REGISTERED NUMBER: 01022321 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2005

FOR

K J SHORTIS LIMITED



K J SHORTIS LIMITED

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for the year ended 31 January 2005

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K J SHORTIS LIMITED

COMPANY INFORMATION
for the year ended 31 January 2005

DIRECTORS:	Mr K J Shortis Mrs V C Shortis Mr R J Shortis
SECRETARY:	Mr S P Allman
REGISTERED OFFICE:	Salhouse Road Norwich Norfolk NR7 9AH
REGISTERED NUMBER:	01022321 (England and Wales)
AUDITORS:	Sexty & Co 124 Thorpe Road Norwich Norfolk NR1 1RS
SOLICITORS:	Howes Percival 51 Colegate Norwich Norfolk NR3 1DD

REPORT OF THE DIRECTORS
for the year ended 31 January 2005

The directors present their report with the financial statements of the company and the group for the year ended 31 January 2005.

PRINCIPAL ACTIVITY
The principal activity of the group in the year under review was that of the supply and fitting of motor spares and accessories.

REVIEW OF BUSINESS
The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

2005 has been another highly satisfactory year with all operations contributing to the pre-tax profits which were up 7.2% at £2,441,080.

The purchase during the year of the Motosave group of 24 stores based in Leeds brings our trading sites up to 70 and even after the acquisition the group has no borrowings or mortgages.

DIVIDENDS
An interim dividend of 17.5p per share was paid on 29 September 2004. A final dividend of 25p per share was paid on 28 September 2005. Mr K J Shortis has waived his right to both these dividends.

DIRECTORS
The directors during the year under review were:

Mr K J Shortis
Mrs V C Shortis
Mr R J Shortis

The beneficial interests of the directors holding office on 31 January 2005 in the issued share capital of the company were as follows:

	31.1.05	1.2.04
Ordinary £1 shares		
Mr K J Shortis	200,000	200,000
Mrs V C Shortis	5,500	5,500
Mr R J Shortis	20,635	20,635

In accordance with the Articles of Association, Mrs V C Shortis will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

EMPLOYEES
Provision of information

During the period the Group has continued its policy of managers holding regular briefing and dissemination meetings, to provide information and the opportunity for questions and discussions.

Equal opportunities

The companies in the Group are committed to providing equal opportunities to all employees irrespective of sex, marital status, creed, colour, race, ethnic origin or disability. The Group will continue to review and monitor this policy in order to ensure its application complies with relevant legislation and codes of practice.

MARKET VALUE OF LAND AND BUILDINGS
The group's land and buildings were revalued by the directors on the 31 January 1997. The directors are of the opinion that as at 31 January 2005 group owned land and buildings had a total value of not less than £7.5 million.

REPORT OF THE DIRECTORS
for the year ended 31 January 2005

STATEMENT OF 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 the group and of the profit or loss of the group for that period. 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;
- 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 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Sexty & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

.....
Mr R J Shortis - Director

Date: 18 NOVEMBER 2005

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF K J SHORTIS LIMITED

We have audited the financial statements of K J Shortis Limited for the year ended 31 January 2005 on pages five to twenty six. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and 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
As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Report of the Directors 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 regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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 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. A subsidiary group Motosave Holdings Limited and subsidiary company have been audited by another firm of auditors Deloitte & Touche LLP, and we have relied on the contents of their reports in preparing this report.

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 the group as at 31 January 2005 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Sexty & Co

Sexty & Co
124 Thorpe Road
Norwich
Norfolk
NR1 1RS

Date: 18 November 2005

K J SHORTIS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 January 2005

	Notes	2005 £	2005 £	2004 £	2004 £
TURNOVER			29,982,543		24,250,054
Continuing operations		25,458,716		24,250,054	
Acquisitions		4,523,827		-	
		29,982,543		24,250,054	
Cost of sales	2		16,014,671		13,404,270
GROSS PROFIT	2		13,967,872		10,845,784
Net operating expenses	2		11,628,410		8,629,974
OPERATING PROFIT	4		2,339,462		2,215,810
Continuing operations		2,340,203		2,215,810	
Acquisitions		(741)		-	
		2,339,462		2,215,810	
Interest receivable and similar income			101,758		64,367
			2,441,220		2,280,177
Interest payable and similar charges	5		140		3,248
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			2,441,080		2,276,929
Tax on profit on ordinary activities	6		791,439		728,491
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			1,649,641		1,548,438
Dividends	8		19,877		17,539
RETAINED PROFIT FOR THE YEAR FOR THE GROUP			1,629,764		1,530,899

TOTAL RECOGNISED GAINS AND LOSSES
The group has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

K J SHORTIS LIMITED

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the year ended 31 January 2005

	2005 £	2004 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2,441,080	2,276,929
Realisation of revaluation gain	-	12,500
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2,441,080	2,289,429
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION AND DIVIDENDS	1,629,764	1,543,399

