Companies House
for the record

NOTICE OF ILLEGIBLE DOCUMENT

ON THE MICROFICHE RECORD

Companies House regrets that the microfiche record for this company, contain some documents, which are illegible.

The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause

CAFFYNS

Eighty first Annual

Report and Accounts

[illegible] March 1990

Caffyns plc

Eighty-first Annual

Report and Accounts

For the year ended 31st March 1990

Contents

Results at a Glance

	1990	1989
	£ooo's	£ooo's
Sales	130,916	*131,728*
Trading Profit	1,939	*2,431*
Profit before Tax	664	*2,056*
Dividend per Ordinary Share	11.5p	*11.5p*

Caffyns plc

Directors

ALAN M. CAFFYN, C.ENG., M.I.Mech.E., F.I.M.I.
Chairman and Chief Executive

Rt. Hon. LORD SHAWCROSS, G.B.E., Q.C.
Deputy Chairman

H.C. COTTRELL, F.I.A., F.B.I.M.

ANTHONY E.F. CAFFYN, F.I.M.I.
Joint Managing Director

ROBERT J.M. CAFFYN, M.A., F.C.A.
Joint Managing Director

DOUGLAS J.M. CAFFYN, M.A., M.Sc., A.C.I.S.
Executive Director

Regional Directors

C.H. BARBROOK-BAKER — *Ashford Area*
M.J. BLACKABY — *Eastbourne Area*
T.J. BOLGER — *Worthing Area*
S.G.M. CAFFYN — *Operations*
R.J. DAVIS — *Horsham Area*
J.J. KEHILY — *Tunbridge Wells Area*
J.G. KING — *Accountant*
J. LING — *Bournemouth Area*
M.J. LOCK — *VAG*
T.G. SHIPTON — *Vehicle Sales*
L.C. WOOD — *Publicity*

Bankers

MIDLAND BANK plc, 94 Terminus Road, Eastbourne
NATIONAL WESTMINSTER BANK plc, 96 Terminus Road, Eastbourne

Auditors

GRANT THORNTON, Chartered Accountants, 2 Hyde Gardens, Eastbourne

Secretary

ROBERT J.M. CAFFYN, M.A., F.C.A.

Registered Office

Meads Road, Eastbourne

Caffyns plc

Registered in England No. [illegible]

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the EIGHTY FIRST ANNUAL GENERAL MEETING of the Company will be held at the Hydro Hotel, Mount Road, Eastbourne, on Wednesday the 25th day of July 1990 at 3 p.m.

To receive the Accounts and Reports of the Directors and Auditors.

To declare a Dividend on the Ordinary Shares.

To re-elect Mr. D.J.M. Caffyn a Director.

To re-appoint Grant Thornton as Auditors.

To empower the Directors to fix the remuneration of the Auditors.

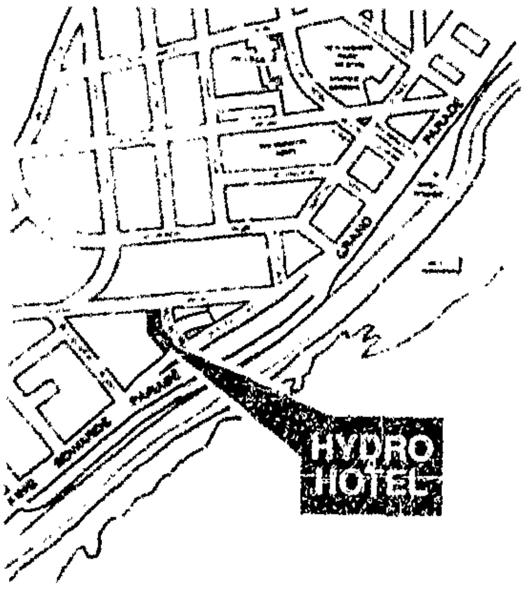
By Order of the Board

R. J. M. CAFFYN,

[illegible]

Registered Office: [illegible]

[illegible]



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Caffyns plc

Chairman's Review

It is with great sadness that I have to report the death of our President [illegible] Edward Caffyn. He joined the Company in 1925, was appointed to the Board in 1932 becoming Chairman in 1976. Over many years his great wisdom and wide experience have been invaluable. He will be remembered with much affection by the many members of staff who were privileged to work with him.

