

BLETCHLEY PROPERTIES LIMITED
REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1994
Company Number: 632405



Bletchley Properties Limited
Report of the Directors

The directors present their report and audited financial statements for the year ended 31st December 1993.

Principal Activity

The company was dormant during 1994 following the transfer of assets and liabilities to Bletchley Motor Company Limited at net book value on 31st December 1994.

Directors

The directors holding office during the year, together with those subsequently appointed, were:

J.L. Bayer	(appointed 1st May 1995)
D.J. Dunn	(resigned 1st May 1995)
G.M. Findlay	(appointed 1st May 1995)
P.A. Haupt	(resigned 31st January 1994)
M.A. Lancaster	(appointed 1st May 1995)
J.A. Ross	(appointed 1st May 1995)

Interest in Shares

None of the directors has a beneficial interest in the company's shares.

D.J. Dunn and P.A. Haupt were directors of Bletchley Motor Group PLC at 31st December 1994, which was then the ultimate holding company. Their interests in the shares of Bletchley Motor Group PLC and its subsidiaries are disclosed in that company's Directors' Report.

Subsequent events

Subsequent to the year end Bletchley Motor Group PLC merged with Charles Sidney plc, which then changed its name to BMG Charles Sidney plc. That company is now the ultimate holding company.

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



M.A. Lancaster
Director

16th May 1995

Bletchley Properties Limited
Profit and Loss Account
For the year ended 31st December 1994

Page 2

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		<u>£</u>	<u>£</u>
Turnover		-	21,044,464
Cost of sales		-	(19,855,340)
Gross profit		-	1,189,124
Management fees		-	(186,715)
Distribution costs		-	(91,512)
Administration expenses		-	(533,531)
Operating profit		-	377,366
Interest payable and similar charges	5	-	(81,802)
Profit on ordinary activities before taxation	2	-	295,564
Tax on profit on ordinary activities	6	-	(99,517)
Profit on ordinary activities after taxation		-	196,047
Dividends	7	-	(202,357)
Loss for the financial year		-	(6,310)
Statement of retained earnings			
Retained profit brought forward		-	6,310
Loss for the financial year		-	(6,310)
Retained profit carried forward		-	-

The notes on pages 4 to 7 form part of these financial statements.

All activities were discontinued on 31st December 1993.

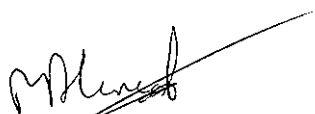
The company had no recognised gains, nor losses, in either year, other than the profit on ordinary activities after taxation stated above.

Bletchley Properties Limited
Balance Sheet as at 31st December 1994

Page 3

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		<u>£</u>	<u>£</u>
Current assets			
Debtors:			
Amounts owed by group undertakings		<u>1,000</u>	<u>1,000</u>
		<u>1,000</u>	<u>1,000</u>
Capital and reserves			
Called-up share capital	8	<u>1,000</u>	<u>1,000</u>
Profit and loss account		<u>-</u>	<u>-</u>
		<u>1,000</u>	<u>1,000</u>

These financial statements were approved by the board of directors on 16th May 1995 and were signed on its behalf by:



M.A. Lancaster

The notes on pages 4 to 7 form part of these financial statements.

Bletchley Properties Limited
Notes to the financial statements
for the year ended 31st December 1994

Page 4

1. Accounting Policies

The following accounting policies have been applied consistently in preparing the company's financial statements.

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

(b) Accounting Standards

The financial statements have been prepared in accordance with applicable accounting standards.

(c) Financial Reporting Standard 1

Under the provisions of Financial Reporting Standard 1 the company is exempt from preparing a cashflow statement as it is a wholly owned subsidiary undertaking.

(d) Depreciation

Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its estimated useful life.

Motor vehicles	- 25%
Plant & equipment	- 15%/25%

(e) Turnover

Turnover comprises the invoiced value of goods sold and services provided, net of Value Added Tax.

(f) Management fees

Management fees comprise the invoiced amount of services provided by group companies, net of Value Added Tax.

2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Depreciation of tangible fixed assets	-	86,337
Auditors' remuneration and expenses	-	9,036
	<u> </u>	<u> </u>

Notes to the financial statements (continued)3. Staff Numbers and Costs

The average number of persons employed by the company (excluding the Chairman) during the year was as follows:

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Sales	-	9
Administration	-	16
Workshop and stores	-	18
	<u>-</u>	<u>43</u>

The aggregate payroll costs of these persons were as follows:

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Wages and salaries	-	512,804
Social security costs	-	52,538
Pension costs	-	18,669
	<u>-</u>	<u>584,011</u>

4. Emoluments of Directors

No director received any emoluments in respect of the years ended 31st December 1994 and 31st December 1993.

5. Interest Payable and similar charges

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
On bank loans, overdrafts and other loans repayable within five years by instalments:		
- Payable to group undertakings	-	72,813
- Payable to external sources	-	8,989
	<u>-</u>	<u>81,802</u>

6. Taxation

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Taxation charge based on the profit for the year of the company:		
Corporation tax @ 33%	-	84,484
Deferred taxation	-	15,117
	-	99,601
Under/(over) provision in respect of prior years:		
Corporation tax	-	(1,636)
Deferred taxation	-	1,552
	-	99,517

7. Dividends

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Paid:		
Ordinary shares	-	202,357
	-	202,357

8. Equity Share Capital

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Authorised, allotted, called-up and fully paid:		
1,000 ordinary shares of £1 each	1,000	1,000

9. Contingent Liabilities

There is a contingent liability of £3,368,920 (1992: £3,465,989) secured by fixed and floating charges on the company's assets, in respect of guarantees given to Midland Bank plc in connection with loans and overdraft facilities afforded to Bletchley Motor Group PLC and its subsidiaries.

There is a contingent liability of £7,129,292 (1993: £3,420,152) in respect of guarantees given, with fellow subsidiaries, to finance companies for facilities afforded to certain fellow subsidiaries.

10. Ultimate Holding Company

At 31 December 1994 the ultimate holding company was Bletchley Motor Group PLC, which is registered in England and Wales.

Subsequent to the year end Bletchley Motor Group PLC merged with Charles Sidney plc, which then changed its name to BMG Charles Sidney plc. That company is now the ultimate holding company.

Copies of the financial statements of both Bletchley Motor Group PLC and of Charles Sidney plc are available from:

BMG House
Cranfield Road
Wavendon
Milton Keynes
MK17 8LQ

Statement of Directors' Responsibilities

Company law requires the directors to prepare 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 for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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. The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company, and to prevent and detect fraud and other irregularities.

Report of the auditors, KPMG
to the members of Bletchley Properties Limited

We have audited the financial statements on pages 2 to 7.

Respective responsibilities of directors and auditors

As described on page 8 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 judgments 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 31st December 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Karl

Chartered Accountants
Registered Auditors
Milton Keynes

16 May 1995