

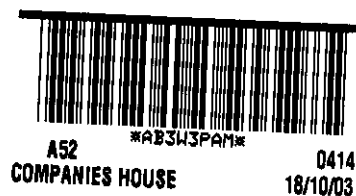
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L J GAMMER (STOWMARKET) LIMITED

Financial Statements

For the Year Ended 31 December 2002

Company Registration Number 00401621



WHITING & PARTNERS

Chartered Accountants & Registered Auditors

Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ

L J GAMMER (STOWMARKET) LIMITED

Financial Statements

Year Ended 31 December 2002

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L J GAMMER (STOWMARKET) LIMITED

Officers and Professional Advisers

The Board of Directors

Mr L J Gammer
Mrs R D Gammer
Mr B P Gammer

Company Secretary

Mrs R D Gammer

Registered Office

Stowupland Road
Stowmarket
Suffolk

Auditors

Whiting & Partners
Chartered Accountants
& Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ

Bankers

National Westminster Bank Plc
Market Place
Stowmarket
Suffolk

L J GAMMER (STOWMARKET) LIMITED

The Directors' Report

Year Ended 31 December 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2002.

Principal Activities and Business Review

The principal activity of the company is that of garage proprietors, and there has been no change in the year.

The directors consider that the profit achieved on ordinary activities before taxation is satisfactory and they expect this profitability to continue.

Results and Dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The Directors and their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At 31 December 2002	At 1 January 2002
Mr L J Gammer	Ordinary	750	750
Mrs R D Gammer	Ordinary	750	750
Mr B P Gammer (Beneficially owned)	Ordinary	3,700	3,700
Mr B P Gammer (As Trustee)	Ordinary	2,400	2,400

Fixed Assets

The directors are of the opinion that the market value of the company's freehold property is in excess of its net book value, but in the absence of a recent valuation, the amount of the excess is not quantified.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 10 to 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

L J GAMMER (STOWMARKET) LIMITED

The Directors' Report *(continued)*

Year Ended 31 December 2002

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 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

A resolution to re-appoint Whiting & Partners as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Stowupland Road
Stowmarket
Suffolk

Signed on behalf of the directors

B P Gammer
Director



Approved by the directors on 16/10/03

L J GAMMER (STOWMARKET) LIMITED

Independent Auditors' Report to the Shareholders

Year Ended 31 December 2002

We have audited the financial statements on pages 6 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and the Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 2 to 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom 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.

L J GAMMER (STOWMARKET) LIMITED

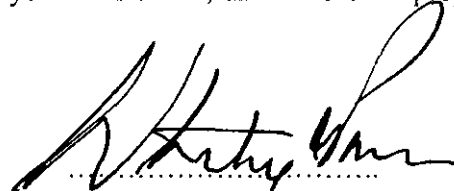
Independent Auditors' Report to the Shareholders *(continued)*

Year Ended 31 December 2002

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Dated: 16/01/03



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WHITING & PARTNERS
Chartered Accountants
& Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ

L J GAMMER (STOWMARKET) LIMITED

Profit and Loss Account

Year Ended 31 December 2002

	Note	2002 £	2001 £
Turnover	2	4,547,346	4,627,667
Cost of sales		<u>4,104,221</u>	<u>4,167,243</u>
Gross Profit		443,125	460,424
Administrative expenses		227,381	365,407
Other operating income	3	<u>(35,495)</u>	<u>(1,895)</u>
Operating Profit	4	251,239	96,912
Interest receivable		1,756	5,396
Interest payable	7	<u>(21,945)</u>	<u>(1,895)</u>
Profit on Ordinary Activities Before Taxation		231,050	100,413
Tax on profit on ordinary activities	8	<u>48,228</u>	<u>25,764</u>
Retained Profit for the Financial Year		182,822	74,649
Balance brought forward		<u>777,834</u>	<u>703,185</u>
Balance carried forward		<u>960,656</u>	<u>777,834</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 18 form part of these financial statements.

L J GAMMER (STOWMARKET) LIMITED

Reconciliation of Movements in Shareholders' Funds

Year Ended 31 December 2002

	2002	2001
	£	£
Profit for the financial year	182,822	74,649
Opening shareholders' equity funds	786,684	712,035
Closing shareholders' equity funds	<u>969,506</u>	<u>786,684</u>

The notes on pages 10 to 18 form part of these financial statements.

