

REGISTERED NUMBER:  
SC57921

CAMERON MOTORS (PERTH) LIMITED

FINANCIAL STATEMENTS

31 MAY 2000

Friend & Co., CHARTERED ACCOUNTANTS



CAMERON MOTORS (PERTH) LIMITED

FINANCIAL STATEMENTS

31 MAY 2000

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## CAMERON MOTORS (PERTH) LIMITED

### DIRECTORS' REPORT

The directors present their report together with the audited financial statements of the company for the year ended 31 May 2000.

#### PRINCIPAL ACTIVITIES

The principal activities of the company continued to be the buying and selling of new and used motor vehicles, the supply of spare parts and vehicle servicing associated with its Volkswagen franchise. The company transferred its Audi franchise to its fellow group company, Douglas Cameron (Perth) Limited, with effect from 1 January 1999.

#### TRADING RESULTS AND REVIEW OF THE BUSINESS

The profit for the year after taxation was £49,346 (1999 - £258,141). The directors do not propose the payment of a dividend and, accordingly, this amount has been transferred to reserves.

A review of the development of the business of the company is incorporated in the chairman's statement accompanying the group accounts

#### DIRECTORS AND THEIR INTERESTS

The directors who held office throughout the year were as follows:

I D Cameron  
M Cameron  
C A Stewart  
W D Anderson

None of the directors held any interests in the shares of the company during the year.

The interests of the directors in the shares of the parent company, Ian H Cameron Limited, are shown in the financial statements of that company.

#### 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:

- 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 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 the prevention and detection of fraud and other irregularities.

CAMERON MOTORS (PERTH) LIMITED

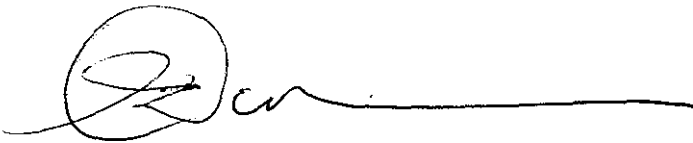
DIRECTORS' REPORT (continued)

AUDITORS

A resolution to re-appoint Friend & Co as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 10 October 2000.

Signed on behalf of the directors:

A handwritten signature in black ink, appearing to be 'I D Cameron', written over a horizontal line.

I D CAMERON  
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
CAMERON MOTORS (PERTH) LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the accounting policies set out on page 6.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 1, 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 as at 31 May 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Friend & Co.*

**FRIEND & CO**  
Chartered Accountants and Registered Auditors

Neville House  
42-46 Hagley Road  
Edgbaston  
Birmingham  
B16 8PE

10 October 2000

CAMERON MOTORS (PERTH) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2000

|  | <u>Notes</u> | <u>2000</u><br>£  | <u>1999</u><br>£  |
|--|--------------|-------------------|-------------------|
| TURNOVER   | 1            | 10,070,561        | 15,280,710        |
| Cost of sales                                    |              | 9,041,133         | 13,930,791        |
| GROSS PROFIT                                     |              | 1,029,428         | 1,349,919         |
| Other income                                     |              | (333,370)         | (534,719)         |
| Administrative expenses                          |              | 1,356,833         | 1,583,224         |
| OPERATING PROFIT                                 |              | 5,965             | 301,414           |
| Interest receivable                              |              | (68,329)          | (56,285)          |
| Interest payable                                 | 2            | 10,781            | 24,610            |
| PROFIT ON ORDINARY ACTIVITIES<br>BEFORE TAXATION | 2            | 63,513            | 333,089           |
| Tax on profit on ordinary activities             | 4            | 14,167            | 74,948            |
| PROFIT ON ORDINARY ACTIVITIES<br>AFTER TAXATION  | 11           | 49,346            | 258,141           |
| BALANCE BROUGHT FORWARD                          |              | 2,961,850         | 2,703,709         |
| BALANCE CARRIED FORWARD                          |              | <u>£3,011,196</u> | <u>£2,961,850</u> |

The company transferred its Audi franchise to its fellow group company, Douglas Cameron (Perth) Limited, with effect from 1 January 1999. No other activity has been acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form part of these financial statements.