In my report last year I predicted that the year to the 31st March 199[illegible] would be difficult and so it proved to be. Turnover was marginally down and the trading profit was [illegible] from £[illegible] 4m to £[illegible]. Without the large exceptional item in 1988/89 of £0.9m and with interest payable up by 25.7% to £1.6m, the profit before tax was £0.7m. One of the more unusual features was that although the motor trade as a whole suffered to some degree, those in the South fared far worse than those in the Midlands and North. This was caused by a far greater reduction in new car sales of all makes in Southern England than in the rest of the country. We were also affected like most other Rover dealers in that the models we were selling were reaching the end of their production life and had limited customer appeal.

The Directors recommend an unchanged final dividend of 6.5p per Ordinary Share making a total dividend for the year of 11.5p. The dividend will be paid on the 25th July to shareholders on the register on the 7th July.

Franchises

Over the past six months we have seen the introduction of three new Rover models in the 200 and 400 Series and an improved Metro, all to a very high standard of engineering and quality. Our twenty-two Rover outlets can look to 1991 with some confidence. It is most encouraging that Rover have clearly put most of their troubles behind them and are now receiving much acclaim from the highly perceptive motoring press.

As with our Rover branches each of the other volume franchises that we represent saw a decline in their new car sales but to a lesser degree. The overall performance by the VAG outlets remained sound and will benefit in the future from the greater emphasis being placed by the Concessionaire on the marketing of the Audi range. Our Toyota operation proved disappointing for what is a highly profitable franchise but steps have been taken to correct our shortcomings. Both Renault and Vauxhall branches experienced difficulty in the competitive trading conditions but managed to produce profits. The problems of the Fiat franchise have been recognised by both the Manufacturer and the Dealer network and the long slow process of rebuilding has begun.

At Southampton where we replaced the Nissan franchise with Seat we are adding Hyundai whose cars are built in Korea. With the extra string to their bow we envisage significant progress being made in the current year. In Canterbury we decided to end our uneasy relationship with Nissan and have taken the Citroen franchise. In our first month we have seen a heartening improvement in sales and again are optimistic that the change will be proved correct.

Land Rover introduced the new Discovery model last autumn and it has been an immediate success. This has resulted in a good [illegible] at Lewes where we represent both Land Rover and Rover.

Our three specialist dealerships have also produced sound results. Of the two Mercedes Benz operations we are particularly pleased with the performance of the new site in Salisbury which was opened last July where profits were well ahead of [illegible]. Jaguar in Eastbourne saw a decline on the previous year but the outcome of their year remained highly satisfactory. It is too early to say what effect the change of ownership will have, but with the resources of the Ford Corporation behind them it can surely only be beneficial.

Other Services

On the other [illegible] for [illegible] considerable expense we [illegible] to be made to the M.O.T. testing bays to conform to the new regulations which came into force on June 1st. Otherwise the year has seen further consolidation of the [illegible] franchise which with wider publicity is becoming better known.

Unipart have introduced a new daily delivery service which has enabled us to reduce the levels of our parts stocks. Following discussions with Unipart an improved agreement has been negotiated for our four corporate parts wholesalers.

[illegible]

Capital Investment

[illegible]

People

[illegible]

Major Shareholding

[illegible]

Prospects

[illegible]

Caffyns plc

Report of the Directors

The Directors submit their report and financial statements for the year ended 31st March 1990

Principal activities and business review

The Company is engaged in the normal activities of the reta[illegible] industry. A review of the past year and future developments is contained in the Chairman's Review on pages 4 and 5

Turnover

The turnover of the Company amounted to £130 9m (1989 £131 7m)

Results and dividends

The trading profit for the year amounted to £1,939,000 (1989 £2,431,000)

The surplus arising on property disposals together with related closure costs have been included within the profit before tax which amounted to £664,000 compared with £2,056,000 in the previous year.