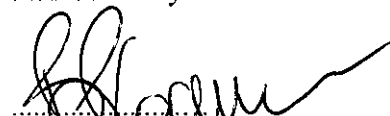
L J GAMMER (STOWMARKET) LIMITED

Balance Sheet

31 December 2002

	Note	2002 £	2001 £
Fixed Assets			
Tangible assets	9	922,369	957,539
Current Assets			
Stocks	10	696,161	633,672
Debtors	11	92,809	126,575
Cash at bank and in hand		134,458	198,568
		<u>923,428</u>	<u>958,815</u>
Creditors: Amounts Falling due Within One Year	12	<u>867,935</u>	<u>912,170</u>
Net Current Assets		<u>55,493</u>	<u>46,645</u>
Total Assets Less Current Liabilities		<u>977,862</u>	<u>1,004,184</u>
Creditors: Amounts Falling due after More than One Year	13	<u>—</u>	<u>213,500</u>
		<u>977,862</u>	<u>790,684</u>
Provisions for Liabilities and Charges			
Deferred taxation	15	8,356	4,000
		<u>969,506</u>	<u>786,684</u>
Capital and Reserves			
Called-up equity share capital	17	8,200	8,200
Share premium account		50	50
Other reserves	18	600	600
Profit and Loss Account		<u>960,656</u>	<u>777,834</u>
Shareholders' Funds		<u>969,506</u>	<u>786,684</u>

These financial statements were approved by the directors on the 16/12/02..... and are signed on their behalf by:



 Mr B P Gammer

The notes on pages 10 to 18 form part of these financial statements.

L J GAMMER (STOWMARKET) LIMITED

Cash Flow Statement

Year Ended 31 December 2002

	Note	2002	2001
		£	£
Net Cash Inflow From Operating Activities	19	208,382	536,629
Returns on Investments and Servicing of Finance	19	(20,789)	6,500
Taxation	19	(26,220)	(7,764)
Capital Expenditure and Financial Investment	19	(12,776)	(673,635)
Cash Inflow/(Outflow) Before Financing		148,597	(138,270)
Financing	19	(213,500)	213,500
(Decrease)/Increase in Cash	19	(64,903)	75,230

The notes on pages 10 to 18 form part of these financial statements.

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

1. Accounting Policies

Basis of Accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% or 4% on cost
Plant & Machinery	-	15% or 25% reducing balance
Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

1. Accounting Policies *(continued)*

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2002 £	2001 £
United Kingdom	<u>4,547,346</u>	<u>4,627,667</u>

3. Other Operating Income

	2002 £	2001 £
Rent receivable	<u>35,495</u>	<u>1,895</u>

4. Operating Profit

Operating profit is stated after charging:

	2002 £	2001 £
Depreciation	47,946	24,719
Auditors' remuneration		
- as auditors	<u>2,750</u>	<u>2,750</u>

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

5. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of production staff	14	14
Number of administrative staff	2	2
Number of directors	3	3
Number of senior staff	4	4
	<u>23</u>	<u>23</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	372,115	482,292
Social security costs	34,300	47,486
Other pension costs	2,383	3,192
Other pension costs	8,500	18,500
	<u>417,298</u>	<u>551,470</u>

6. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	48,610	178,610
Value of company pension contributions to money purchase schemes	8,500	18,500
	<u>57,110</u>	<u>197,110</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

7. Interest Payable

	2002	2001
	£	£
Other similar charges payable	<u>21,945</u>	<u>1,895</u>

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

8. Tax on Profit on Ordinary Activities

(a) Analysis of charge in the year

	2002 £	2001 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 19.25% (2001 - 20%)	47,147	26,500
Over/under provision in prior year	(3,275)	(736)
Total current tax	43,872	25,764
Deferred tax:		
Increase in deferred tax provision (note 15)		
Capital allowances	4,356	—
Tax on profit on ordinary activities	48,228	25,764

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2001 - 20%).

	2002 £	2001 £
Profit on ordinary activities before taxation	231,050	100,413
Profit on ordinary activities multiplied by standard rate of tax	44,477	20,083
Expenses not allowable for tax	2,679	6,417
Rounding adjustment	(9)	—
Over/(under) provision in previous years	(3,275)	(736)
Total current tax (note 8(a))	43,872	25,764

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

9. Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2002	1,016,334	131,385	66,265	37,300	1,251,284
Additions	7,944	4,832	—	—	12,776
At 31 December 2002	<u>1,024,278</u>	<u>136,217</u>	<u>66,265</u>	<u>37,300</u>	<u>1,264,060</u>
Depreciation					
At 1 January 2002	105,499	119,525	47,926	20,795	293,745
Charge for the year	36,892	4,179	2,748	4,127	47,946
At 31 December 2002	<u>142,391</u>	<u>123,704</u>	<u>50,674</u>	<u>24,922</u>	<u>341,691</u>
Net Book Value					
At 31 December 2002	<u>881,887</u>	<u>12,513</u>	<u>15,591</u>	<u>12,378</u>	<u>922,369</u>
At 31 December 2001	<u>910,835</u>	<u>11,860</u>	<u>18,339</u>	<u>16,505</u>	<u>957,539</u>

Included in land and buildings is freehold land of £43,000 which has not been depreciated (2001 - £43,000).

