

Whitnash plc

Report and Financial Statements

31 December 2002



Contents

	Page
<i>Chairman's Statement</i>	2
Report of the Directors	3
Independent Auditors' Report	5
Accounting Policies	6
Consolidated Profit and Loss Account	7
Consolidated Balance Sheet	8
Consolidated Statement of Cash Flows	9
Notes to the Financial Statements	10
Company Balance Sheet	19

Chairman's Statement

Whitnash plc is a wholly owned subsidiary of Automotive Products Group Limited.

The results of Whitnash plc comprise interest receivable from amounts owed by group companies and other income offset by interest payable on debt and dividends to shareholders.

The results for 2002 produced an operating profit of £983,000 compared with a profit of £1,053,000 in 2001. Net interest receivable was £1,629,000 compared with £1,103,000 in 2001.

As the income of Whitnash plc is generated entirely from fellow group companies, its prospects depend upon the performance of Automotive Products Group Limited and its subsidiaries.



D Hargreaves
28 May 2003

Report of the Directors

The directors have pleasure in presenting their report together with the audited financial statements of the Company and of the Group for the year ended 31 December 2002.

Principal activity, review of the business and future developments

The principal activity of the Company and Group in the year under review was the provision of services to other members of Automotive Products Group Limited. A review of the business and the state of the Group's affairs appears in the Chairman's Statement on page 2 which is deemed to form part of this report.

Group results and dividends

The consolidated profit for the year after taxation amounted to £2,507,000. Details of the equity and non-equity dividends are shown in note 4 to the accounts.

Board of directors

The membership of the Board at 31 December 2002 is set out below. Except as indicated all of the directors served on the Board throughout the year. None of the directors has any interest in any class of shares of the Company.

The directors and their beneficial interest in the share capital of the parent undertaking, Automotive Products Group Limited, were as follows: -

	<i>At 31 December 2002</i>			<i>At 31 December 2001</i>		
	<i>Ord.</i>	<i>'B' Ord.</i>	<i>Pref.</i>	<i>Ord.</i>	<i>'B' Ord.</i>	<i>Pref.</i>
D Hargreaves	2,767	769	70,274	2,767	769	70,274
A C Buckmaster	11,070	1,000	158,630	11,070	1,000	158,630
K B Connolly	8,304	-	74,736	8,304	-	74,736

Mr K B Connolly resigned as a director on 31 March 2003 and his interests did not change prior to this date. The interests of the remaining directors are unchanged at 28 May 2003.

Mr R Munton was appointed as a director on 30 May 2001 and resigned on 27 February 2002. He was also a director of Automotive Products Group Limited and his interests are disclosed in that company's financial statements.

Substantial shareholding

The entire issued ordinary and deferred share capital of the Company is owned by Automotive Products Group Limited.

Charitable contributions

During the year the Group made charitable contributions of £13,000 (2001: £17,000).

Payment policy

It is the policy of the Company to pay its suppliers in accordance with agreed terms. At 31 December 2002 trade purchases outstanding for the Company and Group were both equivalent to nil days (2001: nil).

Report of the Directors

Directors' responsibilities for the financial statements

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 and of the Group and of the profit or loss of the Group for that year. In preparing those financial statements, the directors are required to:

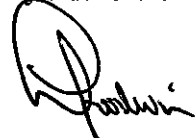
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

By order of the Board



L D Goodwin

Secretary

28 May 2003

Registered Office

PO Box 2085
Tachbrook Road
Leamington Spa
Warwickshire
CV31 3ZL

Company Number

463572

Independent Auditors' Report to the Members of Whitnash Plc

We have audited the Group's financial statements for the year ended 31 December 2002 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Consolidated Statement of Cash Flows, the related notes 1 to 16 and the Company Balance Sheet. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including the financial statements which are required to be prepared in accordance with applicable United Kingdom law and accounting standards as set out in the Statement of Directors' Responsibilities in relation to the financial statements.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards and the Listing Rules of the Financial Services Authority.