# CAMERON MOTORS (PERTH) LIMITED

## BALANCE SHEET AT 31 MAY 2000

|   | <u>Notes</u> | £         | <u>2000</u><br>£  | <u>1999</u><br>£  |
|---|--------------|-----------|-------------------|-------------------|
| <b>FIXED ASSETS</b>                                   |              |           |                   |                   |
| Tangible assets                                       | 5            |           | 502,594           | 463,626           |
|   |              |           |                   | <hr/>             |
| <b>CURRENT ASSETS</b>                                 |              |           |                   |                   |
| Stocks held for resale                                | 6            | 1,402,021 |                   | 1,994,619         |
| Debtors   | 7            | 1,862,626 |                   | 2,125,941         |
| Cash at bank and in hand                              |              | 1,658,344 |                   | 859,889           |
|   |              |           |                   | <hr/>             |
|   |              | 4,922,991 |                   | 4,980,449         |
| <b>CREDITORS: amounts falling due within one year</b> | 8            | 2,351,789 |                   | 2,418,825         |
|   |              |           |                   | <hr/>             |
| <b>NET CURRENT ASSETS</b>                             |              |           | 2,571,202         | 2,561,624         |
|   |              |           |                   | <hr/>             |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |              |           | 3,073,796         | 3,025,250         |
|   |              |           |                   | <hr/>             |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>         |              |           |                   |                   |
| Deferred taxation                                     | 9            |           | 42,600            | 43,400            |
|   |              |           |                   | <hr/>             |
|   |              |           | <u>£3,031,196</u> | <u>£2,981,850</u> |
|   |              |           |                   | <hr/>             |
| <b>CAPITAL AND RESERVES</b>                           |              |           |                   |                   |
| Called up share capital                               | 10           |           | 20,000            | 20,000            |
| Profit and loss account                               |              |           | 3,011,196         | 2,961,850         |
|   |              |           |                   | <hr/>             |
| <b>SHAREHOLDERS' FUNDS</b>                            | 11           |           | <u>£3,031,196</u> | <u>£2,981,850</u> |
|   |              |           |                   | <hr/>             |

These financial statements were approved by the board of directors on 10 October 2000 and signed on its behalf.



I D CAMERON, Director

The notes on pages 6 to 10 form part of these financial statements.

## CAMERON MOTORS (PERTH) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS -- 31 MAY 2000

#### 1. ACCOUNTING POLICIES

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

The principal accounting policies of the company, which remain unchanged from the previous year, are set out below.

a) Turnover

Turnover comprises income from sales and work done, excluding value added tax, and is all within the United Kingdom.

b) Tangible fixed assets

Depreciation is calculated, on an annual basis, so as to write off the cost of tangible fixed assets over their expected useful lives, as follows:

|                       |                      |
|-----------------------|----------------------|
| Property improvements | 2% straight line     |
| Plant and equipment   | 15% reducing balance |
| Fixtures and fittings | 10% reducing balance |
| Computer equipment    | 25% straight line    |
| Motor vehicles        | 33% straight line.   |

c) Stocks

Stocks are stated at the lower of cost and net realisable value. In accordance with Financial Reporting Standard No 5 stocks include vehicles on consignment from the manufacturer.

d) Deferred taxation

Deferred taxation is provided, using the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes. Provision is made only where there is a reasonable probability that such tax will become payable in the foreseeable future.

e) Pensions

The company operates a pension scheme providing benefits based on defined contributions. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account as incurred.

