

SAYERS MOTOR FACTORS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST MARCH 2000



CUSHING FAIRBAIRN WARDLE & CO.
Chartered Accountants & Registered Auditors
1 - 3 Sterling Court
Loddington
Northamptonshire
NN14 1RZ

SAYERS MOTOR FACTORS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

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SAYERS MOTOR FACTORS LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 15, together with the financial statements of the company for the Year ended 31st March 2000 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

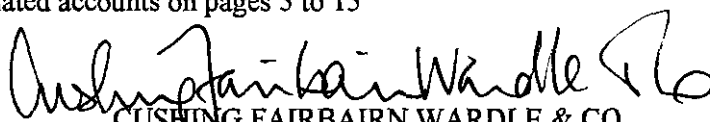
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

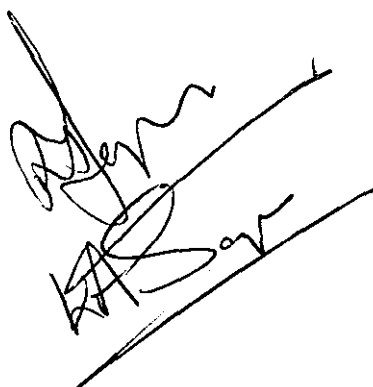
OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 15

1 - 3 Sterling Court
Loddington
Northamptonshire
NN14 1RZ

18th August 2000


CUSHING FAIRBAIRN WARDLE & CO.
Chartered Accountants
& Registered Auditors



SAYERS MOTOR FACTORS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2000

The directors have pleasure in presenting their report and the financial statements of the company for the Year ended 31st March 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was wholesale and retail distribution of motor finishing commodities and equipment.

The directors were pleased with the result for the year which was achieved primarily by concentrating on higher margin business enhanced by the introduction of new paint products albeit this resulted in a small increase in annual turnover.

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 recommended the following dividends:

	2000	1999
	£	£
Dividends paid on ordinary shares	<u>25,400</u>	<u>50,800</u>

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:

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
R.J. Sayers	11,399	11,399
K.A. Sayers	<u>6,601</u>	<u>6,601</u>

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 8 to **Error! Bookmark not defined.**, 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.

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.

SAYERS MOTOR FACTORS LIMITED

THE DIRECTORS' REPORT *(continued)*

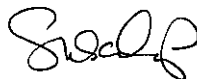
YEAR ENDED 31ST MARCH 2000

AUDITORS

A resolution to re-appoint Cushing Fairbairn Wardle & Co. 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:
Unit 1
Cranbrook Road
Northampton

Signed by order of the directors



S.SAYERS
Company Secretary

Approved by the directors on 18th August 2000

SAYERS MOTOR FACTORS LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MARCH 2000

	Note	2000 £	1999 £
GROSS PROFIT		1,182,499	1,191,283
Distribution Costs		(40,279)	(37,718)
Administrative expenses		(896,340)	(908,897)
OPERATING PROFIT	2	245,880	244,668
Interest receivable	5	25,283	24,691
Interest payable	6	(4,519)	(5,424)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		266,644	263,935
Tax on profit on ordinary activities	7	(56,155)	(57,918)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		210,489	206,017
Dividends	8	(25,400)	(50,800)
RETAINED PROFIT FOR THE FINANCIAL YEAR		185,089	155,217
Balance brought forward		789,714	634,497
Balance carried forward		974,803	789,714

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

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

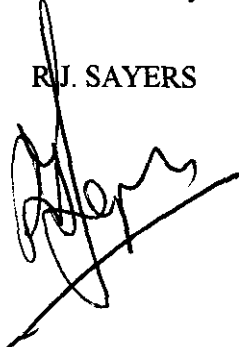
SAYERS MOTOR FACTORS LIMITED**ABBREVIATED BALANCE SHEET****31ST MARCH 2000**

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	9	168,813	140,672
Investments	10	7,500	7,500
		<u>176,313</u>	<u>148,172</u>
CURRENT ASSETS			
Stocks	11	200,686	183,346
Debtors	12	658,289	657,857
Cash at bank and in hand		644,751	556,628
		<u>1,503,726</u>	<u>1,397,831</u>
CREDITORS: Amounts falling due within one year	13	<u>(640,448)</u>	<u>(709,587)</u>
NET CURRENT ASSETS		<u>863,278</u>	<u>688,244</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,039,591</u>	<u>836,416</u>
CREDITORS: Amounts falling due after more than one year	14	<u>(30,475)</u>	<u>(12,890)</u>
		<u>1,009,116</u>	<u>823,526</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	15	<u>(4,313)</u>	<u>(3,812)</u>
		<u>1,004,803</u>	<u>819,714</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	18,000	18,000
Other reserves	19	12,000	12,000
Profit and loss account		974,803	789,714
SHAREHOLDERS' FUNDS	20	<u>1,004,803</u>	<u>819,714</u>

