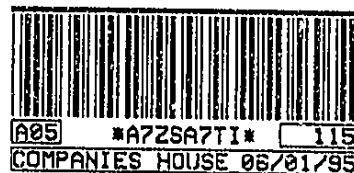


NORTH EAST GARAGES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 1994

COMPANY REGISTRATION NUMBER 1521454



NORTH EAST GARAGES LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which gives 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 a 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.

AUDITORS' REPORT TO THE DIRECTORS OF
NORTH EAST GARAGES LIMITED
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 7 together with the full financial statements of the company for the year ended 31st March 1994. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph.

In our opinion the company is entitled to the exemptions claimed in the directors' statement on page 3 and the abbreviated accounts have been properly prepared in accordance with Part 111 of Schedule 8 to the Companies Act 1985.

On 30th November 1994 we reported to the shareholders on the full financial statements of the company for the year ended 31st March 1994, prepared under Section 226 of the Companies Act 1985 as modified by the exemptions provided by Part 1 of Schedule 8. Our report under Section 235 of the Companies Act 1985 was as follows:

We have audited the financial statements on pages 3 to 13 which have been prepared under the accounting policies set out on page 7.

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, except that the scope of our work was limited as explained below.

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 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 misstatements, 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 as at 31st March 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Gateshead

Date

23. 12. 94

de Wit and Company
Chartered Accountants
Registered Auditors


NORTH EAST GARAGES LIMITED

ABBREVIATED BALANCE SHEET AS AT 31st MARCH 1994

	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
<u>Financed By:-</u>			
Share Capital	6	1000	1000
Revenue Reserve		369818	183368
Property Revaluation Reserve		58425	105592
		<u>429243</u>	<u>289960</u>

We have relied on Section 246 and Section 247 of the Companies Act 1985 as entitling us to deliver abbreviated accounts on the ground that the company is entitled to benefit from the exemptions conferred by part III Section A of Schedule 8 to the Companies Act 1985 as a small company. On the same grounds, advantage has been taken in the preparation of the financial statements of the special exemption conferred by part I of Schedule 8 to that Act.

Approved by the Board on 19/12/94


Director

NORTH EAST GARAGES LIMITEDABBREVIATED BALANCE SHEET AS AT 31st MARCH 1994

	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
<u>TANGIBLE ASSETS</u>			
Fixed Assets	2	569899	738590
 <u>CURRENT ASSETS</u>			
Stock and Work in Progress		952149	855514
Debtors and Prepayments	3	221965	233326
Cash in Hand		-	10
		<u>1174114</u>	<u>1088850</u>
 <u>CREDITORS</u>			
Amounts due within one year	4	1106311	1263566
Net Current Assets (Liabilities)		<u>67803</u>	<u>(174716)</u>
		637702	563874
 <u>CREDITORS</u>			
Amounts due in more than one year	5	208459	273914
		<u>429243</u>	<u>289960</u>

NORTH EAST GARAGES LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31st MARCH 19941) Accounting Policy

- (a) The Accounts are prepared under the historical cost convention.
- (b) Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, net of Value Added Tax.

Depreciation

Depreciation is provided, after taking into account any grants received, at the annual rates stated below over their estimated useful lives on a reducing balance.

Fixtures and Fittings	20%
Plant and Equipment	20%
Motor Vehicles	25%
Investment Motor Vehicles	10%

Stocks

Stocks are stated at the lower of cost and net realisable value.

Leases and Hire Purchase Contracts

Tangible fixed assets acquired under finance leases are capitalised in the Balance Sheet and the total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

NORTH EAST GARAGES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1994

2) Tangible Fixed Assets

	<u>Land and Buildings Cowgate</u>	<u>Land and Buildings Shiremoor</u>	<u>Fixtures and Fittings</u>	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Investment Motor Vehicles</u>
<u>At Cost</u>						
As at 1st April 1993	350000	236458	16261	93942	101788	17576
Additions	-	-	3751	2000	22375	-
	<u>350000</u>	<u>236458</u>	<u>20012</u>	<u>95942</u>	<u>124163</u>	<u>17576</u>
Disposals	62833	-	-	-	79320	-
Revaluation	47167	-	-	-	-	-
	<u>240000</u>	<u>236458</u>	<u>20012</u>	<u>95942</u>	<u>44843</u>	<u>17576</u>
<u>Depreciation</u>						
As at 1st April 1993	-	-	6049	47410	22218	1758
Disposals	-	-	-	-	17363	-
	<u>-</u>	<u>-</u>	<u>6049</u>	<u>47410</u>	<u>4855</u>	<u>1758</u>
Charge for the Year	-	-	2793	9706	10779	1582
	<u>-</u>	<u>-</u>	<u>8842</u>	<u>57116</u>	<u>15634</u>	<u>3340</u>
NBV at 31st March 1994	<u>240000</u>	<u>236458</u>	<u>11170</u>	<u>38826</u>	<u>29209</u>	<u>14236</u>
NBV at 31st March 1993	<u>350000</u>	<u>236458</u>	<u>10212</u>	<u>46532</u>	<u>79570</u>	<u>15818</u>

On 22nd December 1993 the company granted a Premium Leasehold Interest to a tenant regarding the Petrol Station and Forecourt at Cowgate for a term of 125 years at a consideration of £235000.00.

The Land and Buildings at Cowgate were then revalued without the Petrol Station and Forecourt by Storey, Sons and Parker, Chartered Surveyors, the valuation was £240000.00.

NORTH EAST GARAGES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1994

3) Debtors - Amounts due within one year

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Trade Debtors	184070	178278
Other Debtors	25816	33770
Prepayments	12079	21278
	<u>221965</u>	<u>233326</u>

4) Creditors - Amounts due within one year

Bank Overdraft	186756	397640
Obligations under Hire Purchase Contracts	12755	39620
Loan Accounts	312000	347048
Trade Creditors	459720	307706
Taxation	10599	33208
Taxes and Social Security	24330	28033
Other Creditors	34794	32629
Accruals	48424	75831
Value Added Tax	16933	1851
	<u>1106311</u>	<u>1263566</u>

The bank overdraft is secured by an unscheduled mortgage debenture dated 1st April 1991, which creates a fixed and floating charge over all the company's assets.

The Stocking Loan and Fixed Term Loan totalling £420000.00 at 31st March 1994 are secured by a second all monies general debenture over the assets and undertaking of the company and first priority over vehicles owned by the company to the extent of £400000.00 plus interest, costs and charges, together with a first all monies legal charge over all of the property granted priority to an unlimited extent by other charge holders.

5) Creditors - Amounts due after more than one year

Obligations under Hire Purchase Contracts	2959	9366
Loan Accounts	205500	264548
	<u>208459</u>	<u>273914</u>

6) Share Capital

Authorised £1 Ordinary Shares	1000	1000
Allotted, Issued and Fully Paid	<u>1000</u>	<u>1000</u>