Dividends paid and recommended are as follows

	1990 £000's	1989 £000's
Dividends paid on		
4 55% (formerly 6 5%) Cumulative First Preference Shares	18	12
4 2% (formerly 6%) Cumulative Second Preference Shares	8	8
10% Cumulative Preference Shares	65	65
Ordinary Shares—Interim 5p (1989 5p)	166	165
Dividend proposed on		
Ordinary Shares—Final 6 5p (1989—6 5p)	215	214
	£472	£470

It is proposed that the resulting surplus of £34,000 be transferred to reserves (1989 £1,378,000)

Directors

The Directors in office throughout the year are set out below. The Director retiring by rotation is Mr D J M Caffyn who, being eligible, offers himself for re-election. his contract of service with the Company expires on 31st March 1995, but can be extended annually up to the 27th Decem[illegible] 2001. The non-executive Directors, Lord Shawcross and Mr Cottrell do not hold service contra[illegible] with the Company

Lord Shawcross G B E, P C, Q C joined the Board on 1st October 1965 and became Deputy Chairman on 19th April 1977. He was Attorney General from 1945 to 1951 and Chancellor of Sussex University from 1965 to 1985. He has been a Director of a number of companies and continues as a Consultant of several

Mr Cottrell, F I A, F B I M joined the Board on 18th April 1977. He was Senior partner in Philips and Drew from May [illegible] to May 1978. He is Chairman of Watts Blake Bearne & Co PLC

Apart from the contracts of [illegible], no Director of the Company has, or has had during the year, a significant interest in any contract with the Company

The beneficial interests of the Directors in the shares of the Company together with their interests as trustees of charitable trusts, are as follows

	At 31st March 1990			At 31st March 1989		
	Ordinary Shares	Cum 1st Pref Shares	10% Pref Shares	Ordinary Shares	Cum 1st Pref Shares	10% Pref Shares
A M Caffyn	100,977	5,337	11,400	100,020	1,040	5,800
Lord Shawcross	2,000		400	2,000		400
H C Cottrell	1,000			1,000		200
A E F Caffyn	99,000			104,000		
R J M Caffyn	116,311	5,296	7,500	113,760	1,000	1,900
	*45,000	*50	*1,100	*45,000		*1,000
D J M Caffyn	101,576	4,297	11,400	99,025		5,800

*held as trustee with no beneficial interest

There were no changes in the Directors shareholding between 1st April and 6th June 1990

All the Directors (except Lord Snawcross and Mr H C Cottrell) are Directors of Caffyns Pension Fund Trustees Ltd which owns 75,570 Ordinary Shares and 12,862 10% Cumulative Preference Shares. They are also Directors of Caffyns Family Holdings Ltd which owns all the 2,000,000 4 2% Cumulative Second Preference Shares, which have full voting rights

Other Shareholdings

I E P Securities Limited hold 938,905 Ordinary Shares representing 28 3% of the Issued Ordinary Share Capital and 17 7% of the total Voting Shares. Pearl Assurance plc hold 140,000 Ordinary Shares representing 4 2% of the issued Ordinary Share Capital and Mellstock Limited hold 128,349 Ordinary Shares representing 3.9% of the Issued Ordinary Share Capital. The Directors are not aware of any other interest which represents 3% or more of the Issued Ordinary Share Capital

Fixed Assets

The freehold properties were professionally revalued on 31st May 1984 on an existing use basis. Freehold properties acquired since that date are included at cost. Fixed asset movements are shown in Note 10 to the financial statements. The Directors are of the opinion that the present market value of the Company's properties exceeds the amount at which they are stated in these accounts

Employees

The Company supports the recruitment of disabled people wherever possible. Priority is given to those who become disabled during their employment. They all have opportunities for training, career development and promotion in accordance with their skills and abilities. The Company continues its practice of keeping all its employees informed on matters affecting them by means of a periodic newsletter, and takes account of the views of employees wherever possible

Charitable and Political Contributions

Donations to charitable organisations amounted to £3,000. No contributions were made for political purposes

Capital Gains Tax

The market values of the Company's listed shares, adjusted in the case of Ordinary Shares for the bonus issue of 10% Preference Shares in August 1978, were