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 or the Listing Rules regarding directors' remuneration and transactions with the group is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Directors' Report and Chairman's Statement.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. 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 Group'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 affairs of the Company and of the Group as at 31 December 2002 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
Birmingham

28 May 2003

Accounting Policies

Basis of preparation and change of accounting policy

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention. In preparing the financial statements for the current year the Group has adopted FRS19 'Deferred Tax'. This change in accounting policy has had no impact on the financial statements. The principal accounting policies of the Group are set out below.

Basis of consolidation

The consolidated profit and loss account, balance sheet and statement of cash flows incorporate the audited financial statements of all subsidiary undertakings for the year ended 31 December 2002. No profit and loss account is presented for Whitnash plc as permitted by section 230 of the Companies Act 1985.

Other operating income

Other operating income comprises income receivable from other members of Automotive Products Group Limited.

Tangible fixed assets and depreciation

Fixed assets, which comprise motor vehicles, are recorded at cost on acquisition. The carrying values of tangible fixed assets are reviewed for impairment if events or other changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over a period not exceeding three years.

Investments

Investments are stated at cost less provisions for any impairment in value.

Deferred tax

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, with the following exceptions:

- 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.

Leases

For all operating leases the rental payments are charged to the profit and loss account on a straight line basis over the terms of the leases.

Whitnash plc

Consolidated Profit and Loss Account
For the year ended 31 December 2002

	<i>Notes</i>	2002 £000	2001 £000
Other operating income	1	1,473	1,407
Administrative expenses		(490)	(354)
Group operating profit	1	983	1,053
Interest receivable from group undertakings		1,589	1,442
Bank interest receivable		46	-
Interest payable on bank loans and overdrafts		(6)	(339)
		1,629	1,103
Profit on ordinary activities before tax		2,612	2,156
Taxation	3	(105)	(77)
Profit on ordinary activities after tax	11	2,507	2,079
Dividends on equity shares	4	(1,604)	(5,876)
Dividends on non-equity shares	4	(903)	(903)
Transferred from reserves		-	(4,700)

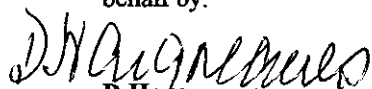
There were no recognised gains or losses other than the profit for the financial year.

Whitnash plc

Consolidated Balance Sheet At 31 December 2002

	Notes	2002 £000	2001 £000
Fixed assets			
Tangible assets	6	13	-
Current assets			
Debtors: amounts falling due after more than one year	8	36,165	40,210
Debtors: amounts falling due within one year	8	16,070	15,494
Cash at bank		801	1,480
		<u>53,036</u>	<u>57,184</u>
Creditors: amounts falling due within one year	9	<u>2,164</u>	<u>6,299</u>
Net current assets		<u>50,872</u>	<u>50,885</u>
		<u>50,885</u>	<u>50,885</u>
Capital and reserves	11		
Called up share capital		46,188	46,188
Share premium account		3,600	3,600
Profit and loss account		1,097	1,097
Equity shareholders' funds		24,697	24,697
Non-equity deferred and preference shares		26,188	26,188
Shareholders' funds	12	<u>50,885</u>	<u>50,885</u>

The financial statements were approved by the Board of Directors on 28 May 2003 and signed on its behalf by:


D Hargreaves
Director


A C Buckmaster
Director

Whitnash plc

Consolidated Statement of Cash Flows For the year ended 31 December 2002

	2002 £000	2001 £000	
Operating profit	983	1,053	
Depreciation	3	-	
Decrease in debtors	3,278	9,986	
Increase/(decrease) in creditors	294	(2,843)	
Net cash inflow from operating activities	4,558	8,196	
Returns on investment and servicing of finance			
Interest received	1,634	1,445	
Interest paid	(6)	(714)	
Preference dividends paid to non-equity shareholders	(903)	(903)	
	725	(172)	
Taxation			
Withholding tax paid	(70)	(77)	
Capital expenditure			
Purchase of tangible fixed assets	(16)	-	
Equity dividends paid	(5,876)	-	
(Decrease)/increase in cash in the year	(679)	7,947	
Reconciliation of net cash flow to movement in net funds/(debt)			
(Decrease)/increase in cash in the year	(679)	7,947	
Net funds/(debt) at 1 January	1,480	(6,467)	
Net funds at 31 December	801	1,480	
Reconciliation of movements in net funds			
	<i>At 1 January 2002</i> £000	<i>Cash flow</i> £000	<i>At 31 December 2002</i> £000
Cash at bank	1,480	(679)	801
Net funds	1,480	(679)	801

Notes to the Financial Statements
For the year ended 31 December 2002

1. Other operating income and operating profit

Other operating income is derived from the Group's principal continuing activity, the provision of services to other members of Automotive Products Group Limited.