# CAMERON MOTORS (PERTH) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

|                                       | <u>2000</u><br>£ | <u>1999</u><br>£ |
|---------------------------------------|------------------|------------------|
| Depreciation of tangible fixed assets | 28,546           | 59,915           |
| Auditors' remuneration                | 7,750            | 7,500            |
| Bank interest payable                 | -                | 2,247            |
| Other interest payable                | 10,781           | 22,363           |
|                                       | <u>=====</u>     | <u>=====</u>     |

### 3. DIRECTORS AND EMPLOYEES

Directors' remuneration:

|   | <u>2000</u><br>£ | <u>1999</u><br>£ |
|---|------------------|------------------|
| Emoluments                                      | 306,475          | 309,574          |
| Contributions to money purchase pension schemes | 5,007            | 5,062            |
|   | <u>=====</u>     | <u>=====</u>     |
|   | £311,482         | £314,636         |

The emoluments of directors disclosed above include the following amounts paid to the highest paid director:

|            | <u>2000</u>  | <u>1999</u>  |
|------------|--------------|--------------|
| Emoluments | £253,000     | £213,000     |
|            | <u>=====</u> | <u>=====</u> |

|  | <u>2000</u><br>Number | <u>1999</u><br>Number |
|--|-----------------------|-----------------------|
| During the year the following number of directors accrued benefits under a money purchase pension scheme | 1                     | 1                     |
|  | <u>=====</u>          | <u>=====</u>          |

|                       | <u>2000</u><br>£ | <u>1999</u><br>£ |
|-----------------------|------------------|------------------|
| Staff costs comprise: |                  |                  |
| Wages and salaries    | 942,465          | 1,055,714        |
| Social security costs | 93,309           | 103,404          |
| Other pension costs   | 16,115           | 24,143           |
|                       | <u>=====</u>     | <u>=====</u>     |
|                       | £1,051,889       | £1,183,261       |

The average weekly number of employees (including directors) during the year was 49 (1999 - 56).

# CAMERON MOTORS (PERTH) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

|  | <u>2000</u><br>£ | <u>1999</u><br>£ |
|--|------------------|------------------|
| Corporation tax based on the profit for the year at 20% (1999 - 30.4%) | 14,967           | 76,741           |
| Adjustment in respect of previous year                                 | -                | (293)            |
| Deferred taxation credit   | (800)            | (1,500)          |
|  | <u>£14,167</u>   | <u>£74,948</u>   |

### 5. TANGIBLE FIXED ASSETS

|                                 | <u>Property<br/>improve-<br/>ments</u><br>£ | <u>Plant<br/>and<br/>equipment</u><br>£ | <u>Fixtures<br/>and<br/>fittings</u><br>£ | <u>Computer<br/>equipment</u><br>£ | <u>Motor<br/>vehicles</u><br>£ | <u>Total</u><br>£ |
|---------------------------------|---|---|---|------------------------------------|--------------------------------|-------------------|
| <b>COST</b>                     |   |   |   |                                    |                                |                   |
| At 1 June 1999                  | 460,879                                     | 188,237                                 | 122,725                                   | 60,559                             | 8,946                          | 841,346           |
| Additions                       | 60,015                                      | -                                       | -   | 11,524                             | -                              | 71,539            |
| Disposals                       | -   | -                                       | -   | -                                  | (8,946)                        | (8,946)           |
|                                 | <u>520,894</u>                              | <u>188,237</u>                          | <u>122,725</u>                            | <u>72,083</u>                      | <u>-</u>                       | <u>903,939</u>    |
| <b>At 31 May 2000</b>           |   |   |   |                                    |                                |                   |
| <b>ACCUMULATED DEPRECIATION</b> |   |   |   |                                    |                                |                   |
| At 1 June 1999                  | 110,720                                     | 134,936                                 | 78,681                                    | 49,200                             | 4,183                          | 377,720           |
| Charge for the year             | 9,825                                       | 7,995                                   | 4,404                                     | 5,584                              | 738                            | 28,546            |
| Disposals                       | -   | -                                       | -   | -                                  | (4,921)                        | (4,921)           |
|                                 | <u>120,545</u>                              | <u>142,931</u>                          | <u>83,085</u>                             | <u>54,784</u>                      | <u>-</u>                       | <u>401,345</u>    |
| <b>At 31 May 2000</b>           |   |   |   |                                    |                                |                   |
| <b>NET BOOK VALUE</b>           |   |   |   |                                    |                                |                   |
| At 31 May 2000                  | <u>£400,349</u>                             | <u>£45,306</u>                          | <u>£39,640</u>                            | <u>£17,299</u>                     | <u>£ -</u>                     | <u>£502,594</u>   |
| <b>At 31 May 1999</b>           | <u>£350,159</u>                             | <u>£53,300</u>                          | <u>£44,044</u>                            | <u>£11,359</u>                     | <u>£4,764</u>                  | <u>£463,626</u>   |

The property improvements relate to buildings erected on land owned by the parent company, Ian H Cameron Limited.

