

The Town and County Motor Garage Limited
Annual report and financial statements
for the year ended 30 September 1996

Registered no: 7861

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The Town and County Motor Garage Limited

Annual report and financial statements for the year ended 30 September 1996

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Directors and advisers

Executive directors

W M Broomfield Chairman
B P Sanders
C A Wilson
P Keith
A J Wilson
A G Strachan
A S Inglis

Secretary and registered office

B P Sanders
44 Union Row
Aberdeen
AB10 1SA

Auditors

Coopers & Lybrand
32 Albyn Place
Aberdeen
AB10 1YL

Solicitors

Burnett & Reid
Advocates
15 Golden Square
Aberdeen
AB10 1WF

Bankers

The Clydesdale Bank PLC

Directors' report for the year ended 30 September 1996

The directors present their report and the audited financial statements for the year ended 30 September 1996.

Principal activities

The profit and loss account for the year is set out on page 5.

The principal activities of the company are the operation of service stations and the letting of property.

Review of business and future developments

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity should be sustained for the foreseeable future.

On 1 October 1995 the trade and assets of Town and County Service Stations Limited were transferred to The Town and County Motor Garage Limited. Also on that date, the investments in Aberdeen Trucks Limited and Campbell and Sellar Limited held by the company were transferred to T&C Holdings Limited.

James M Forbes (Motors) Ltd is currently in the process of being liquidated by a member's voluntary liquidation.

Dividends and reserves

The directors recommend the payment of a final dividend of £2.44 per ordinary share. The retained profit for the financial year of £548,231 will be transferred to reserves.

Changes in fixed assets

The movements in fixed assets during the year, are set out in notes 10, 11 and 12 to the financial statements.

Directors

The directors of the company who held office during the year and up to the date of this report were:

W M Broomfield	
B P Sanders	
C A Wilson	
J E Strachan	(resigned 3 April 1996)
M J Inglis	(resigned 3 April 1996)
M C Broomfield	(resigned 3 April 1996)
P Keith	(appointed 3 April 1996)
A J Wilson	(appointed 3 April 1996)
A G Strachan	(appointed 3 April 1996)
A S Inglis	(appointed 3 April 1996)

Directors' interests in shares of the company

No directors held beneficial interests in the shares of the company at 30 September 1996, or at any time during the year. W M Broomfield and M C Broomfield have beneficial interests in the shares of the holding company which are detailed in the financial statements of that company. No directors have beneficial interests in the shares of any other group company at 30 September 1996.

Directors responsibilities

The directors are required by UK 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 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 30 September 1996. 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, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Charitable contributions

Contributions made by the company during the year for charitable purposes were £1,675.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the board


Secretary

Report of the auditors to the members of The Town and County Motor Garage Limited

We have audited the financial statements on pages 5 to 22.

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 our responsibility to form an independent opinion, based on our audit, on those statements and to 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 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 the company's affairs at 30 September 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand
Coopers & Lybrand

Chartered Accountants and Registered Auditors

Aberdeen

28th February 1997

Profit and loss account for the year ended 30 September 1996

	Notes	1996 £	1995 £
Turnover			
Continuing operations		356,990	640,380
Acquisitions		16,070,197	-
Total turnover		16,427,187	640,380
Cost of sales	2	15,070,897	736,784
Gross profit/(loss)	2	1,356,290	(96,404)
Net operating expenses/(income)	2	1,136,085	(227,738)
Operating profit/(loss)			
Continuing operations		(332,202)	131,334
Acquisitions		552,407	-
Total operating profit		220,205	131,334
Profit on disposal of fixed assets		-	474,150
Investment income	6	541,568	5,237
		761,773	610,721
Interest payable and similar charges	7	99,681	82,687
Profit on ordinary activities before taxation		662,092	528,034
Tax on profit on ordinary activities	8	33,861	38,602
		628,231	489,432
Dividends	9	80,000	80,000
Retained profit for the year	20	548,231	409,432

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

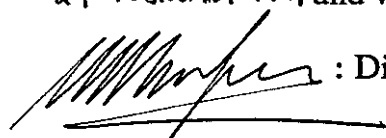
Note of historical cost profits and losses

	1996 £	1995 £
Reported profit on ordinary activities before taxation	662,092	528,034
Realisation of property revaluation gains/(losses) of previous years	-	414,239
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	(4,019)	(13,398)
Historical cost profit on ordinary activities before taxation	<u>658,073</u>	<u>928,875</u>
Historical cost profit for the year after taxation and dividends	<u>544,212</u>	<u>810,273</u>