Operating profit is arrived at after charging:

	<i>2002</i> <i>£000</i>	<i>2001</i> <i>£000</i>
Audit fees	5	5
Depreciation of owned assets	3	-
Operating leases - property rentals	1,000	1,119
	<u>1,008</u>	<u>1,124</u>

2. Employees and directors

The Group had no employees in both the years ended 31 December 2002 and 31 December 2001.

The emoluments of the four directors, who were also directors of the ultimate parent undertaking, Automotive Products Group Limited, are disclosed in that company's financial statements. These directors received total remuneration for the year of £939,000 (2001: £453,000), all of which was paid by Automotive Products Group Limited. The directors do not believe that it is practicable to apportion these amounts between their services as directors of the Company and other Group undertakings.

One of the directors is a member of the Automotive Products Group Limited's defined benefit pension scheme. In addition this director is also accruing pension benefits under a money purchase scheme. The total amount paid into this scheme was £21,000 (2001: £22,000).

The directors have created a charge over £575,000 of cash balances. This has been done to secure future additional remuneration which is only payable after the fulfilment of certain conditions.

3. Taxation

The taxation charge comprises:

	<i>2002</i> <i>£000</i>	<i>2001</i> <i>£000</i>
UK corporation tax - adjustment in respect of prior year	-	2
Withholding tax	105	75
	<u>105</u>	<u>77</u>

Whitnash plc

Notes to the Financial Statements For the year ended 31 December 2002

3. Taxation (continued)

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 30%. The differences are reconciled below:

	2002 £000	2001 £000
Profit on ordinary activities before tax	2,612	2,156
UK tax at the rate of 30%	784	647
Group relief received	(855)	(654)
Expenses not deductible for tax purposes	3	2
Sundry timing differences	68	5
Withholding tax	105	75
Tax under-provided in previous years	-	2
Total current tax	105	77

Deferred tax arising on timing differences of £123,000 (2001: £191,000) has not been provided due to the availability of continuing group relief from fellow subsidiary undertakings of Automotive Products Group Limited.

4. Dividends

	2002 £000	2001 £000
Equity dividends payable on ordinary shares	1,604	5,876
Non-equity dividends:		
5.0% £1 Cumulative preference shares	25	25
6.5% £1 Cumulative second preference shares	203	203
9.0% £1 Cumulative preference shares	675	675
	903	903
	2,507	6,779

Annual dividend payments on non-equity shares are, subject to the conditions included in note 11, payable in respect of the six months ending 31 March and 30 September.

5. Profit of the parent Company

The profit of the parent Company, Whitnash plc, for the year before dividends paid was £2,507,000 (2001: 2,079,000).

Notes to the Financial Statements
For the year ended 31 December 2002

6. Tangible fixed assets – Group and Company
Tangible fixed assets comprise motor vehicles.

	<i>£000</i>
Cost:	
Additions	16
At 31 December 2002	<u>16</u>
Depreciation:	
Provided during the year	3
At 31 December 2002	<u>3</u>
Net book value:	
At 31 December 2002	<u>13</u>

7. Fixed asset investments – Company

Investments in subsidiary undertakings comprise:

	<i>Cost</i>	<i>Provision</i>	<i>Net book</i>	<i>Amount owed</i>	<i>Net investment</i>
	<i>£000</i>	<i>£000</i>	<i>amount</i>	<i>to subsidiary</i>	<i>in subsidiary</i>
			<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2002					
and 31 December 2002	750	(700)	50	(50)	-

All of the Company's wholly owned subsidiary undertakings are registered in England and Wales and are dormant. These companies comprise Automotive Products (Exports) Limited, Clausecomput Limited, Forcedual Limited, Pointburst Limited and Pointdual Limited.