# CAMERON MOTORS (PERTH) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6. STOCKS

|   | <u>2000</u><br>£  | <u>1999</u><br>£  |
|---|-------------------|-------------------|
| New vehicles                            | 133,488           | 200,332           |
| Used vehicles                           | 722,398           | 932,828           |
| Parts                                   | 95,483            | 99,240            |
| Paint, consumables and work in progress | 12,533            | 11,549            |
| Consignment vehicles                    | 438,119           | 750,670           |
|   | <hr/>             | <hr/>             |
|   | <u>£1,402,021</u> | <u>£1,994,619</u> |

### 7. DEBTORS

|                                      | <u>2000</u><br>£  | <u>1999</u><br>£  |
|--------------------------------------|-------------------|-------------------|
| Amounts falling due within one year: |                   |                   |
| Trade debtors                        | 339,718           | 371,363           |
| Amounts owed by group undertakings   | 1,396,600         | 1,640,364         |
| Prepayments and accrued income       | 126,308           | 114,214           |
|                                      | <hr/>             | <hr/>             |
|                                      | <u>£1,862,626</u> | <u>£2,125,941</u> |

### 8. CREDITORS: amounts falling due within one year

|                                    | <u>2000</u><br>£  | <u>1999</u><br>£  |
|------------------------------------|-------------------|-------------------|
| Trade creditors                    | 445,098           | 210,280           |
| Amounts owed to group undertakings | 822,013           | 786,572           |
| Corporation tax                    | 14,593            | 76,367            |
| Other taxes and social security    | 128,325           | 116,333           |
| Directors' current accounts        | 148,291           | 159,541           |
| Accruals                           | 355,350           | 319,062           |
| Consignment stock creditor         | 438,119           | 750,670           |
|                                    | <hr/>             | <hr/>             |
|                                    | <u>£2,351,789</u> | <u>£2,418,825</u> |

CAMERON MOTORS (PERTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. DEFERRED TAXATION

Full provision has been made at 30% (1999 - 30%) for the potential taxation arising in respect of:

|   | <u>2000</u><br>£ | <u>1999</u><br>£ |
|---|------------------|------------------|
| Capital allowances in advance of depreciation | £42,600<br>===== | £43,400<br>===== |
| Movement in provision during the year:        |                  | £                |
| At 1 June 1999                                |                  | 43,400           |
| Released in the year                          |                  | (800)<br>-----   |
| At 31 May 2000                                |                  | £42,600<br>===== |

10. CALLED UP SHARE CAPITAL

|                                   | <u>2000</u>      | <u>1999</u>      |
|-----------------------------------|------------------|------------------|
| Ordinary shares of £1 each:       |                  |                  |
| Authorised, issued and fully paid | £20,000<br>===== | £20,000<br>===== |

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|                               | <u>2000</u><br>£    | <u>1999</u><br>£    |
|-------------------------------|---------------------|---------------------|
| Profit for the financial year | 49,346              | 258,141             |
| Opening shareholders' funds   | 2,981,850<br>-----  | 2,723,709<br>-----  |
| Closing shareholders' funds   | £3,031,196<br>===== | £2,981,850<br>===== |

12. PENSION COSTS

The company operates a defined contribution scheme. The assets are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £16,115 (1999 - £24,143). No amounts were payable at the year end.

13. PARENT COMPANY

The company is a wholly owned subsidiary of Ian H Cameron Limited, a company registered in Scotland.