing the value of the Scheme's assets expressed as a percentage of the benefits accrued to members allowing for future salary increases.

Employer contributions were set at 12.9% of members' annual salaries. If the assumptions above are borne out, this is expected to restore the on-going funding level on these assumptions to 100% over a period of nearly 4 years.

The total pension cost for the group was £209,000 (1998 - £195,000). Prepayments include £531,000 (1998 - £155,000) in respect of the advance payment of employee and employer contributions by the group.

15 CONTINGENT LIABILITIES

The company has given a guarantee and granted a fixed and floating charge over its assets in respect of the term debt and revolving credit facilities of its parent company and other group companies. At 31 December 1999 the total amount outstanding under these facilities was £61,174,000 (1998 - £65,650,000)

16 ULTIMATE HOLDING COMPANY

The largest group and the smallest group in which the results of the company are consolidated is the group of which Glass's Holdings Limited is the holding company. Glass's Holdings Limited is incorporated in England and Wales. Copies of its consolidated financial statements are available from 1 Princes Road, Weybridge, Surrey KT13 9TU.

The directors consider Qualified Fund, CV, incorporated in the Netherlands, to be the company's ultimate holding and controlling company.

The company has taken advantage of the exemption under paragraph 3c of FRS 8 in not disclosing details of transactions with other members of the group.