Notes to the Financial Statements
For the year ended 31 December 2002

8. Debtors**Amounts falling due after more than one year**

	<i>Group and Company</i>	
	<i>2002</i>	<i>2001</i>
	<i>£000</i>	<i>£000</i>
Amounts owed by group undertakings	36,165	40,210

Amounts falling due within one year

	<i>Group and Company</i>	
	<i>2002</i>	<i>2001</i>
	<i>£000</i>	<i>£000</i>
Unpaid share capital	15,000	15,000
Amounts owed by group undertakings	1,036	-
Prepayments and accrued income	34	494
	16,070	15,494

9. Creditors**Amounts falling due within one year**

	<i>Group and Company</i>	
	<i>2002</i>	<i>2001</i>
	<i>£000</i>	<i>£000</i>
Amounts owed to group undertakings	-	192
Taxation	35	-
Accruals	299	5
Dividends due to equity shareholders	1,604	5,876
Dividends due to non-equity shareholders	226	226
	2,164	6,299

10. Loans and overdrafts*Financial instruments*

The Group's financial instruments comprise borrowings and various items such as debtors, other creditors etc, that arise directly from its operations. The main purpose of these financial instruments is to fund the operations of the Group.

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year.

Notes to the Financial Statements
For the year ended 31 December 2002

10. Loans and overdrafts (continued)

Interest rate risk

The Group finances its operations through a mixture of retained profits and bank borrowings. The Group borrowed and continues to borrow in sterling at floating rates of interest.

Liquidity risk

As regards liquidity, the Group's policy has throughout the year been to ensure continuity of funding. Short term flexibility is achieved by overdraft facilities. At 31 December 2002 the Group had undrawn overdraft facilities of £13.1m (2001: £13.0m). The facilities are repayable on demand.

Currency risk

The business is based in the United Kingdom and the exposure to currency risk was not material. At 31 December 2002 and 31 December 2001 the Group and Company held no significant assets or liabilities in foreign currencies.

Financial assets

The Group has no financial assets other than long-term Group debtors. These financial assets are denominated in sterling. Long term debtors are interest bearing at base plus a margin.

Financial liabilities

The bank overdraft facility was at a variable rate of interest linked to base plus a margin and is secured against various assets of the Group.

Other creditors are denominated in sterling and are non interest bearing.

The non-equity shares are at fixed interest rates (see note 11) and are denominated in sterling. The average rate of interest of these shares was 8.1% (2001: 8.1%).

Summary of financial instruments

At 31 December 2002 the Group held the following financial instruments:

	2002 £000	2001 £000
Assets/(liabilities)		
Amounts owed by Group undertakings	36,165	40,210
Non-equity deferred shares	(15,063)	(15,063)
Non-equity preference shares	(11,125)	(11,125)
	<u>9,977</u>	<u>14,022</u>

The book amounts are equivalent to their fair values except that the market value of the non-equity preference shares and deferred shares was £6,819,000 (2001: £10,694,000) and £ nil (2001: £ nil) respectively. The numerical disclosures exclude short term debtors and creditors.

Notes to the Financial Statements
For the year ended 31 December 2002

11. Capital and reserves**Share capital****Authorised**

The authorised share capital comprises four classes of equity and non-equity shares:

- (i) Ordinary shares of 25p each - 131,749,598.
- (ii) Ordinary shares of US\$0.10 each - 10.
 These shares have the same rights as ordinary shares.
- (iii) Deferred shares of 25p each - 60,250,402.
 Following reorganisation of the Company's share capital in April 1995 the issued ordinary shares that existed at that time were converted into deferred shares. No additional consideration was generated on the restructuring and there is no finance cost attached to these deferred shares. Consequently they have been classified as non-equity shares. The deferred shares have the following rights:
 - (a) No entitlement to a share in the profits or assets of the Company unless holders of all other classes of shares in the Company have received £100m in respect of each share held.
 - (b) No right to receive notice, attend, or vote at any general meeting of the Company.
- (iv) Preference shares of £1 each - 12,000,000
 See below for a summary of their rights.