	6th April 1965	31st March 1982
Ordinary Shares	82 151p	127 5p
4.55% Cumulative First Preference Shares	93 75p	32 5p
10% Cumulative Preference Shares	83 245p	64 5p

Tax status

The Company is not a close company as defined by Section 414 of the Income and Corporation Taxes Act 1988

Auditors

A resolution proposing the reappointment of the Auditors, Messrs Grant Thornton, will be put to the Annual General Meeting in accordance with Section 384(1) of the Companies Act, 1985

By Order of the Board,

P J M CAFFYN Secretary

6th June 1990

Caffyns plc

Profit and Loss Account
for the year ended 31st March 1990

	Note	1990 £000's	1989 £000's
Turnover	1	130,316	*131,728*
Cost of sales		113,874	*115,183*
Gross profit		17,042	*16,545*
Other operating charges	2	15,103	*14,114*
Trading profit		1,939	*2,431*
Exceptional items	5	372	*905*
Operating profit		2,311	*3,336*
Interest payable	6	1,647	*1,280*
Profit on ordinary activities before taxation		664	*2,056*
Taxation	7	158	*208*
Profit on ordinary activities after taxation		506	*1,848*
Dividends	8	472	*470*
Retained profit	17	34	*1,378*
Earnings per ordinary share	9	12.5p	*53.3p*

The accounting policies and notes on pages 13 to 19 form part of these financial statements

Caffyns plc

Balance Sheet at 31st March 1990

	Note	1990 £000's	1989 £000's
Fixed Assets			
Tangible assets	10	15,937	*13,969*
Current Assets			
Stocks	11	9 438	*10,857*
Debtors	12	5,523	*5,618*
		14,961	*16,475*
Creditors:			
Amounts falling due within one year	13	12,868	*12,757*
Net Current Assets		2,093	*3,718*
Total Assets Less Current Liabilities		18,030	*17,687*
Creditors:			
Amounts falling due after more than one year	14	1,1[illegible]4	*830*
		16,916	*16,857*
Capital and Reserves			
Called up share capital	16	2,896	*2,885*
Share premium account	17	50	*36*
Revaluation reserve	17	3,727	*3,956*
Profit and loss account	17	10,243	*9,980*
		16,916	*16,857*

The financial statements were approved by the Board of Directors on 6th June 1990

A M CAFFYN } *Directors*
SHAWCROSS }

The accounting policies and notes on pages 11 to 19 form part of these financial statements

Caffyns plc

Statistics — 1981-1990

Year ended 31st March	1981	1982	1983
	£000's	£000's	£000's
Turnover*	56,713	63,266	72,605
BALANCE SHEET			
Tangible Fixed Assets	8,266	8,275	8,692
Current Assets	12,228	11,950	13,167
Book Amount of Assets Employed	20,494	20,225	21,859
FINANCED AS FOLLOWS			
Called up Share Capital	2,857	2,857	2,857
Reserves	6,213	5,783	5,110
	9,070	8,640	7,967
Creditors: amounts falling due within one year	9,997	9,951	12,664
Creditors: amounts falling due after more than one year	1,427	1,634	1,228
	20,494	20,225	21,859
PROFIT AND LOSS ACCOUNT			
Operating Profit	1,050	1,081	1,229
Interest payable	1,434	1,303	1,195
Profit/(Loss) on ordinary activities before taxation	(384)	(222)	34
Taxation	103	102	142
Profit/(Loss) on ordinary activities after taxation	(487)	(324)	(108)
Extraordinary items	38	130	(327)
Profit/(Loss) for the year	(449)	(194)	(435)
DEALT WITH AS FOLLOWS			
Retained for the development of the business	(686)	(431)	(672)
Dividends — Preference	91	91	91
— Ordinary	146	146	146
STATISTICS			
Dividend per Ordinary Share	4.5p	4.5p	4.5p
Gross equivalent	6.4p	6.4p	6.4p
Earnings/(Loss) per Ordinary Share	(17.8p)	(12.8p)	(6.2p)

*The turnover figures for 1987-1990 exclude car tax whereas 1981-1986 include car tax

