

WILLIAMS MOTOR CO. (HOLDINGS) LIMITED

REPORT AND ACCOUNTS

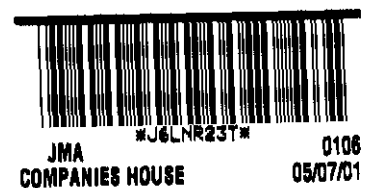
31 December 2000

Registered number: 597708

HLB KIDSONS

CHARTERED ACCOUNTANTS

MANCHESTER



Williams Motor Co. (Holdings) Limited

Company Information

31 December 2000

DIRECTORS

N J Cook, BSc, FCCA
Mrs M M Orton Williams, BA
N J Dunning
D A Galloway

SECRETARY

J Roberts

REGISTERED OFFICE

6 Hadfield Street
Cornbrook
Manchester
M16 9FG

BANKERS

National Westminster Bank Plc
Liverpool City Office
PO Box 138
22 Castle Street
Liverpool
L69 2BE

AUDITORS

HLB Kidsons
Chartered Accountants
Devonshire House
36 George Street
Manchester
M1 4HA

Williams Motor Co. (Holdings) Limited

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Williams Motor Co. (Holdings) Limited will be held at the Stanneylands Hotel, Wilmslow on Friday 29 June 2001 at 12 noon to carry out the following business:

Ordinary Business

Resolution 1

To receive and adopt the report of the directors and the audited group accounts for the year ended 31 December 2000.

Resolution 2

To declare a final dividend of 60.0% net of tax on the ordinary shares of the company.

Resolution 3

To re-appoint HLB Kidsons as auditors to the company until the conclusion of the next Annual General Meeting and to authorise the directors to fix their remuneration.

By Order of the Board



J Roberts
Secretary

6 Hadfield Street
Cornbrook
Manchester
M16 9FG

30 May 2001

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a member of the company.

Williams Motor Co. (Holdings) Limited

Directors' Report

31 December 2000

The directors have pleasure in presenting their report and audited accounts for the year ended 31 December 2000.

Principal activities

The principal activities of the company and its subsidiaries are the sale and service of new and used motor vehicles, and the sale of parts and accessories.

In addition to its existing BMW dealerships the company was granted the franchises for Land Rover and BMW Motorcycles for the city of Manchester. Both franchises required purpose built premises from which to operate. Construction of these new facilities has been completed and both franchises commenced trading in 2000.

In 2001 the company are committed to building new facilities to retail MINI in both Manchester and Liverpool. These are expected to be completed in the summer of 2001.

Business review, results and dividends

Group turnover amounted to £51,210,569 (1999: £53,943,088) and the profit before taxation was £1,108,115 (1999: £2,458,108). After providing for dividends and taxation, the retained profit of £562,260 (1999: £1,388,691) has been added to reserves.

During the year, the company paid an interim dividend of £100,637 (1999: £100,637). The directors recommend a final dividend for 2000 of £156,837 (1999: £209,116) for the year on the ordinary share capital. If approved by the shareholders, the final dividend will be paid on 2 July 2001.

Fixed assets

Movements in fixed assets during the year are set out in the notes to the accounts.

In the opinion of the directors the market value of freehold and leasehold property exceeds the amount at which they are stated in the accounts but they are unable to quantify the excess.

Depreciation of freehold and long leasehold buildings

Following the introduction of the new accountancy standard on fixed assets and depreciation, FRS15, with effect from 1 January 2000 the company has depreciated freehold and long leasehold buildings over their useful economic life. The company has not depreciated the land on which the buildings stand. The additional depreciation charged in the year is £51,793.

Charitable and political donations

Donations for charitable purposes in 2000 were £2,527 (1999: £2,948). There were no donations for political purposes in the year.

Williams Motor Co. (Holdings) Limited

Directors' Report

31 December 2000

Statement of directors' responsibilities

We are required under company law to prepare accounts 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 period.

