

Company Registered Number : 856474

SANDWOOD SECURITIES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2000

B L Y T H E N S

Chartered Accountants
Nottingham



SANDWOOD SECURITIES LIMITED

YEAR ENDED 31st MARCH 2000

DIRECTORS

C B Wainer
S W Willoughby

COMPANY SECRETARY

C B Wainer

REGISTERED OFFICE

69-87 Wollaton Road
Beeston
Nottingham

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SANDWOOD SECURITIES LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31st March 2000.

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

PRINCIPAL ACTIVITY

The principal activity of the company during the year has been that of garage proprietors.

RESULTS AND DIVIDENDS

The profit after tax for the year amounted to £19,956, as shown on Page 4.

The directors recommend the payment of a dividend of 60.25p per share. Transfers taken to reserve are shown on Page 4.

SANDWOOD SECURITIES LIMITED

DIRECTORS' REPORT
/Continued...

DIRECTORS

The directors during the year and their beneficial interests in the share capital of the company and its subsidiary were :

		Ordinary Shares of £1 Each			
		At 31st March 2000		At 31st March 1999	
		Company	Subsidiary	Company	Subsidiary
C B Wainer		3,817	-	3,817	-
S W Willoughby		3,817	-	3,817	-

YEAR 2000

The directors recognise the reliance of the business on its own computer systems as well as those of its customers and suppliers, and of the commercial risks of computer failure due to the impact of the millennium problem throughout 2000. The directors and members of senior management believe they have identified such issues and the means to address them, and believe that the costs expected to be incurred in this respect will not be material to the company.

TAX STATUS

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution to re-appoint Blythens as auditors of the company will be proposed at the Annual General Meeting.

Cashie Waine

BY ORDER OF THE BOARD

C B WAINER

CHAIRMAN

4 July 2000

REPORT OF THE AUDITORS
TO THE MEMBERS OF
SANDWOOD SECURITIES LIMITED

We have audited the financial statements on Pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on Page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on Page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosure 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BLYTHENS

Registered Auditor
Chartered Accountants

Haydn House
309-329 Haydn Road
Sherwood
Nottingham
NG5 1HG

4 July 2000

SANDWOOD SECURITIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2000

	Note	£	<u>1999</u> £
<u>ADMINISTRATIVE EXPENSES</u>		(44)	(44)
<u>OTHER OPERATING INCOME</u>		<u>20,000</u>	<u>20,000</u>
<u>PROFIT ON ORDINARY</u> <u>ACTIVITIES BEFORE TAXATION</u>	2	19,956	19,956
Tax on Profit on Ordinary Activities	3	—	—
<u>PROFIT ON ORDINARY</u> <u>ACTIVITIES AFTER TAXATION</u>		19,956	19,956
Dividends Proposed/Paid	4	(<u>19,999</u>)	(<u>19,999</u>)
<u>RETAINED (LOSS) FOR THE YEAR</u>		(43)	(43)
Retained Profit Brought Forward		<u>11,343</u>	<u>11,386</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 11,300 =====	£ 11,343 =====

The only recognised surplus for the year is the profit of £19,956 (1999: £19,956). There were no acquisitions and no discontinued operations in the year.

The Notes set out on Pages 7 to 9 form part of these financial statements.

SANDWOOD SECURITIES LIMITED

BALANCE SHEET
AS AT 31st MARCH 2000

	Note	£	£	<u>1999</u> £
<u>FIXED ASSETS</u>				
Investments	5		48,693	<u>48,693</u>
<u>CURRENT ASSETS</u>				
Debtors	6	15,795		809
Cash at Bank and In Hand		<u>54</u>		<u>83</u>
		15,849		892
<u>CREDITORS</u>				
Amounts Falling Due Within One Year	7	(20,049)		(5,049)
<u>NET CURRENT (LIABILITIES)</u>			(4,200)	(4,157)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			£ 44,493 =====	£ 44,536 =====
<u>CAPITAL AND RESERVES</u>				
Called up Share Capital	8		33,193	33,193
Profit and Loss Account			<u>11,300</u>	<u>11,343</u>
<u>SHAREHOLDERS' FUNDS</u>	9		£ 44,493 =====	£ 44,536 =====

Approved by the Board on 4 July 2000 and signed on its behalf by :

Caroline Wainer

C B WAINER

DIRECTOR

The Notes set out on Pages 7 to 9 form part of these financial statements.