1984	1985	1986	1987	1988	1989	1990
£ooo's	£ooo's	£ooo's	£ooo's	£ooo's	£ooo's	£ooo's
90,101	93,196	107,914	107,478	116,653	131,728	130,916
8,430	12,138	12,468	12,026	12,334	13,969	15,937
12,753	14,177	13,598	13,889	12,689	16,475	14,961
21,183	26,315	26,056	25,915	25,023	30,444	30,898
2,857	2,857	2,857	2,857	2,859	2,885	2,896
5,462	9,545	9,801	10,855	12,560	13,972	14,020
8,319	12,402	12,658	13,712	15,419	16,857	16,916
12,003	13,263	11,024	10,613	8,500	12,757	12,868
861	650	2,374	1,590	1,104	830	1,114
21,183	26,315	26,056	25,915	25,023	30,444	30,898
1,816	1,759	2,196	3,159	2,807	3,336	2,311
1,202	1,234	1,558	1,249	877	1,280	1,647
614	525	638	1,910	1,930	2,056	664
101	101	113	406	(164)	208	158
513	424	525	1,504	2,094	1,848	506
76	–	–	–	–	–	–
589	424	525	1,504	2,094	1,848	506
352	187	256	1,170	1,676	1,378	34
91	91	91	91	91	91	91
146	146	178	243	327	379	381
4.5p	4.5p	5.5p	7.5p	10.0p	11.5p	11.5p
6.4p	6.4p	7.8p	10.4p	13.5p	15.3p	15.3p
13.0p	10.3p	13.4p	43.6p	61.7p	53.3p	12.5p

Caffyns plc

Statement of Source and Application of Funds for the year ended 31st March 1990

	1990		1989	
	£000's	£000's	£000's	£000's
Source of Funds				
From operations				
Profit on ordinary activities before taxation		664		2,056
Adjustments for items not involving the movement of funds				
Depreciation	385		322	
Loss on disposal of plant and equipment			19	
Profit on disposal of properties	(442)		(1,277)	
		(57)		(936)
Total generated from operations		607		1,120
From other sources				
Sale of tangible fixed assets	918		2,227	
Loans received	1,150		2,556	
Shares issued	25		60	
		2,093		4,843
		2,700		5,963
Application of Funds				
Purchase of tangible fixed assets	(2,829)		(2,926)	
Repayment of loans	(431)		(1,546)	
Dividends paid	(471)		(447)	
Taxation paid	(158)		(146)	
		(3,889)		(5,065)
Net (Outflow)/Inflow of Funds		(1,189)		898
Movements in Working Capital				
Stocks	(1,419)		2,775	
Debtors	(95)		1,011	
Creditors: Amounts falling due within one year	288		(2,536)	
		(1,226)		1,250
Net Liquid Funds				
Bank overdraft		37		(352)
Net (Decrease)/Increase in Working Capital		(1,189)		898

Caffyns plc

Accounting Policies
for the year ended 31st March 1990

The financial statements are prepared under the historical cost convention, as modified by the revaluation of freehold properties

(a) *Turnover*

Turnover is the total amount receivable by the Company in the ordinary course of business from outside customers for goods supplied as a principal and for services provided, excluding car tax and VAT

(b) *Depreciation*

Depreciation is calculated to write down the cost or valuation of all fixed assets by equal annual instalments over their expected useful lives

The periods generally applicable are

Leasehold premises	Period of lease
Plant and equipment	10 years

No depreciation is provided on freehold land and buildings Any depreciation arising is not considered material

(c) *Stocks and Work in Progress*

Stocks and work in progress are stated at the lower of cost and net realisable value In the case of work in progress, cost consists of direct materials and direct labour, no addition being made for overheads as this would be negligible

Vehicle stock includes service vehicles

(d) *Deferred Tax*

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements

Deferred tax is provided to the extent that it is probable that a liability or asset will crystallise and not provided to the extent that it is probable that a liability or asset will not crystallise

Unprovided deferred tax is disclosed as a contingent liability

Deferred tax is calculated at the rate at which it is estimated that the tax will be paid when timing differences reverse

(e) *Surplus on Disposal of Properties*

Profits and losses on the disposal of properties used in the Company's bus ess are included in profit before tax on ordinary activities