In preparing these accounts we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgments and estimates;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the accounts on a going concern basis unless in our view the group and the company will be unable to continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Directors and their interests

The directors of the company at 31 December 2000 and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	Shareholdings at 31 December 2000		Shareholdings at 31 December 1999	
	Ordinary		Ordinary	
	B	C	B	C
N J Cook	100	1,768	100	1,768
Mrs M M Orton Williams	2,480	62,560	2,480	62,560
N J Dunning	200	10,541	200	10,541
D A Galloway (appointed 15 September 2000)	-	-	-	-
N J Cook) as	19	9,396	19	8,887
Mrs M M Orton Williams) trustees	19	9,396	19	8,887

No right to subscribe for shares in or debentures of the company was granted or exercised during the year.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing the re-appointment of HLB Kidsons as the company's auditors will be placed before the Annual General Meeting.

On behalf of the Board



J Roberts
Secretary

21 May 2001

Williams Motor Co. (Holdings) Limited

Auditors' report to the members of Williams Motor Co. (Holdings) Limited

We have audited the accounts on pages 6 to 19, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the group's and company's affairs as at 31 December 2000 and of the group profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HLB Kidsons
Registered Auditors
Chartered Accountants

Devonshire House
36 George Street
Manchester
M1 4HA

23 May 2001

Williams Motor Co. (Holdings) Limited

Group Profit and Loss Account

for the year ended 31 December 2000

	Note	2000 £	1999 £
Turnover	2	51,210,569	53,943,088
Cost of sales		(42,687,494)	(45,055,311)
Gross profit		<u>8,523,075</u>	<u>8,887,777</u>
Administrative expenses		(7,376,581)	(6,418,935)
Operating profit	3	<u>1,146,494</u>	<u>2,468,842</u>
Interest payable (net)	5	(38,379)	(10,734)
Profit on ordinary activities before taxation		<u>1,108,115</u>	<u>2,458,108</u>
Taxation	6	(288,381)	(759,664)
Profit for the financial year		<u>819,734</u>	<u>1,698,444</u>
Dividends	7	(257,474)	(309,753)
Retained profit for the year	16	<u><u>562,260</u></u>	<u><u>1,388,691</u></u>

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

Statement of Total Recognised Gains and Losses

for the year ended 31 December 2000

The group has had no recognised gains and losses during this year and last year other than profit for the financial year.

The notes on pages 9 to 19 form part of these accounts.

Williams Motor Co. (Holdings) Limited

Balance Sheet

at 31 December 2000

		Group		Company	
	Note	2000 £	1999 £	2000 £	1999 £
Fixed assets					
Tangible assets	8	8,590,425	5,899,900	8,218,915	5,899,900
Current assets					
Stocks	9	8,156,937	5,110,539	6,103,166	5,110,539
Debtors	10	2,165,099	1,894,348	2,931,644	1,894,348
Cash at bank and in hand		753,565	2,631,639	418,110	2,631,639
		<u>11,075,601</u>	<u>9,636,526</u>	<u>9,452,920</u>	<u>9,636,526</u>
Creditors: amounts falling due within one year	11	(9,666,001)	(6,209,055)	(7,021,653)	(6,209,055)
Net current assets		<u>1,409,600</u>	<u>3,427,471</u>	<u>2,431,267</u>	<u>3,427,471</u>
Total assets less current liabilities		<u>10,000,025</u>	<u>9,327,371</u>	<u>10,650,182</u>	<u>9,327,371</u>
Creditors: amounts falling due after more than one year	12	(136,363)	(25,969)	(30,425)	(25,969)
		<u>9,863,662</u>	<u>9,301,402</u>	<u>10,619,757</u>	<u>9,301,402</u>
Capital and reserves					
Called up share capital	15	261,395	261,395	261,395	261,395
Share premium account	16	123,736	123,736	123,736	123,736
Profit and loss account	16	9,478,531	8,916,271	10,234,626	8,916,271
Equity shareholders' funds	14	<u>9,863,662</u>	<u>9,301,402</u>	<u>10,619,757</u>	<u>9,301,402</u>

The accounts on pages 6 to 19 were approved by the board of directors on 21 May 2001 and are signed on its behalf by:

M M Orton Williams

) Margaret Orton Williams

)
)
) Directors

N J Cook

)
)
) N J Cook

The notes on pages 9 to 19 form part of these accounts.