SANDWOOD SECURITIES LIMITED
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2000

	<u>Note</u>	£	<u>1999</u> £
<u>RECONCILIATION OF OPERATING PROFIT TO</u>			
<u>NET CASH INFLOW FROM OPERATING</u>			
<u>ACTIVITIES</u>			
Operating Profit		19,956	19,956
Dividend Received		-	(20,000)
(Increase)/Decrease in Debtors		(14,986)	15,013
<u>NET CASH INFLOW FROM OPERATING</u>			
<u>ACTIVITIES</u>		£ 4,970	£ 14,969
		=====	=====
<u>CASH FLOW STATEMENT</u>			
Net Cash Inflow from Operating			
Activities		4,970	14,969
Returns on Investment and			
Servicing of Finance		-	20,000
Taxation		(4,999)	4,999
Equity Dividend Paid		-	(39,998)
<u>CASH (OUTFLOW) BEFORE USE OF</u>			
<u>LIQUID RESOURCES AND FINANCING</u>		(____ 29)	(____ 30)
<u>DECREASE IN CASH FOR THE YEAR</u>	10	£ (____ 29)	£ (____ 30)
		=====	=====
<u>RECONCILIATION OF NET CASH FLOW TO</u>			
<u>MOVEMENT IN NET FUNDS</u>			
(Decrease) in Cash in the Year	10	(____ 29)	(____ 30)
Cash Outflow from Increase in Debt			
and Lease Financing	10	-	-
<u>CHANGE IN NET FUNDS RESULTING FROM</u>			
<u>CASH FLOW</u>		(____ 29)	(____ 30)
New Finance Arrangements		-	-
<u>MOVEMENT IN NET FUNDS IN THE YEAR</u>		(____ 29)	(____ 30)
Net Funds at 1.4.99		____ 83	____ 113
<u>NET FUNDS AT 31.3.00</u>	10	£ ____ 54	£ ____ 83
		=====	=====

SANDWOOD SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2000

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of Accounting

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

(b) Group Financial Statements

The company and its subsidiary undertaking comprise a medium group. The company has taken advantage of the exemption provided by S248 of the Companies Act 1985 not to prepare group financial statements.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	£	1999 £
This is stated after charging :		
Directors' Remuneration	-	-
Auditors' Remuneration	-	-
	=====	=====

3. TAXATION

No taxation is chargeable.

4. DIVIDENDS

Ordinary Shares of £1 each - Final Dividend (1999 : Paid)	£ 19,999 =====	£ 19,999 =====
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5. INVESTMENTS

Shares in Subsidiary Undertaking	£ 48,693 =====	£ 48,693 =====
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Details are as follows :

Willoughby Garages (Nottm) Limited

Activity	Garage Proprietors
Country of Registration	England
Nature of Holding	Ordinary Shares
Percentage Owned	100%
Latest Results	31st March 2000
Retained Profit	£ 65,745
Net Assets	£720,073
=====	=====

SANDWOOD SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2000

	£	<u>1999</u> £
6. <u>DEBTORS</u>		
Amount Owed by Group Undertaking	£ 15,795 =====	£ 809 =====
7. <u>CREDITORS</u>		
Amounts Falling Due Within One Year		
Other Creditors	50	50
Advance Corporation Tax	-	4,999
Dividend Payable	<u>19,999</u>	<u>-</u>
	£ 20,049 =====	£ 5,049 =====
8. <u>SHARE CAPITAL</u>		
Authorised :		
40,000 Ordinary Shares of £1 each	£ 40,000 =====	£ 40,000 =====
Issued and Fully Paid :		
33,193 Ordinary Shares of £1 each	£ 33,193 =====	£ 33,193 =====
There was no change in share capital during the year.		
9. <u>SHAREHOLDERS FUND</u>		
Profit for the Year	19,956	19,956
Dividends Proposed/Paid	<u>(19,999)</u>	<u>(19,999)</u>
Net Movement in Year	(43)	(43)
Opening Shareholders Funds	<u>44,536</u>	<u>44,579</u>
<u>CLOSING SHAREHOLDERS FUNDS</u>	£ 44,493 =====	£ 44,536 =====

SANDWOOD SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2000

10. ANALYSIS OF NET DEBT

	At 31.3.99	Cash Flow	Non Cash Changes	At 31.3.00
Cash at Bank	£ 83 =====	£(29) =====	£ - =====	£ 54 =====

11. TRANSACTIONS WITH RELATED PARTIES

During the year the subsidiary (Willoughby Garages (Nottm) Limited) entered into the following transactions with F Nicholson Limited :

		<u>1999</u>
Goods and Services Supplied	£ 61,897	£ 83,959
Goods and Services Received	£105,575	£108,688
Administration Charge Received	£ 5,000	£ 1,000

The balances outstanding at the year end were :

Creditors Due Within One Year	£ 7,311	£ 3,890
Debtors Due Within One Year	£230,775	£295,578

F Nicholson Limited is owned and controlled by Flightcroft Limited. Flightcroft Limited is a close company and is controlled by its four directors, all of whom are also directors of Willoughby Garages (Nottm) Limited. Two of the directors (C B Wainer and S W Willoughby) are also directors of Sandwood Securities Limited.

The transactions were performed on normal credit terms. There have been no amounts written off during the year or since the year end.