(f) *Contributions to Pension Fund*

The Company operates a pension scheme for its employees funded jointly by contributions from the Company and employees

Contributions paid by the Company to the pension scheme are charged to the Profit and Loss account on the basis of allocating the cost of providing the benefits over the estimated future years of service of employees participating in the scheme

(g) *Leasing*

Rentals payable under operating and finance lease agreements are charged to profit and loss on a straight line basis over the period of the lease

Caffyns plc

Notes to the Financial Statements
for the year ended 31st March 1990

1. Turnover and profit on ordinary activities before taxation

The turnover and profit before taxation is attributable to the [illegible] in the United Kingdom.

	1990	1989
2. Other operating charges	£000's	£000's
Distribution expenses	[illegible]	[illegible]844
Administration expenses	4,[illegible]	4,[illegible]20
	[illegible]	[illegible]4,114

3. Operating profit

Operating profit is arrived at after charging (crediting) the following items:		
Depreciation	485	322
Auditors' remuneration	42	28
Rent receivable	([illegible])	([illegible]6)
Finance lease payments – plant and equipment	19[illegible]	165
Operating lease payments – motor vehicles	401	295
– land and buildings	234	200

4. Directors and employees

The average number of employees of the Company during the year (including Directors) was 1,201 (1989 – 1,19[illegible]) all of whom were engaged in the retail motor trade.

Staff costs during the year amounted to:		
Wages and salaries	11,698	10,700
Social security costs	[illegible]27	890
Pension costs	[illegible]	[illegible]
	[illegible]028	[illegible]
Emoluments in respect of Directors are as follows:		
Fees	11	[illegible]
Management remuneration (including pension contributions)	25[illegible]	[illegible]36
Pensions to former Directors or their widows	24	25
	293	[illegible]
Emoluments (excluding pension contributions) were:		
Chairman	62	[illegible]
Other Directors	Number	Number
Up to £5,000		2
£5,001 to £10,000	2	
£40,001 to £45,000		1
£45,001 to £50,000	1	
£55,001 to £60,000		2
£60,001 to £65,000	1	

The number of staff, excluding [illegible] whose emoluments [illegible] exceeded £30,000 are as follows:

	Number	Number
£30,001 to £35,000	[illegible]	[illegible]
£35,001 to £40,000	2	2
£40,001 to £45,000	2	3

5. Exceptional items	1990 £000's	1989 £000's
Net surplus on disposal of properties	442	1,277
Costs of branch rationalisation	(70)	(372)
	372	905

6. Interest payable	1990	1989
On bank loans and overdrafts	832	691
On loans repayable within 5 years - by instalments		11
Other interest	30	44
On loans repayable after 5 years	116	49
Stock finance charges	669	485
	1,647	1,280

7. Taxation	1990	1989
The charge for taxation on ordinary activities comprises		
U.K. corporation tax @ 35%		127
Advance corporation tax not immediately recoverable	158	81
	158	208

8. Dividends	1990	1989
Preference		
4.55% First Preference	18	18
4.2% Second Preference	8	8
10% Preference	65	65
	91	91
Ordinary		
Interim dividend paid of 5p (1989 - 5p)	166	165
Final dividend proposed of 6.5p (1989 - 6.5p)	215	214
	381	379
	472	470
Dividends outstanding at 31st March 1990 were		
4.55% First Preference Shares paid 2nd April 1990	9	9
4.2% Second Preference Shares paid 17th April 1990	4	4
10% Cumulative Preference Shares paid 2nd April 1990	32	32
Proposed final dividend on Ordinary Shares	215	214
	260	259

9. Earnings per share

The calculation of earnings per Ordinary Share is based on earnings of £415,000 (1989 - £1,757,000) being the profit on ordinary activities after taxation and preference dividends and on 3,318,496 Ordinary Shares of 50p in issue at 31st March 1990 (1989 - 3,298,166 Ordinary Shares). The earnings per share on a nil basis is 16.1p (1989 - 56.1p).