Williams Motor Co. (Holdings) Limited

Group Cash Flow Statement

for the year ended 31 December 2000

	2000	1999
	£	£
Net cash inflow from operating activities	560,892	3,205,485
Returns on investments and servicing of finance		
Interest received	86,432	99,069
Interest paid	(111,896)	(98,021)
Interest element of finance lease rental payments	(12,915)	(11,782)
	<u>(38,379)</u>	<u>(10,734)</u>
Taxation		
UK corporation tax paid	(668,543)	(981,403)
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(3,369,984)	(1,925,171)
Receipts from sales of tangible fixed assets	489,411	522,162
	<u>(2,880,573)</u>	<u>(1,403,009)</u>
Equity dividends paid	(309,753)	(309,753)
Financing		
Repayment of bank loan	-	(700,000)
Capital element of finance lease rental payments	(41,718)	(53,721)
	<u>(41,718)</u>	<u>(753,721)</u>
(Decrease) in cash	<u>(3,378,074)</u>	<u>(253,135)</u>

Further details are given in note 17.

The notes on pages 9 to 19 form part of these accounts.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

1 Principal accounting policies

Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention. No separate profit and loss account is presented for the company as provided by section 230 of the Companies Act 1985.

Basis of consolidation

The group accounts consolidate the accounts of Williams Motor Company (Holdings) Limited and its subsidiaries. Intra group profits are eliminated on consolidation.

Depreciation

Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost or valuation, less any residual value, over the expected useful lives which are as follows:

Land and buildings	Up to a maximum of fifty years
Plant and machinery	Up to a maximum of twenty-five years
Motor vehicles	Up to a maximum of four years

Following the introduction of the new accounting standard on fixed assets and depreciation with effect from 1 January 2000 the company has depreciated its freehold and long leasehold buildings over their useful economic life. No depreciation is provided on land on which the buildings stand.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at their estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks, including work in progress, are valued at the lower of cost and net realisable value.

Deferred taxation

The company does not provide for deferred tax unless there is a reasonable probability that the liability will arise in the foreseeable future.

Defined benefit pension scheme

Contributions are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company. The regular cost is attributed to the individual years using cash equivalent and market valuation methods.

Money purchase pension scheme

Contributions are charged to the profit and loss account as they fall due.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

2 Turnover

Turnover represents the value of goods and services, excluding value added tax, invoiced to third parties. Turnover is attributable to one continuing activity in the United Kingdom. There were no acquisitions or disposals of operations during the current year or previous year.

The directors do not wish to disclose the turnover by business segment as they believe it would be seriously prejudicial to the business.

3 Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Auditors' remuneration - audit services	17,000	14,165
- non audit services	23,620	17,210
Depreciation of owned fixed assets	335,564	337,314
Depreciation of assets held under finance leases and hire purchase contracts	68,647	39,102
Directors' remuneration (note 4)	140,648	176,439

4 Directors and employees

	2000 £	1999 £
Group staff costs including directors' remuneration		
Wages and salaries	4,300,045	3,860,169
Social security costs	425,954	387,919
Pension costs	161,909	143,810
	4,887,908	4,391,898

	2000 Number	1999 Number
The monthly average number of persons, including directors, employed by the group during the year was:		
Productive	67	64
Sales and distribution	104	91
Administrative	47	38
	218	193

