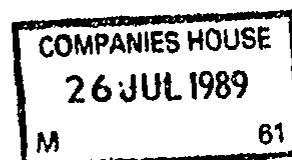


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LOOKERS G.B. & E. LIMITED

REPORT AND FINANCIAL STATEMENTS

30TH SEPTEMBER 1988



LOOKERS G.B. & E. LIMITED

DIRECTORS' REPORT

Year ended 30th September 1988

The directors have pleasure in submitting their report and the audited financial statements for the year ended 30th September 1988.

1. Activity

Since 1st October 1978, the company has acted as managing agent for the holding company, Braid Group Limited and all transactions are recorded in the financial statements of that company.

2. Results

The company did not trade during the year and therefore made neither profit nor loss (1987 same).

3. Directors

The following were directors of the company during the year:-

\*Mr. W. K. Martindale

\*Mr. A. S. Marston

Mr. P. D. Stephenson

\*Directors of the ultimate holding company.

The directors have no interest in the shares of the company other than as shareholders in the ultimate holding company.

The shareholdings and share options of Messrs. Martindale and Marston are shown in the financial statements of the ultimate holding company.

At 30th September 1988 Mr. P. D. Stephenson held 2,200 in the ultimate holding company (1987 1,100).

At 30th September 1988, options to subscribe for shares in the ultimate holding company were held by the directors of the company as follows:

Mr. P. D. Stephenson	11,932 shares (1987 5,966 shares)
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These options were still outstanding at the year end.

4. Taxation

As far as the directors are aware the company is not a close company under the provisions of the Income and Corporation Taxes Act 1988.

LOOKERS G.B. & E. LIMITED

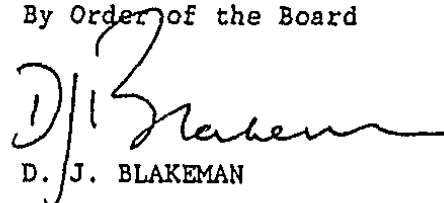
DIRECTORS' REPORT (CONTINUED)

Year ended 30th September 1988

5. Auditors

Touche Ross & Co. have expressed their willingness to continue in office and in accordance with Section 384 of the Companies Act 1985 their re-appointment will be proposed at the next Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'D. J. Blakeman', is written over the typed name.

D. J. BLAKEMAN

Secretary

9th February 1989

AUDITORS' REPORT TO THE MEMBERS

of

LOOKERS G.B. & E. LIMITED

We have audited the balance sheet on pages 4 to 6 in accordance with approved Auditing Standards.

In our opinion the balance sheet gives a true and fair view of the state of the company's affairs at 30th September 1988 and complies with the Companies Act 1985.

*Touche Ross & Co.*

TOUCHE ROSS & CO.

Chartered Accountants


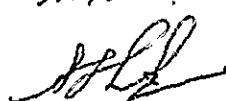
9th February 1989

LOOKERS G.B. & E. LIMITED

BALANCE SHEET - 30th September 1988

		<u>1988</u>	<u>1987</u>
	<u>Note</u>	<u>£</u>	<u>£</u>
CURRENT ASSETS			
Amounts owed by group companies		39,045	39,045
		<u>          </u>	<u>          </u>
CAPITAL AND RESERVES			
Called up share capital	4	39,000	39,000
Profit and loss account		<u>45</u>	<u>45</u>
		39,045	39,045
		<u>          </u>	<u>          </u>

The financial statements were approved by the Directors on 9th February 1989

  
W. K. MARTINDALE )  
 A. S. MARSTON ) Directors

LOOKERS G.B. & E. LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30th September 1988

1. ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

2. TRADING RESULTS

The company did not trade during the year and therefore made neither profit nor loss (1987 same).

3. DIRECTORS' REMUNERATION

None of the directors received any remuneration from the company during the year (1987 same).

4. CALLED UP SHARE CAPITAL

	<u>1988</u>	<u>1987</u>
	£	£
Authorised		
6% cumulative preference shares of £1 each	25,000	25,000
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
	50,000	50,000
	<u>          </u>	<u>          </u>
Allotted and fully paid		
6% cumulative preference shares of £1 each	20,500	20,500
Ordinary shares of £1 each	<u>18,500</u>	<u>18,500</u>
	39,000	39,000
	<u>          </u>	<u>          </u>

No dividend has been paid on the cumulative preference shares for the six years ended 30th September 1988.

LOOKERS G.B. & E. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30th September 1988

5. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Lookers plc, incorporated in Great Britain.

The company's immediate holding company is Braid Group Limited, incorporated in Great Britain.

6. CONTINGENT LIABILITIES

The company has guaranteed the bank overdraft of the Braid Group. The amount of the indebtedness at 30th September 1988 was £394,770 (1987 £946,058).