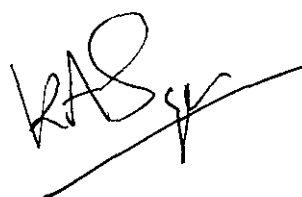
These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 18th August 2000 and are signed on their behalf by:

R.J. SAYERS



K.A. SAYERS



SAYERS MOTOR FACTORS LIMITED**CASH FLOW STATEMENT****YEAR ENDED 31ST MARCH 2000**

	Note	2000	1999
		£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	21	202,162	297,702
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		25,283	24,691
Interest element of hire purchase agreements		(4,519)	(5,424)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		20,764	19,267
TAXATION		(46,854)	(57,361)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(108,306)	(42,335)
Receipts from sale of fixed assets		28,450	8,350
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(79,856)	(33,985)
EQUITY DIVIDENDS PAID		(25,400)	(50,800)
CASH INFLOW BEFORE FINANCING		70,816	174,823
FINANCING			
Repayment of bank loans		-	(107)
Capital element of hire purchase agreements		17,307	(9,690)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING		17,307	(9,797)
INCREASE IN CASH	22	88,123	165,026

SAYERS MOTOR FACTORS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

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:

Leasehold property	- 15% of cost.
Fixtures and fittings	- 15% & 33.33% Reducing balance method
Motor vehicles	- 25% reducing balance method

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****2. OPERATING PROFIT**

Operating profit is stated after charging:

	2000	1999
	£	£
Depreciation	43,481	39,901
Loss on disposal of fixed assets	8,234	10,024
Auditors' remuneration		
- as auditors	<u>5,360</u>	<u>4,932</u>

3. PARTICULARS OF EMPLOYEES

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

	2000	1999
	No.	No.
Directors	2	2
Administration	7	7
Distribution	15	15
	<u>24</u>	<u>24</u>

The aggregate payroll costs of the above were:

	2000	1999
	£	£
Wages and salaries	471,409	521,209
Social security costs	13,527	8,242
Other pension costs	150,000	150,060
	<u>634,936</u>	<u>679,511</u>

4. DIRECTORS' EMOLUMENTS

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

	2000	1999
	£	£
Emoluments receivable	131,401	165,628
Value of company pension contributions to money purchase schemes	150,000	150,060
	<u>281,401</u>	<u>315,688</u>

5. INTEREST RECEIVABLE

	2000	1999
	£	£
Bank interest receivable	<u>25,283</u>	<u>24,691</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****6. INTEREST PAYABLE**

	2000	1999
	£	£
Finance charges	<u>4,519</u>	<u>5,424</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
Corporation tax based on the results for the Year at 20% (1999 - 21%)	55,654	59,554
Increase/(Decrease) in deferred tax provision (Note 15):		
Capital allowances	<u>501</u>	<u>(1,636)</u>
	<u>56,155</u>	<u>57,918</u>

8. DIVIDENDS

The following dividends have been paid in respect of the Year:

	2000	1999
	£	£
Dividends paid on equity shares	<u>25,400</u>	<u>50,800</u>

9. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1st April 1999	6,337	168,394	161,714	336,445
Additions	-	7,372	100,934	108,306
Disposals	-	-	(91,655)	(91,655)
At 31st March 2000	<u>6,337</u>	<u>175,766</u>	<u>170,993</u>	<u>353,096</u>
DEPRECIATION				
At 1st April 1999	6,337	123,665	65,771	195,773
Charge for the Year	-	11,055	32,426	43,481
On disposals	-	-	(54,971)	(54,971)
At 31st March 2000	<u>6,337</u>	<u>134,720</u>	<u>43,226</u>	<u>184,283</u>
NET BOOK VALUE				
At 31st March 2000	<u>-</u>	<u>41,046</u>	<u>127,767</u>	<u>168,813</u>
At 31st March 1999	<u>-</u>	<u>44,729</u>	<u>95,943</u>	<u>140,672</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****9. TANGIBLE FIXED ASSETS** *(continued)***Hire purchase agreements**

Included within the net book value of £168,813 is £90,548 (1999 - £70,313) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the Year in respect of such assets amounted to £15,597 (1999 - £20,187).

