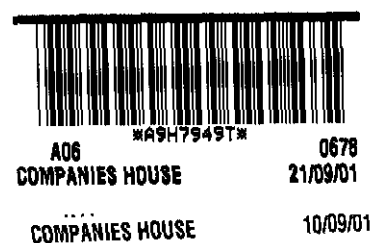


SAYERS MOTOR FACTORS LIMITED
ABBREVIATED FINANCIAL STATEMENTS

31ST MARCH 2001



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

SAYERS M TORS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2001

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SAYERS M TORS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

R.J. Sayers
K.A. Sayers

Company secretary

S.Sayers

Registered office

Unit 1
Cranbrook Road
Northampton

Auditors

Cushing Fairbairn Wardle & Co.
Chartered Accountants
& Registered Auditors
1 - 3 Sterling Court
Loddington
Northamptonshire
NN14 1RZ

Bankers

National Westminster Bank plc
41 The Drapery
Northampton
NN1 2EY

SAYERS MOTOR FACTORS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2001.

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:

	2001	2000
	£	£
Dividends paid on ordinary shares	<u>41,340</u>	<u>25,400</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 2001	At 1 April 2000
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 page 8, 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)*

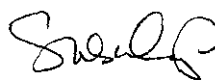
YEAR ENDED 31ST MARCH 2001

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 31st July 2001

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 14, together with the financial statements of the company for the year ended 31st March 2001 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 14 are properly prepared in accordance with those provisions.

1 - 3 Sterling Court
Loddington
Northamptonshire
NN14 1RZ

31st July 2001

CUSHING FAIRBAIRN WARDLE & CO.
Chartered Accountants
& Registered Auditors

A handwritten signature in black ink, appearing to read 'CFW & Co', is written over a horizontal line.

SAYERS MOTOR FACTORS LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MARCH 2001

	Note	2001 £	2000 £
GROSS PROFIT		1,198,399	1,182,499
Distribution Costs		29,203	40,279
Administrative expenses		910,493	896,340
OPERATING PROFIT	2	258,703	245,880
Interest receivable	5	33,695	25,283
Interest payable	6	(5,031)	(4,519)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		287,367	266,644
Tax on profit on ordinary activities	7	(60,290)	(56,155)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		227,077	210,489
Dividends	8	41,340	25,400
RETAINED PROFIT FOR THE FINANCIAL YEAR		185,737	185,089
Balance brought forward		974,804	789,715
Balance carried forward		<u>1,160,541</u>	<u>974,804</u>

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.

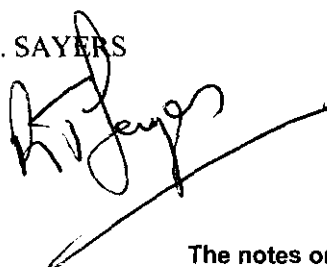
SAYERS MOTOR FACTORS LIMITED**ABBREVIATED BALANCE SHEET****31ST MARCH 2001**

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	9	202,481	168,813
Investments	10	7,501	7,500
		<u>209,982</u>	<u>176,313</u>
CURRENT ASSETS			
Stocks	11	237,750	200,686
Debtors	12	737,186	658,289
Cash at bank and in hand		879,588	644,751
		<u>1,854,524</u>	<u>1,503,726</u>
CREDITORS: Amounts falling due within one year	13	<u>(828,461)</u>	<u>(640,447)</u>
NET CURRENT ASSETS		<u>1,026,063</u>	<u>863,279</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,236,045</u>	<u>1,039,592</u>
CREDITORS: Amounts falling due after more than one year	14	<u>(39,137)</u>	<u>(30,475)</u>
		<u>1,196,908</u>	<u>1,009,117</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	15	(6,367)	(4,313)
		<u>1,190,541</u>	<u>1,004,804</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		1,160,541	974,804
SHAREHOLDERS' FUNDS	20	<u>1,190,541</u>	<u>1,004,804</u>

These financial statements 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 31st July 2001 and are signed on their behalf by:

R.J. SAYERS



K.A. SAYERS



The notes on pages 8 to 14 form part of these financial statements.