Balance sheet - 30 September 1996

	Notes	1996 £	1995 £
Fixed assets			
Intangible assets	10	17,095	-
Tangible assets	11	3,979,657	3,382,467
Investments	12	330,004	506,258
		<u>4,326,756</u>	<u>3,888,725</u>
Current assets			
Stocks	13	204,322	-
Debtors	14	2,917,904	2,060,500
Cash at bank and in hand		384,332	408,357
		<u>3,506,558</u>	<u>2,468,857</u>
Creditors: amounts falling due within one year	15	<u>1,688,954</u>	<u>997,578</u>
Net current assets		<u>1,817,604</u>	<u>1,471,279</u>
Total assets less current liabilities		<u>6,144,360</u>	<u>5,360,004</u>
Creditors: amounts falling due after more than one year	16	<u>1,496,523</u>	<u>1,257,500</u>
Provisions for liabilities and charges			
Deferred taxation	17	36,102	39,000
Net assets		<u><u>4,611,735</u></u>	<u><u>4,063,504</u></u>
Capital and reserves			
Called up share capital	19	32,755	32,755
Revaluation reserve	20	733,167	733,167
Capital redemption reserve	20	34,103	34,103
Profit and loss account	20	3,811,710	3,263,479
Equity shareholders' funds	21	<u><u>4,611,735</u></u>	<u><u>4,063,504</u></u>

The financial statements on pages 5 to 22 were approved by the board of directors on 24 February 1997 and were signed on its behalf by:

 : Director

Notes to the financial statements for the year ended 30 September 1996

1 Principal accounting policies

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

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

The financial statements for the year ended 30 September 1996 include the trade and assets of Town and County Service Stations Limited, transferred to Town and County Motor Garage Limited on 1 October 1995. The prior year results have been restated to show the company results only, as consolidated financial statements have not been prepared this year, as the company is a wholly owned subsidiary of T & C Holdings Limited

Cashflow

The company is a wholly owned subsidiary of T & C Holdings Limited and the cash flows of the company are included in the consolidated Group cash flow statement of T & C Holdings Limited. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

Fixed assets

Interests in land and buildings are stated at cost or valuation.

The cost of other fixed assets is their purchase cost, together with any incidental expenses of acquisition.

**Notes to the financial statements
for the year ended 30 September 1996****Depreciation**

Feuhold land is not depreciated.

Depreciation is calculated so as to write off the cost, or valuation, of other fixed assets less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Feuhold buildings	2 - 4
Plant and machinery	14 - 20
Motor vehicles	25
Fixtures and fittings	14 - 20
Franchise fee	10

Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Where fixed assets are financed by leasing agreements, which transfer to the company substantially all the benefits and risks of ownership, the assets are treated as if they had been purchased outright and are included in tangible fixed assets. The capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

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. Provision is made where necessary for obsolete, slow moving and defective stocks.

Turnover

Turnover, which excludes value added tax, sales between group companies and trade discounts, represents the invoiced value of goods and services supplied in the United Kingdom.

Deferred taxation

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise. Full provision is made for deferred taxation on timing differences arising from the provision of employee pensions.

Notes to the financial statements continued for the year ended 30 September 1996

Pension costs

The Town and County Motor Garage Limited operates a defined benefit pension scheme, in which other members of the group participate. This scheme is contracted out of the state scheme. The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the scheme. In addition the group contributes to the personal pension plans of certain employees.

2 Cost of sales and other operating income and expenses

	Continuing £	Acquisitions £	1996 Total £	1995 Total £
Turnover	356,990	16,070,197	16,427,187	640,380
Cost of Sales	520,156	14,550,741	15,070,897	736,784
	<hr/>	<hr/>	<hr/>	<hr/>
Gross profit/(loss)	(163,166)	1,519,456	1,356,290	(96,404)
Distribution costs		982,894	982,894	-
Administrative expenses	169,036	92,283	261,319	96,249
	<hr/>	<hr/>	<hr/>	<hr/>
	169,036	1,075,177	1,244,213	96,249
Less other operating income	-	(108,128)	(108,128)	(323,987)
	<hr/>	<hr/>	<hr/>	<hr/>
Net operating expenses/(income)	169,036	967,049	1,136,085	(227,738)
	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit/(loss)	(332,202)	552,407	220,205	131,334
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the financial statements continued for the year ended 30 September 1996

3 Operating profit

Operating profit is stated after charging/(crediting):