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

4 Directors and employees (continued)

	2000 £	1999 £
Parent company directors' remuneration		
Fees	22,917	16,000
Executive remuneration and benefits	117,731	160,439
	<u>140,648</u>	<u>176,439</u>
 Number of directors to whom retirement benefits are accruing under defined benefit pension schemes in respect of qualifying services	 2	 2

Pension costs

The company operates a pension scheme providing benefits based on final pensionable pay or on contributions paid. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions funding the defined benefit part of 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 cash equivalent and market valuation methods. The most recent triennial valuation was at 31 March 2000. The pension charge to the company for the period was £164,220 (1999: £143,810).

The main assumptions used by the actuary were:

- | | |
|------------------------------|--|
| Investment return | - Long term rate of price inflation of 5% per annum and the scheme investments will over the long term earn a rate of return of 1% per annum in excess of price inflation. |
| Earnings increases | - A real rate of increase in pensionable pay of 2% per annum which equates to a nominal rate of 5% per annum. |
| Pension in payment increases | - Such increases will average 3% per annum. |

Pension contribution rates

Under the money purchase section of the plan members' contributions were 5% of pensionable pay. Employer's contributions were 8% of pensionable pay less 3% of earnings between the lower and upper earnings limit.

Under the final salary section of the plan members' contributions were 6% of pensionable pay and employer's contributions were 12.5% of pensionable pay.

Market value of scheme assets

The latest pension scheme accounts at 30 June 2000 showed that the market value of the pension scheme's assets was £2,393,358 (1999: £2,018,048) and that the actuarial value of those assets fully cover the liabilities at that date.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

5 Interest payable (net)

	2000 £	1999 £
Bank interest receivable	86,432	99,069
Interest payable:		
Bank loans and overdrafts	39,839	37,317
New vehicle stock finance, finance leases and hire purchase agreements	84,972	72,486
Interest payable	124,811	109,803
Interest payable (net)	38,379	10,734

6 Taxation

	2000 £	1999 £
UK corporation tax at 30% (1999: 30%)	288,849	767,211
Corporation tax over provided in prior years	(468)	(7,547)
	288,381	759,664

7 Dividends

	2000 £	1999 £
Interim ordinary: 38.5% paid 6 December 2000	100,637	100,637
Final ordinary: 60.0% proposed	156,837	209,116
Dividends to equity shareholders	257,474	309,753

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

8 Tangible fixed assets

Group	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2000	2,235,641	2,460,961	2,522,373	494,250	7,713,225
Additions	1,347,898	926,635	698,864	591,463	3,564,860
Disposals	-	-	(105,343)	(594,490)	(699,833)
At 31 December 2000	3,583,539	3,387,596	3,115,894	491,223	10,578,252
Depreciation					
At 1 January 2000	-	-	1,676,024	137,301	1,813,325
Charge for year	28,070	23,723	263,078	89,340	404,211
Disposals	-	-	(104,390)	(125,319)	(229,709)
At 31 December 2000	28,070	23,723	1,834,712	101,322	1,987,827
Net book value					
At 31 December 2000	3,555,469	3,363,873	1,281,182	389,901	8,590,425
At 31 December 1999	2,235,641	2,460,961	846,349	356,949	5,899,900

The net book value of plant and machinery above includes £146,730 (1999: £56,959) in respect of assets held under finance leases and hire purchase agreements.

	2000 £	1999 £
Land and Buildings		
Freehold	3,555,469	2,235,641
Long leasehold	3,363,873	2,377,232
Short leasehold	-	83,729
Net book value	6,919,342	4,696,602

Long leaseholds are those leaseholds with more than 50 years unexpired.