SAYERS MOTOR FACTORS LIMITED**CASH FLOW STATEMENT****YEAR ENDED 31ST MARCH 2001**

	Note	2001	2000
		£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	21	305,999	202,161
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		33,695	25,283
Interest element of hire purchase		(5,031)	(4,519)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		28,664	20,764
TAXATION		(55,654)	(46,854)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(106,470)	(108,306)
Receipts from sale of fixed assets		17,650	28,450
Acquisition of Investments		(1)	-
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(88,821)	(79,856)
EQUITY DIVIDENDS PAID		(41,340)	(25,400)
CASH INFLOW BEFORE FINANCING		148,848	70,815
FINANCING			
Capital element of hire purchase		15,161	17,307
NET CASH INFLOW FROM FINANCING		15,161	17,307
INCREASE IN CASH	22	164,009	88,122

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****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 2001****2. OPERATING PROFIT**

Operating profit is stated after charging:

	2001	2000
	£	£
Depreciation	50,152	43,481
Loss on disposal of fixed assets	5,000	8,234
Auditors' remuneration		
- as auditors	7,240	5,360
- accountancy	-	1,360
	<u> </u>	<u> </u>

3. PARTICULARS OF EMPLOYEES

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

	2001	2000
	No.	No.
Directors	2	2
Administration	7	7
Distribution	18	15
	<u>27</u>	<u>24</u>

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	503,220	471,409
Social security costs	13,906	13,527
Other pension costs	90,000	150,000
	<u>607,126</u>	<u>634,936</u>

4. DIRECTORS' EMOLUMENTS

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

	2001	2000
	£	£
Emoluments receivable	142,782	131,401
Value of company pension contributions to money purchase schemes	90,000	150,000
	<u>232,782</u>	<u>281,401</u>

5. INTEREST RECEIVABLE

	2001	2000
	£	£
Bank interest receivable	<u>33,695</u>	<u>25,283</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****6. INTEREST PAYABLE**

	2001 £	2000 £
Finance charges	<u>5,031</u>	<u>4,519</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
Corporation Tax based on the results for the year at 20% (2000 - 20%)	58,236	55,654
Increase in deferred tax provision (Note 15):		
Capital allowances	<u>2,054</u>	<u>501</u>
	<u>60,290</u>	<u>56,155</u>

8. DIVIDENDS

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

	2001 £	2000 £
Dividend paid on ordinary shares	<u>41,340</u>	<u>25,400</u>

9. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1st April 2000	6,337	175,766	170,993	353,096
Additions	-	35,322	71,148	106,470
Disposals	-	-	(43,258)	(43,258)
At 31st March 2001	<u>6,337</u>	<u>211,088</u>	<u>198,883</u>	<u>416,308</u>
DEPRECIATION				
At 1st April 2000	6,337	134,721	43,225	184,283
Charge for the year	-	11,052	39,100	50,152
On disposals	-	-	(20,608)	(20,608)
At 31st March 2001	<u>6,337</u>	<u>145,773</u>	<u>61,717</u>	<u>213,827</u>
NET BOOK VALUE				
At 31st March 2001	<u>-</u>	<u>65,315</u>	<u>137,166</u>	<u>202,481</u>
At 31st March 2000	<u>-</u>	<u>41,045</u>	<u>127,768</u>	<u>168,813</u>

Hire purchase agreements

Included within the net book value of £202,481 is £116,039 (2000 - £90,548) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £8,072 (2000 - £15,597).

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****10. INVESTMENTS**

	Total £
COST	
At 1st April 2000	7,500
Additions	<u>1</u>
At 31st March 2001	<u>7,501</u>
 NET BOOK VALUE	
At 31st March 2001	<u>7,501</u>
At 31st March 2000	<u>7,500</u>

The investment represents 7500 Ordinary £1 shares in Trade Automotive Supplies Limited and 1 Ordinary £1 Share in ACIS Limited, both are companies incorporated in England and Wales.