	1996	1995
	£	£
Amortisation of intangible fixed assets	17,095	-
Depreciation of tangible fixed assets	180,537	84,665
Auditors' remuneration		
Audit	7,500	3,500
Other services	8,265	10,911
Other operating lease rentals for:	133,964	-
Profit on disposal of fixed assets	(597)	-
Rent receivable (net of outgoings)	(169,500)	(296,360)
	<u> </u>	<u> </u>

4 Directors' emoluments

	1996	1995
	£	£
Fees	-	-
Other emoluments (including pension contributions and benefits in kind)	251,270	259,696
	<u> </u>	<u> </u>
	<u>251,270</u>	<u>259,696</u>

Directors emoluments excluding pension contributions are as follows:

	1996	1995
	£	£
Emoluments of the chairman	44,297	101,223
	<u> </u>	<u> </u>
Emoluments of the highest paid director	50,756	101,223
	<u> </u>	<u> </u>

The chairman was the highest paid director in 1995.

**Notes to the financial statements continued
for the year ended 30 September 1996**

The number of directors (including the chairman) whose emoluments were within the ranges:

	1996	1995
£0 to £5,000	2	3
£5,001 to £10,000	-	1
£15,001 to £20,000	2	-
£20,001 to £25,000	3	1
£35,001 to £40,000	1	-
£40,001 to £45,000	1	-
£50,001 to £55,000	1	-
£100,001 to £105,000	-	1
	<u> </u>	<u> </u>

5 Employee information

The average weekly number of persons employed by the company including executive directors during the year is analysed below:

	1996	1995
Selling and distribution	61	2
Administration	13	14
	<u> </u>	<u> </u>
	74	16
	<u> </u>	<u> </u>

Employment costs - all employees including executive directors:

	1996 £	1995 £
Wages and salaries	609,483	248,874
Social security costs	43,495	24,007
Other pension costs	19,507	114,166
	<u> </u>	<u> </u>
Total direct costs of employment	672,485	387,047
	<u> </u>	<u> </u>

**Notes to the financial statements continued
for the year ended 30 September 1996**

6 Investment income

	1996 £	1995 £
Income from fixed asset investments	541,568	-
Bank interest receivable	-	5,237
	<u>541,568</u>	<u>5,237</u>

7 Interest payable and similar charges

Interest payable on sums:

	1996 £	1995 £
Repayable within 5 years, not by instalments	-	4,985
Repayable within 5 years, by instalments	42,332	6,029
Repayable wholly or partly in more than 5 years	44,771	53,285
Interest paid to T&C Holdings Limited	-	18,388
	<u>87,103</u>	<u>82,687</u>
On finance leases and hire purchase contracts	12,578	-
	<u>99,681</u>	<u>82,687</u>

8 Taxation

	1996 £	1995 £
United Kingdom corporation tax at 33%:		
Current	60,305	23,000
Deferred	8,663	34,000
	<u>68,968</u>	<u>57,000</u>
(Over)/under provision in respect of prior year		
Current	(21,408)	(13,398)
Deferred	(13,699)	(5,000)
	<u>33,861</u>	<u>(38,602)</u>

9 Dividends

	1996 £	1995 £
Ordinary		
Proposed final dividend of £2.44 per share (1995 : £2.44 per share)	80,000	80,000
	<u>80,000</u>	<u>80,000</u>

**Notes to the financial statements continued
for the year ended 30 September 1996****10 Intangible fixed assets**

	Franchise fee £
Cost	
At 1 October 1995	-
Transfer from group company	49,585
	<hr/>
At 30 September 1996	49,585
	<hr/>
Amounts written off	
At 1 October 1995	-
Transfer from group company	15,395
Charge for year	17,095
	<hr/>
At 30 September 1996	32,490
	<hr/>
Net book value	
At 30 September 1996	17,095
	<hr/>
Net book value	
At 30 September 1995	34,190
	<hr/>

Notes to the financial statements continued
for the year ended 30 September 1996

11 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 October 1995	3,568,442	-	-	-	3,568,442
Additions	380,057	10,345	210,131	4,543	605,076
Transfer from group companies	-	251,801	168,051	25,274	445,126
Disposals	-	-	(94,401)	-	(94,401)
At 30 September 1996	3,948,499	262,146	283,781	29,817	4,524,243
Depreciation					
At 1 October 1995	185,975	-	-	-	185,975
Charge for year	103,809	29,366	46,086	1,276	180,537
Transfer from group companies	-	145,183	34,722	22,026	201,931
Disposals	-	-	(23,857)	-	(23,857)
At 30 September 1996	289,784	174,549	56,951	23,302	544,586
Net book value					
At 30 September 1996	3,658,715	87,597	226,830	6,515	3,979,657
At 30 September 1995	3,382,467	-	-	-	3,382,467
Cost or valuation at 30 September 1996 is represented by:					
Valuation in 1991	1,345,000	-	-	-	1,345,000
Cost	2,603,499	262,146	283,781	29,817	3,179,243
	3,948,499	262,146	283,781	29,817	4,524,243