10. INVESTMENTS

	Total £
COST	
At 1st April 1999 and 31st March 2000	<u>7,500</u>
NET BOOK VALUE	
At 31st March 2000	<u>7,500</u>
At 31st March 1999	<u>7,500</u>

The investment represents 7500 Ordinary shares in Trade Automotive Supplies Limited, a company incorporated in England and Wales.

11. STOCKS

	2000 £	1999 £
Stock	<u>200,686</u>	<u>183,346</u>

12. DEBTORS

	2000 £	1999 £
Trade debtors	632,186	650,766
Other debtors	9,304	-
Prepayments and accrued income	<u>16,799</u>	<u>7,091</u>
	<u>658,289</u>	<u>657,857</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****13. CREDITORS: Amounts falling due within one year**

	2000	1999
	£	£
Trade creditors	375,267	448,696
Other creditors including taxation and social security:		
Corporation tax	55,654	46,854
PAYE and social security	10,453	13,707
VAT	45,180	36,536
Hire purchase agreements	30,559	30,837
Directors current accounts	35,245	16,360
	<u>177,091</u>	<u>144,294</u>
Accruals and deferred income	88,090	116,597
	<u>640,448</u>	<u>709,587</u>

14. CREDITORS: Amounts falling due after more than one year

	2000	1999
	£	£
Other creditors:		
Hire purchase agreements	<u>30,475</u>	<u>12,890</u>

15. DEFERRED TAXATION

The movement in the deferred taxation provision during the Year was:

	2000	1999
	£	£
Provision brought forward	3,812	5,448
Increase/(Decrease) in provision	501	(1,636)
Provision carried forward	<u>4,313</u>	<u>3,812</u>

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

	2000	1999
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>4,313</u>	<u>3,812</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	2000	1999
	£	£
Amounts payable within 1 year	30,559	30,837
Amounts payable between 2 to 5 years	30,475	12,890
	<u>61,034</u>	<u>43,727</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2000 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2000	1999
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>19,500</u>	<u>19,500</u>

18. SHARE CAPITAL**Authorised share capital:**

	2000	1999
	£	£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	<u>18,000</u>	<u>18,000</u>

19. OTHER RESERVES

	2000	1999
	£	£
Capital redemption reserve	<u>12,000</u>	<u>12,000</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2000 £	1999 £
Profit for the financial Year	210,489	206,017
Dividends	(25,400)	(50,800)
	<u>185,089</u>	<u>155,217</u>
Opening shareholders' equity funds	819,714	664,497
Closing shareholders' equity funds	<u>1,004,803</u>	<u>819,714</u>

21. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	245,880	244,668
Depreciation	43,481	39,901
Loss on disposal of fixed assets	8,234	10,024
(Increase)/Decrease in stocks	(17,340)	6,645
Increase in debtors	(432)	(127,476)
(Decrease)/Increase in creditors	(77,661)	123,940
	<u>202,162</u>	<u>297,702</u>
Net cash inflow from operating activities	<u>202,162</u>	<u>297,702</u>

22. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2000 £	1999 £
Increase in cash in the period	88,123	165,026
Net cash outflow from bank loans	-	107
Net cash (inflow)/outflow in respect of hire purchase agreements	<u>(17,307)</u>	<u>9,690</u>
	<u>70,816</u>	<u>174,823</u>
Change in net funds	70,816	174,823
Net funds at 1st April 1999	<u>512,901</u>	<u>338,078</u>
Net funds at 31st March 2000	<u>583,717</u>	<u>512,901</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2000****23. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Apr 1999 £	Cash flows £	At 31 Mar 2000 £
Net cash:			
Cash in hand and at bank	<u>556,628</u>	<u>88,123</u>	<u>644,751</u>
Debt:			
Hire purchase agreements	<u>(43,727)</u>	<u>(17,307)</u>	<u>(61,034)</u>
Net funds	<u>512,901</u>	<u>70,816</u>	<u>583,717</u>