10. Tangible fixed assets

	Freehold property	Leasehold property	Fixtures & Fittings	Plant & Machinery	Total
Cost or valuation	£000's	£000's	£000's	£000's	£000's
At 1st April 1989	11,342	219	[illegible]	[illegible]	[illegible]
Additions	2,076		[illegible]	[illegible]	2,829
Disposals	(476)			[illegible]	(481)
At 31st March 1990	12,942	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation					
At 1st April 1989		64	[illegible]	[illegible]	[illegible]
Charge for year		8	[illegible]	[illegible]	[illegible]
Disposals			[illegible]	[illegible]	[illegible]
At 31st March 1990		72	1,217	[illegible]	[illegible]
Net book amount					
At 31st March 1990	12,942	[illegible]	1,764	[illegible]	[illegible]
At 31st March 1989	11,342	[illegible]	[illegible]	[illegible]	[illegible]

Leasehold property comprised £122,000 long [illegible] and £[illegible] [illegible].

Valuations

The assets listed above are stated at [illegible] [illegible] of freehold property [illegible] [illegible] as follows:

	1990	1989
	£000's	£000's
At cost	[illegible]	[illegible]
At valuation [illegible] May 1984	[illegible]	[illegible]
	12,942	11,342

If freehold properties had not been revalued they would have been included on the historical cost basis at the following amounts:

	£000's
Cost at 31st March 1990	[illegible]
Cost at 31st March 1989	7,564

11. Stocks

	1990	1989
	£000's	£000's
Vehicles	6,292	[illegible]
Petrol, oil, spare parts and materials	[illegible]	[illegible]
Work in progress	114	[illegible]
	[illegible]	10,857
Vehicle stock includes		
Service vehicles	2,499	2,483

		1990	1989
		£000's	£000's
12.	**Debtors**		
	Trade debtors	[illegible]	5,268
	Other debtors	[illegible]	330
		5,523	5,618
13.	**Creditors: Amounts falling due within one year**		
	Loans	2,531	2,096
	Bank overdraft	1,424	1,461
	Trade creditors	5,968	4,996
	Corporation tax	244	244
	Social security and other taxes	651	728
	Proposed dividends	260	259
	Other creditors	817	1,323
	Accruals	973	1,650
		12,868	12,757
14.	**Creditors: Amounts falling due after more than one year**		
	Loans excluding current instalments		
	Bank loan - with interest varying with bank base rate	1,000	750
	Other loans	114	80
		1,114	830
	Loans outstanding are repayable by instalments as follows		
	Between 1 to 2 years	[illegible]	177
	Between 2 to 5 years	[illegible]	528
	After 5 years	408	125
		1,114	830

The bank loan is secured by way of a fixed charge on certain freehold properties of the Company.

15. Deferred tax

No provision for deferred taxation has been made as the Board are of the opinion that such tax is unlikely to become payable in the foreseeable future.

The total unprovided deferred tax at the balance sheet date is as follows:

	1990	1989
	£000's	£000's
Capital gains rolled over	938	[illegible]
Advance Corporation Tax previously written off	(670)	(406)
	268	762

In addition to the above the Company has unrelieved losses amounting to £1.1 million (1989: £1.7 million) which are available to set against future trading profits and Advance Corporation Tax not immediately recoverable amounting to £1.0 million (1989: £1.1 million). It is anticipated that there would be no liability to Corporation Tax on chargeable gains if the revalued properties were disposed of at their net book values (1989: Nil).

16. Called up share capital

	Authorised 1990 and 1989 £000's	Allotted, called up and fully paid 1990 £000's	1989 £000's
4.55% Cumulative First Preference Shares of £1 each	500	389	389
4.2% Cumulative Second Preference Shares of 10p each	300	200	200
10% Cumulative Preference Shares of £1 each	1,250	648	648
Ordinary Shares of 50p each	2,000	1,659	1,648
	4,050	2,896	2,885

The 4.2% Cumulative Second Preference Shares carry full voting rights.

Under the Save As You Earn Share Option Scheme 22,330 Ordinary Shares were allotted during the year for a total consideration of £25,900.

17. Reserves

	Share Premium Account £000's	Revaluation Reserve £000's	Profit and loss account £000's
At 1st April 1989	36	3,956	9,980
Retained profit for the year			34
Revaluation surpluses on properties sold during the year		(229)	229
Premium arising on issue of shares	14		
	50	3,727	10,243

The revaluation reserve represents surpluses arising on the revaluation of properties and is not distributable.