If land and buildings had not been revalued they would have been included at the following amounts:

	Feuhold land and buildings		Leasehold land and buildings short leases	
	1996 £	1995 £	1996 £	1995 £
Historical cost	3,372,182	2,992,125	135,183	135,183
Depreciation based on cost	422,083	319,662	112,884	107,477
Historical cost net book value	2,950,099	2,672,463	22,299	27,706

Notes to the financial statements continued
for the year ended 30 September 1996

11 Tangible fixed assets continued

	1996 £	1995 £
Land and buildings at net book value comprise:		
Freehold	3,518,715	3,235,467
Short leasehold	140,000	147,000
	<u>3,658,715</u>	<u>3,382,467</u>

The net book value of tangible fixed assets includes an amount of £226,023 (1995 : £nil) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged on these assets, during the period was £38,586 (1995 : £nil).

12 Fixed asset investments

Company	Interests in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 October 1995	481,209	171,252	652,461
Disposals	(137,405)	-	(137,405)
Transfer to inter-company debtors	-	(171,252)	(171,252)
	<u>343,804</u>	<u>-</u>	<u>343,804</u>
At 30 September 1996	343,804	-	343,804
Amounts written off			
At 1 October 1995	146,203	-	146,203
Disposals	(132,403)	-	(132,403)
	<u>13,800</u>	<u>-</u>	<u>13,800</u>
At 30 September 1996	13,800	-	13,800
Net book value			
At 30 September 1996	<u>330,004</u>	<u>-</u>	<u>330,004</u>
At 30 September 1995	<u>335,006</u>	<u>171,252</u>	<u>506,258</u>

Interests in group undertakings comprise the cost of investments in subsidiary undertakings.

The Town and County Motor Garage Limited

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Notes to the financial statements continued for the year ended 30 September 1996

12 Fixed asset investments continued

Details of subsidiary undertakings are as follows:

Name of company and country of incorporation and operation	Description of shares held	Proportion of nominal value of issued shares held	Principal activity
Town and County Service Stations Ltd - Scotland	Ordinary	100%	Dormant
James M Forbes (Motors) Ltd - Scotland	Ordinary	100%	Dormant

James M Forbes (Motors) Ltd is currently in the process of being liquidated by a members voluntary liquidation.

13 Stocks

The amounts attributable to different categories are as follows:

	1996 £	1995 £
Petrol and sundries	204,322	-

14 Debtors

	1996 £	1995 £
Amounts falling due within one year:		
Trade debtors	417,144	-
Amounts owed by group undertakings		
- parent company and fellow subsidiaries	2,337,175	1,222,834
- subsidiary undertakings	-	804,033
Other debtors	78,358	-
Prepayments and accrued income	85,227	33,633
	2,917,904	2,060,500

Notes to the financial statements continued for the year ended 30 September 1996

15 Creditors: amounts falling due within one year

	1996 £	1995 £
Bank loans and overdraft	551,416	170,000
Trade creditors	369,553	-
Amounts owed to parent company and fellow subsidiaries	14,600	-
Amounts owed to subsidiary undertakings	330,004	330,002
Taxation and Social security costs	101,703	36,693
Group relief payable	-	6,570
Obligations under finance leases	108,176	-
Accruals and deferred income	178,502	419,313
Current instalment on Shell UK Limited loan	35,000	35,000
	<u>1,688,954</u>	<u>997,578</u>

Taxation and social security is made up as follows:

	1996 £	1995 £
United Kingdom corporation tax payable	72,118	20,805
PAYE and Social security	14,563	11,292
Value added tax	15,022	4,596
	<u>101,703</u>	<u>36,693</u>

Notes to the financial statements continued for the year ended 30 September 1996

16 Creditors: amounts falling due after more than one year

	1996 £	1995 £
Bank loans	1,202,500	1,012,500
Finance leases	84,023	-
Shell UK Limited loan	210,000	245,000
	<u>1,496,523</u>	<u>1,257,500</u>

An analysis of the loans by due date of repayment is set out below:

	1996 £	1995 £
Bank loans:		
Repayable in one year or less	210,000	170,000
Repayable between two and five years	721,250	656,250
Repayable after five years by instalments	481,250	356,250
	<u>1,412,500</u>	<u>1,182,500</u>

	1996 £	1995 £
Shell UK Limited loan:		
Repayable in one year or less	35,000	35,000
Repayable between two and five years	140,000	140,000
Repayable after five years by instalments	70,000	105,000
	<u>245,000</u>	<u>280,000</u>

	1996 £	1995 £
Finance leases:		
Repayable in one year or less	108,176	-
Repayable between two and five years	84,023	-
	<u>192,199</u>	<u>-</u>

**Notes to the financial statements continued
for the year ended 30 September 1996**

**16 Creditors: amounts falling due after more than
one year continued**

The bank loans and overdrafts amounting to £1,412,500 are secured by a standard security in respect of certain of the company's and group's properties and by a floating charge over the assets of the group.

The bank loan comprises two term loans of £750,000 each, and further term loans of £100,000, and £400,000 at Clydesdale Bank base rate plus 1.5%, which are repayable by equal quarterly instalments of £18,750, £5,000 and £10,000 respectively.

The Shell UK Limited loan comprises a development loan at an interest rate of 5%, which is repayable by equal annual instalments of £35,000. The loan is secured over Propeller Filling Station.

17 Provisions for liabilities and charges

	Deferred taxation £
At 1 October 1995	39,000
Transfer from group company	2,138
Transfer from profit and loss account	(5,036)
	<hr/>
At 30 September 1996	36,102 <hr/>

An analysis of the provision for deferred taxation which represents the full potential liability is set out below:-

	Amount provided 1996 £	1995 £
Accelerated capital allowances	41,757	31,000
Other timing differences	(5,655)	8,000
	<hr/>	<hr/>
	36,102 <hr/>	39,000 <hr/>

Notes to the financial statements continued for the year ended 30 September 1996

18 Pension and similar obligations

The company makes contributions on behalf of its employees to The Town and County Motor Garage Limited Retirement Benefits Scheme which is a defined benefit scheme. The assets of the scheme are held separately from those of the group, being invested with insurance companies.

The total pension cost for the company in the period was £19,507 (1995 : £114,166). The pension cost is assessed in accordance with the advice of an independent qualified actuary using the attained age method. The latest actuarial valuation of this scheme was at 1 July 1995. The assumption that had the most significant effect on the valuation was that investment yield would exceed salary increases by 1.5%

At the date of the latest actuarial valuation, the market value of the assets of the United Kingdom scheme was £1.703 million and the actuarial value of the assets was sufficient to cover 129% of the benefits which had accrued to members, after allowing for expected future increases in earnings.

19 Called up share capital

	1996 £	1995 £
Authorised		
195,698 Ordinary shares of £1 each	195,698	195,698
4,302 Preference shares of £1 each	4,302	4,302
	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
32,755 Ordinary shares of £1 each	<u>32,755</u>	<u>32,755</u>

20 Reserves

	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £
At 1 October 1995	733,167	34,103	3,263,479
Profit for the year	-	-	548,231
At 30 September 1996	<u>733,167</u>	<u>34,103</u>	<u>3,811,710</u>

Notes to the financial statements continued
for the year ended 30 September 1996

21 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Profit for the financial year	628,231	489,432
Dividends	-	80,000
	<u>628,231</u>	<u>409,432</u>
Opening shareholders' funds	4,063,504	3,654,072
	<u>4,691,735</u>	<u>4,063,504</u>
Closing shareholders' funds		

22 Contingent liabilities and financial commitments

The company has annual commitments under non-cancellable operating leases as follows:

	1996		1995	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Date of lease termination				
Within one year	5,529	-	-	-
In second to fifth years inclusive	-	27,120	-	-
After five years	27,000	-	-	-
	<u>32,529</u>	<u>27,120</u>	<u>-</u>	<u>-</u>

Contingent liabilities

	1996 £	1995 £
(a) Amount of guarantees in respect of bank borrowings of group companies	<u>547,613</u>	<u>320,174</u>

(b) The company have also granted unlimited guarantees to manufacturers and finance companies in the ordinary course of business in respect of facilities afforded to group undertakings.

(c) A guarantee in lieu of a performance bond has been given by the company's financiers in respect of Shell UK Limited. At 30 September 1996 the total of such guarantees was £85,000 (1995 - £85,000).

23 Ultimate parent company

The directors regard T&C Holdings Limited, a company registered in Scotland, as its ultimate parent company.