11. STOCKS

	2001 £	2000 £
Stock	<u>237,750</u>	<u>200,686</u>

12. DEBTORS

	2001 £	2000 £
Trade debtors	718,095	632,186
Other debtors	806	9,304
Prepayments and accrued income	18,285	16,799
	<u>737,186</u>	<u>658,289</u>

13. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	70,828	-
Trade creditors	436,429	375,266
Hire purchase agreements	37,058	30,559
Directors' loan accounts	94,844	35,245
Other creditors including taxation		
Corporation Tax	58,236	55,654
PAYE and social security	11,988	10,453
VAT	48,034	45,180
Other creditors	<u>22,126</u>	<u>-</u>
	140,384	111,287
Accruals and deferred income	<u>48,918</u>	<u>88,090</u>
	<u>828,461</u>	<u>640,447</u>

SAYERS MOTOR FACTORS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2001

13. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001	2000
	£	£
Bank loans and overdrafts	70,828	-
Hire purchase agreements	37,058	30,559
	<u>107,886</u>	<u>30,559</u>

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

	2001	2000
	£	£
Hire purchase agreements	39,137	30,475
	<u>39,137</u>	<u>30,475</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001	2000
	£	£
Hire purchase agreements	39,137	30,475
	<u>39,137</u>	<u>30,475</u>

15. DEFERRED TAXATION

	2001	2000
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	4,313	3,812
Increase in provision	2,054	501
Provision carried forward	<u>6,367</u>	<u>4,313</u>

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

	2001	2000
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>6,367</u>	<u>4,313</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	2001	2000
	£	£
Amounts payable within 1 year	37,058	30,559
Amounts payable between 1 and 2 years	26,261	21,102
Amounts payable between 3 and 5 years	12,876	9,373
	<u>76,195</u>	<u>61,034</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2001 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2001	2000
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>19,500</u>	<u>19,500</u>

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

	2001	2000
	£	£
50,000 Ordinary shares of £1.00 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>18,000</u>	<u>18,000</u>

19. OTHER RESERVES

	2001	2000
	£	£
Capital redemption reserve	<u>12,000</u>	<u>12,000</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	227,077	210,489
Dividends	(41,340)	(25,400)
	<u>185,737</u>	<u>185,089</u>
Opening shareholders' equity funds	1,004,804	819,715
Closing shareholders' equity funds	<u>1,190,541</u>	<u>1,004,804</u>

SAYERS MOTOR FACTORS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****21. RECONCILIATION OF OPERATING PROFIT TO
NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2001	2000
	£	£
Operating profit	258,703	245,880
Depreciation	50,152	43,481
Loss on disposal of fixed assets	5,000	8,234
Increase in stocks	(37,064)	(17,340)
Increase in debtors	(78,897)	(432)
Increase/(Decrease) in creditors	108,105	(77,662)
Net cash inflow from operating activities	<u>305,999</u>	<u>202,161</u>

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

	2001	2000
	£	£
Increase in cash in the period	164,009	88,122
Cash outflow in respect of hire purchase	<u>(15,161)</u>	<u>(17,307)</u>
	148,848	70,815
Change in net funds	148,848	70,815
Net funds at 1st April 2000	583,717	512,901
Net funds at 31st March 2001	<u>732,565</u>	<u>583,717</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2000	Cash flows	At 31 Mar 2001
	£	£	£
Net cash:			
Cash in hand and at bank	644,751	234,837	879,588
Overdrafts	-	(70,828)	(70,828)
	<u>644,751</u>	<u>164,009</u>	<u>808,760</u>
Debt:			
Hire purchase agreements	<u>(61,034)</u>	<u>(15,161)</u>	<u>(76,195)</u>
Net funds	<u>583,717</u>	<u>148,848</u>	<u>732,565</u>