The short leasehold land and buildings have been purchased during the year and are now within freehold land and buildings.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

8 Tangible fixed assets (cont)

Company	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2000	2,235,641	2,460,961	2,522,373	494,250	7,713,225
Additions	1,347,898	926,635	315,086	574,628	3,164,247
Disposals	-	-	(105,343)	(600,648)	(705,991)
At 31 December 2000	3,583,539	3,387,596	2,732,116	468,230	10,171,481
Depreciation					
At 1 January 2000	-	-	1,676,024	137,301	1,813,325
Charge for year	28,070	23,723	233,014	87,535	372,342
Disposals	-	-	(104,390)	(128,711)	(233,101)
At 31 December 2000	28,070	23,723	1,804,648	96,125	1,952,566
Net book value					
At 31 December 2000	3,555,469	3,363,873	927,468	372,105	8,218,915
At 31 December 1999	2,235,641	2,460,961	846,349	356,949	5,899,900

The net book value of plant and machinery above includes £70,394 (1999: £56,959) in respect of assets held under finance leases and hire purchase agreements.

	2000 £	1999 £
Land and Buildings		
Freehold	3,555,469	2,235,641
Long leasehold	3,363,873	2,377,232
Short leasehold	-	83,729
Net book value	6,919,342	4,696,602

Long leaseholds are those leaseholds with more than 50 years unexpired.

The short leasehold land and buildings have been purchased during the year and are now within freehold land and buildings.

9 Stocks

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Vehicles	7,500,454	4,563,913	5,525,385	4,563,913
Parts and other stocks	656,483	546,626	577,781	546,626
	8,156,937	5,110,539	6,103,166	5,110,539

Included within group stock is consignment stock valued at £3,677,754 (1999: £2,833,865). Included within company stock is consignment stock valued at £2,216,888 (1999: £2,833,865).

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

10 Debtors

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Due within one year:				
Trade debtors	1,794,875	1,437,670	2,578,008	1,437,670
Prepayments and accrued income	370,224	456,678	353,637	456,678
	<u>2,165,099</u>	<u>1,894,348</u>	<u>2,931,645</u>	<u>1,894,348</u>

11 Creditors: amounts falling due within one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank overdraft	1,500,000	-	1,500,000	-
Payments on account	386,033	139,001	368,747	139,001
Trade creditors	5,254,982	3,594,290	2,886,371	3,594,290
Other creditors	988,156	682,398	924,294	682,398
Corporation tax	142,049	522,211	142,049	522,211
Other taxation and social security costs	536,718	398,851	421,803	398,851
Accruals and deferred income	632,614	637,340	583,208	637,340
Proposed dividend	156,837	209,116	156,837	209,116
Finance leases and hire purchase contracts	68,612	25,848	38,344	25,848
	<u>9,666,001</u>	<u>6,209,055</u>	<u>7,021,653</u>	<u>6,209,055</u>

12 Creditors: amounts falling due after more than one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Finance leases and hire purchase contracts	136,363	25,969	30,425	25,969

The overdraft facility is secured by a fixed and floating charge over the group's assets.

Finance lease and hire purchase liabilities are secured upon the underlying assets.

Other secured creditors which represent new vehicle stocking finance is secured by a charge on the vehicles concerned, which are included in vehicle stocks.

A commercial rate of interest is charged on all loans and overdrafts.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

12 Creditors: amounts falling due after more than one year (continued)

Finance leases and hire purchase contracts

The maturity of these amounts is as follows:

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
In one year or less (see note 11)	68,612	25,848	38,344	25,848
Between one and two years	49,632	22,229	19,364	22,229
Between two and five years	86,731	3,740	11,061	3,740
	<u>204,975</u>	<u>51,817</u>	<u>68,769</u>	<u>51,817</u>

13 Deferred taxation

Group

	Potential liability 2000	Potential liability 1999	Provision made 2000	Provision made 1999
	£	£	£	£
Capital allowances in advance of depreciation	314,121	189,043	-	-

Company

	Potential liability 2000	Potential liability 1999	Provision made 2000	Provision made 1999
	£	£	£	£
Capital allowances in advance of depreciation	314,121	189,043	-	-