18. Pension costs

The Company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 5th April 1987. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the long term investment returns would be 9% per annum, that salary increases would average 7% per annum and that present and future pensions would increase at the rate of 5% per annum.

The pension charge for the period was £353,000 (1989 – £327,000).

The most recent actuarial valuation showed that the market value of the scheme's assets was £19.7 million and that the actuarial value of those assets represented 112% of the benefits that had accrued to members at that date, after allowing for expected future increases in earnings. The contributions of the employees will remain at rates between 4% and 14½% according to the scheme. The Company contributes at the same rate as individual members to a maximum of 7%.

19. Lease commitments

(i) The Company has obligations gross of related finance charges under finance leases payable as follows

	1990 £000's	1989 £000's
Within 1 year	221	190
In 2 to 5 years	396	430
	617	620

(ii) Amounts payable under operating leases within the next year are as follows

	Land and Buildings £000's	Other Operating Leases £000's
Lease expiring		
Within 1 year	153	98
In 2 to 5 years	52	107
After 5 years	65	
	270	205

20. Contingent liabilities

(i) In the event of termination of agreements relating to vehicles held on consignment the Company would have a commitment not exceeding £7.7 million to purchase these vehicles.

(ii) In the event of early termination of certain supply agreements the Company would have a contingent liability not exceeding £600,000.

(iii) The contingent liability in respect of deferred tax is set out in Note 15.

21. Financial commitments

(i) At 31st March 1990 future capital expenditure of £973,000 (1989 £556,000) had been contracted for but not provided in these financial statements.

(ii) The Company has a commitment of £3.3 million (1989 £3.5 million) in respect of the repurchase over the next three years of leased vehicles.

REPORT OF THE AUDITORS

To the Members of Caffyns plc

We have audited the financial statements on pages 8, 9 and 12 to 19 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 31st March 1990 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

GRANT THORNTON
Chartered Accountants
Eastbourne

6th June 1990

Caffyns plc

Branches

ASHFORD	Henwood Industrial Estate
BEXHILL-ON-SEA	King Offa Way
BOURNEMOUTH	674-680 Wimborne Road
BRIGHTON	200 Dyke Road
BRIGHTON	227-233 Preston Road
BURGESS HILL	Station Road
BURGESS HILL	Mill Road
CANTERBURY	Broad Oak Road
CROWBOROUGH	Beacon Road
CUCKFIELD	Broad Street
DEAL	Queen Street
DORCHESTER	Millers Close
EASTBOURNE	Upperton Road
EASTBOURNE	Meads Road
EASTBOURNE	520 Seaside
EAST GRINSTEAD	King Street
GORING	The Crescent
HAILSHAM	London Road
HAYWARDS HEATH	Market Place
HEATHFIELD	High Street
HORSHAM	Springfield Road
HOVE	Church Road
HOVE	Kingsway
HYTHE	East Street
LEWES	Brooks Road
LEWES	85-97 Western Road
LEWES	Malling Street
MAIDSTONE	Ashford Road
MARGATE	8-12 Harold Road
POOLE	Ashley Road
RAMSGATE	Grange Road
SALISBURY	194 Castle Street
SALISBURY	London Road
SEAFORD	Sutton Park Road
SEVENOAKS	London Road
SEVENOAKS	Tubs Hill
SOUTHAMPTON	115 Lodge Road
TONBRIDGE	Shipbourne Road
TONBRIDGE	Sovereign Way
TUNBRIDGE WELLS	41-43 St. John's Road
TUNBRIDGE WELLS	37 St. John's Road
UCKFIELD	84-90 High Street
WILLINGDON	Crossways
WORTHING	Broadwater Road
WORTHING	North Street
WORTHING	24-26 Goring Road

Vehicle Franchises Include

Rover Citroën Fiat Hyundai Jaguar/Daimler Land Rover Mercedes Benz
Renault Seat Toyota Vauxhall/Opel VW/Audi

Head Office: Meads Road, Eastbourne

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