The authorised share capital is summarised as follows:

	<i>2002 and 2001 Number</i>	<i>2002 £000</i>	<i>2001 £000</i>
Equity			
Ordinary shares of 25p each	131,749,598	32,937	32,937
Ordinary shares of US\$0.10 each	10	-	-
		<u>32,937</u>	<u>32,937</u>
Non-equity			
Deferred shares of 25p each	60,250,402	15,063	15,063
5.0% £1 Cumulative preference shares	1,000,000	1,000	1,000
6.5% £1 Cumulative second preference shares	3,500,000	3,500	3,500
9.0% £1 Cumulative preference shares	7,500,000	7,500	7,500
		<u>27,063</u>	<u>27,063</u>
		<u>60,000</u>	<u>60,000</u>

Notes to the Financial Statements
For the year ended 31 December 2002

11. Capital and reserves (continued)

Issued

The issued share capital is analysed as follows:

	<i>2002 and 2001 Number</i>	<i>2002 £000</i>	<i>2001 £000</i>
Equity			
Ordinary shares of 25p each	80,000,000	20,000	20,000
Ordinary shares of US\$0.10 each	10	-	-
		<u>20,000</u>	<u>20,000</u>
Non-equity			
Deferred shares of 25p each	60,250,402	15,063	15,063
5.0% £1 Cumulative preference shares	500,000	500	500
6.5% £1 Cumulative second preference shares	3,125,000	3,125	3,125
9.0% £1 Cumulative preference shares	7,500,000	7,500	7,500
		<u>26,188</u>	<u>26,188</u>
		<u>46,188</u>	<u>46,188</u>

Rights of preference shareholders

5.0% Cumulative preference shares of £1 each

- (a) Entitle holders, in priority to holders of all other classes of share but only if and insofar as the directors are of the opinion that the profits of the Company justify the payment, to a fixed cumulative preferential dividend at a rate of 5.0% per annum per share payable half yearly in equal amounts on 31 March and 30 September.
- (b) On a return of capital on a winding up or otherwise, entitle holders, in priority to holders of all other classes of share, to be repaid paid-up capital together with a premium of 15p per share and a sum equal to any arrears or deficiency of dividend.
- (c) Entitle holders to receive notice of and to attend and vote at a general meeting of the Company only if, at the date of the notice convening the meeting, payment of the dividend to which they are entitled is at least six months in arrears, or if a resolution is to be considered at the meeting for the winding up of the Company or for the reduction of its capital or for the variation or abrogation of the holders' special rights.

6.5% Cumulative second preference shares of £1 each

- (a) Entitle holders, subject to the prior rights of the 5.0% cumulative preference shares of £1 each and only if and insofar as the directors are of the opinion that the profits of the Company justify the payment, to a fixed cumulative preferential dividend at a rate of 6.5% per annum per share payable half yearly in equal amounts on 31 March and 30 September.

Notes to the Financial Statements
For the year ended 31 December 2002

11. Capital and reserves (continued)

- (b) On a return of capital on a winding up or otherwise, entitle holders, subject to the prior rights of the 5.0% cumulative preference shares of £1 each, to be repaid paid-up capital together with a sum equal to any arrears or deficiency of dividend.
- (c) Entitle holders to receive notice of and to attend and vote at a general meeting of the Company only if, at the date of the notice convening the meeting, payment of the dividend to which they are entitled is at least six months in arrears, or if a resolution is to be considered at the meeting for the winding up of the Company or for the reduction of its capital or for the variation or abrogation of the holders' special rights.