10. Stocks

	2002 £	2001 £
Finished goods	<u>696,161</u>	<u>633,672</u>

11. Debtors

	2002 £	2001 £
Trade debtors	78,713	117,344
Prepayments and accrued income	14,096	9,231
	<u>92,809</u>	<u>126,575</u>

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

12. Creditors: Amounts Falling due Within One Year

	2002 £	2001 £
Bank loans and overdrafts	793	—
Trade creditors	411,266	376,717
Other creditors including taxation and social security:		
Corporation tax	44,152	26,500
PAYE and social security	7,998	86,602
VAT	24,865	27,710
Other creditors	216,999	228,858
Directors' account	108,943	133,546
	<u>815,016</u>	<u>879,933</u>
Accruals and deferred income	52,919	32,237
	<u>867,935</u>	<u>912,170</u>

Other creditors includes £214,000 (2001- £213,500) which is secured. Trade Creditors includes £341,900 (2001 - £329,807) secured on consignment stock.

13. Creditors: Amounts Falling due after More than One Year

	2002 £	2001 £
Other creditors:		
Other creditors	—	213,500

Other creditors includes £nil (2001- £213,500) which is secured.

14. Pensions

The total charge for the year was £10,883 (2001- £21,692). The contributions outstanding at the year end were £nil (2001- £nil).

15. Deferred Taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	4,000	4,000
Profit and Loss Account movement arising during the year	4,356	—
Provision carried forward	<u>8,356</u>	<u>4,000</u>

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

15. Deferred Taxation *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	8,356	4,000
	<u>8,356</u>	<u>4,000</u>

16. Related Party Transactions

The company is under the control of the directors who are the shareholders in the Company.

17. Share Capital

Authorised share capital:

	2002 £	2001 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2002 No	£	2001 No	£
Ordinary shares of £1 each	<u>8,200</u>	<u>8,200</u>	<u>8,200</u>	<u>8,200</u>

18. Other Reserves

	2002 £	2001 £
Capital redemption reserve	<u>600</u>	<u>600</u>

19. Notes to the Statement of Cash Flows

Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	2002 £	2001 £
Operating profit	251,239	96,912
Depreciation	47,946	24,719
Increase in stocks	(62,489)	(246,030)
Decrease in debtors	33,766	1,889
(Decrease)/increase in creditors	(62,080)	659,139
Net cash inflow from operating activities	<u>208,382</u>	<u>536,629</u>

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

19. Notes to the Statement of Cash Flows *(continued)*

Returns on Investments and Servicing of Finance

	2002	2001
	£	£
Interest received	1,756	5,396
Interest paid	(22,545)	1,104
Net cash (outflow)/inflow from returns on investments and servicing of finance	(20,789)	6,500

Taxation

	2002	2001
	£	£
Taxation	(26,220)	(7,764)

Capital Expenditure

	2002	2001
	£	£
Payments to acquire tangible fixed assets	(12,776)	(673,635)
Net cash outflow from capital expenditure	(12,776)	(673,635)

Financing

	2002	2001
	£	£
Net (outflow)/inflow from other long-term creditors	(213,500)	213,500
Net cash (outflow)/inflow from financing	(213,500)	213,500

Reconciliation of Net Cash Flow to Movement in Net Funds

	2002	2001
	£	£
(Decrease)/increase in cash in the period	(64,903)	75,230
Net cash outflow from/(inflow) from other long-term creditors	213,500	(213,500)
	148,597	(138,270)
Change in net funds	148,597	(138,270)
Net debt at 1 January 2002	(14,932)	123,338
Net funds at 31 December 2002	133,665	(14,932)

L J GAMMER (STOWMARKET) LIMITED

Notes to the Financial Statements

Year Ended 31 December 2002

19. Notes to the Statement of Cash Flows *(continued)*

Analysis of Changes in Net Funds

	At 1 Jan 2002 £	Cash flows £	At 31 Dec 2002 £
Net cash:			
Cash in hand and at bank	198,568	(64,110)	134,458
Overdrafts	—	(793)	(793)
	<u>198,568</u>	<u>(64,903)</u>	<u>133,665</u>
Debt:			
Debt due after 1 year	(213,500)	213,500	—
Net funds	<u>(14,932)</u>	<u>148,597</u>	<u>133,665</u>