14 Reconciliation of shareholders' funds

	2000	1999	2000	1999
	£	£	£	£
Profit for the financial year	819,734	1,698,444	1,575,829	1,698,444
Dividends paid and proposed	(257,474)	(309,753)	(257,474)	(309,753)
Net addition to shareholders' funds	<u>562,260</u>	<u>1,388,691</u>	<u>1,318,355</u>	<u>1,388,691</u>
Opening shareholders' funds	9,301,402	7,912,711	9,301,402	7,912,711
Closing shareholders' funds	<u>9,863,662</u>	<u>9,301,402</u>	<u>10,619,757</u>	<u>9,301,402</u>

All shareholders' funds are classed as equity.

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

15 Called up share capital

	Authorised		Allotted, called up and fully paid up	
	2000 Number	1999 Number	2000 Number	1999 Number
'B' Ordinary shares of £1 each	5,000	5,000	5,000	5,000
'C' Ordinary shares of £1 each	295,000	295,000	256,395	256,395
	<u>300,000</u>	<u>300,000</u>	<u>261,395</u>	<u>261,395</u>

'C' Ordinary shares rank pari passu in all respects to 'B' Ordinary shares save that they have no voting rights except on the winding up of the company.

16 Reserves

	Group		Company	
	Share premium account £	Profit and loss account £	Share premium account £	Profit and loss account £
At 1 January 2000	123,736	8,916,271	123,736	8,916,271
Retained profit for the year	-	562,260	-	1,318,355
At 31 December 2000	<u>123,736</u>	<u>9,478,531</u>	<u>123,736</u>	<u>10,234,626</u>

17 Cash flow statement

a) Reconciliation of operating profit to net cash inflow from operating activities

	2000 £	1999 £
Operating profit	1,146,494	2,468,842
Depreciation	404,211	376,416
Profit on sale of fixed assets	(19,287)	(40,711)
(Increase)/decrease in stocks	(3,046,398)	739,263
(Increase) in debtors	(270,751)	(451,601)
Increase in creditors	2,346,623	113,276
Net cash inflow from operating activities	<u>560,892</u>	<u>3,205,485</u>

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

17 Cash flow statement

b) Reconciliation of net cash flow to movement in net funds

	2000 £	1999 £
Decrease in cash	(3,378,074)	(253,135)
Cash used to repay capital element of finance lease and hire purchase rentals	41,718	53,721
Cash outflow from repayment of bank loan	-	700,000
Change in net funds resulting from cash flows	(3,336,356)	500,586
New finance leases and hire purchase agreements	(194,876)	(18,552)
Movement in net funds	(3,531,232)	482,034
Net funds at 1 January 2000	2,579,822	2,097,788
Net funds at 31 December 2000	(951,410)	2,579,822

c) Analysis of changes in net funds

	At 1 January 2000 £	Cash flow £	Other changes £	At 31 December 2000 £
Cash at bank and in hand	2,631,639	(3,378,074)	-	(746,435)
Finance leases and hire purchase agreements	(51,817)	41,718	(194,876)	(204,975)
Total	2,579,822	(3,336,356)	(194,876)	(951,410)

Williams Motor Co. (Holdings) Limited

Notes to the accounts - for the year ended 31 December 2000

18 Subsidiary companies

	2000	1999
	£	£
Shares at cost 1 January and 31 December	7,000	7,000
Less: intra group current accounts	(7,000)	(7,000)
	-	-

The undermentioned are subsidiary companies. Both companies are incorporated in Great Britain and are registered in England. The parent company owns 100% of the share capital of both companies.

Birchalls Motor Company Limited – dormant
Williams Motor Company Limited – motor dealership

19 Capital commitments

Amounts contracted for but not provided in the accounts amount to £604,500 (1999: £2,195,000).

20 Ultimate controlling party

There is no ultimate controlling party of the company.