9.0% Cumulative preference shares of £1 each

- (a) Entitle holders, subject to the prior rights of each of the 5.0% cumulative preference shares of £1 each and the 6.5% second cumulative preference shares of £1 each and only if and insofar as the directors are of the opinion that the profits of the Company justify the payment, to a fixed cumulative preferential dividend at a rate of 9% per annum per share payable half yearly in equal amounts on 31 March and 30 September.
- (b) On a return of capital on a winding up or otherwise, entitle holders, subject to the prior rights of each of the 5.0% cumulative preference shares of £1 each and the 6.5% second cumulative preference shares of £1 each, to be repaid paid-up capital together with a premium (representing the excess over par of the average market value of the shares, in the six months preceding presentation of the petition of the Company's winding up or, as the case may be, that date which itself precedes by thirty days despatch of the notice convening a general meeting at which the Company's winding up or other giving rise to a return of capital is to be proposed) and a sum equal to any arrears or deficiency of dividend.
- (c) Entitle holders to receive notice of and to attend and vote at a general meeting of the Company only if, at the date of the notice convening the meeting, payment of the dividend to which they are entitled is at least six months in arrears, or if a resolution is to be considered at the meeting for the winding up of the Company or for the reduction of its capital or for the variation or abrogation of the holders' special rights.

Profit and loss and share premium accounts

	<i>Group and Company</i>	
	<i>Share premium account</i>	<i>Profit and loss account</i>
	<i>£000</i>	<i>£000</i>
At 1 January 2002	3,600	1,097
Profit for the year	-	2,507
Dividends on equity and non-equity shares	-	(2,507)
At 31 December 2002	<u>3,600</u>	<u>1,097</u>

**Notes to the Financial Statements
For the year ended 31 December 2002**

12. Reconciliation of movements in consolidated shareholders' funds

	2002	2001
	£000	£000
Total recognised gains and losses	2,507	2,079
Dividends paid to equity shareholders	(1,604)	(5,876)
Dividends paid to non-equity shareholders	(903)	(903)
Total movements during the year	-	(4,700)
Shareholders' funds at 1 January	50,885	55,585
Shareholders' funds at 31 December	50,885	50,885

13. Contingent liabilities

The Company has given guarantees under loan agreements relating to the borrowings of Group companies of £39.8m (2001: £39.8m).

14. Operating leases

The Group and the Company have an annual commitment for the lease of land and buildings of £1m (2001: £1m). The lease in respect of this property expires after five years.

The Company has granted sub leases to independent third parties that produce annual rental income of £0.8m. Annual rental income of £0.2m is also received from a fellow subsidiary undertaking of Automotive Products Group Limited.

15. Related party transactions

The Company has taken advantage of the exemption from disclosure of transactions with other Group companies or investees of the Group which is available to more than 90% owned subsidiary undertakings under FRS8.

16. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Automotive Products Group Limited which is a company registered in England and Wales. Automotive Products Group Limited is the largest and only company which prepares Group financial statements incorporating the Financial Statements of the Company.

Copies of the financial statements of Automotive Products Group Limited are available from the Company Secretary at Tachbrook Road, Leamington Spa, Warwickshire.

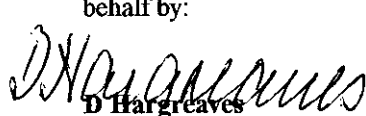
Whitnash plc

Company Balance Sheet

At 31 December 2002

	Notes	2002 £000	2001 £000
Fixed assets			
Tangible assets	6	13	-
Investments	7	-	-
		<u>13</u>	<u>-</u>
Current assets			
Debtors: amounts falling due after more than one year	8	36,165	40,210
Debtors: amounts falling due within one year	8	16,070	15,494
Cash at bank		801	1,480
		<u>53,036</u>	<u>57,184</u>
Creditors: amounts falling due within one year	9	<u>2,164</u>	<u>6,299</u>
Net current assets		<u>50,872</u>	<u>50,885</u>
		<u>50,885</u>	<u>50,885</u>
Capital and reserves	11		
Called up share capital		46,188	46,188
Share premium account		3,600	3,600
Profit and loss account		1,097	1,097
Equity shareholders' funds		<u>24,697</u>	<u>24,697</u>
Non-equity deferred and preference shares		<u>26,188</u>	<u>26,188</u>
Shareholders' funds	12	<u>50,885</u>	<u>50,885</u>

The financial statements were approved by the Board of Directors on 28 May 2003 and signed on its behalf by:


D Hargreaves
Director


A C Buckmaster
Director