The notes form part of these financial statements

K J SHORTIS LIMITED

CONSOLIDATED BALANCE SHEET
31 January 2005

	Notes	2005 £	2005 £	2004 £	2004 £
FIXED ASSETS					
Intangible assets	10		1,583,990		470,820
Tangible assets	11		7,249,003		5,791,989
Investments	12		-		-
			8,832,993		6,262,809
CURRENT ASSETS					
Stocks	13	5,127,854		3,867,634	
Debtors	14	1,761,581		1,607,928	
Cash at bank and in hand		1,886,875		2,172,189	
		8,776,310		7,647,751	
CREDITORS					
Amounts falling due within one year	15	5,340,143		3,292,164	
NET CURRENT ASSETS			3,436,167		4,355,587
TOTAL ASSETS LESS CURRENT LIABILITIES			12,269,160		10,618,396
PROVISIONS FOR LIABILITIES AND CHARGES	18		21,000		-
			12,248,160		10,618,396
CAPITAL AND RESERVES					
Called up share capital	19		246,770		246,770
Revaluation reserve	20		497,948		497,948
Profit and loss account	20		11,503,442		9,873,678
SHAREHOLDERS' FUNDS	24		12,248,160		10,618,396

ON BEHALF OF THE BOARD:

.....
Mr R J Shortis - Director

Approved by the Board on 18 NOVEMBER 2005

The notes form part of these financial statements

K J SHORTIS LIMITED

COMPANY BALANCE SHEET
31 January 2005

	Notes	2005 £	2005 £	2004 £	2004 £
FIXED ASSETS					
Intangible assets	10		1		1
Tangible assets	11		5,195,523		4,374,358
Investments	12		256,559		256,559
			5,452,083		4,630,918
CURRENT ASSETS					
Debtors	14	644,319		380,701	
Cash at bank		2,416,089		2,795,791	
		3,060,408		3,176,492	
CREDITORS					
Amounts falling due within one year	15	3,609,054		3,335,100	
NET CURRENT LIABILITIES			(548,646)		(158,608)
TOTAL ASSETS LESS CURRENT LIABILITIES			4,903,437		4,472,310
CAPITAL AND RESERVES					
Called up share capital	19		246,770		246,770
Revaluation reserve	20		367,102		367,102
Profit and loss account	20		4,289,565		3,858,438
SHAREHOLDERS' FUNDS	24		4,903,437		4,472,310

ON BEHALF OF THE BOARD:

.....
Mr R J Shortis - Director

Approved by the Board on 18 NOVEMBER 2005

The notes form part of these financial statements

K J SHORTIS LIMITED

CASH FLOW STATEMENT
for the year ended 31 January 2005

	Notes	2005 £	2005 £	2004 £	2004 £
Net cash inflow from operating activities	1		3,150,755		2,459,975
Returns on investments and servicing of finance	2		101,618		61,119
Taxation			(752,038)		(827,816)
Capital expenditure	2		(1,242,774)		(491,952)
Acquisitions and disposals	2		(1,523,707)		-
Equity dividends paid			(18,708)		(16,370)
			(284,854)		1,184,956
Financing	2		(460)		(8,124)
(Decrease)/Increase in cash in the period			(285,314)		1,176,832

Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period		(285,314)		1,176,832	
Cash outflow from decrease in debt and lease financing		460		8,124	
Change in net funds resulting from cash flows			(284,854)		1,184,956
Movement in net funds in the period			(284,854)		1,184,956
Net funds at 1 February			2,171,729		986,773
Net funds at 31 January			1,886,875		2,171,729

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 January 2005

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

	2005 £	2004 £
Operating profit	2,339,462	2,215,810
Depreciation charges	577,779	464,210
Decrease/(Increase) in stocks	10,033	(255,839)
Decrease/(Increase) in debtors	36,818	(109,675)
Increase in creditors	186,663	145,469
Net cash inflow from operating activities	3,150,755	2,459,975

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest received	101,758	64,367
Interest paid	(94)	(2,454)
Interest element of hire purchase payments	(46)	(794)
Net cash inflow for returns on investments and servicing of finance	101,618	61,119
Capital expenditure		
Purchase of tangible fixed assets	(1,349,846)	(601,040)
Sale of tangible fixed assets	107,072	109,088
Net cash outflow for capital expenditure	(1,242,774)	(491,952)
Acquisitions and disposals		
Purchase of subsidiary undertaking	(1,693,881)	-
Deferred payment	170,174	-
Net cash outflow for acquisitions and disposals	(1,523,707)	-
Financing		
Capital repayments in year	(460)	(8,124)
Net cash outflow from financing	(460)	(8,124)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 January 2005

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.04 £	Cash flow £	At 31.1.05 £
Net cash:			
Cash at bank and in hand	2,172,189	(285,314)	1,886,875
	2,172,189	(285,314)	1,886,875
Debt:			
Hire purchase	(460)	460	-
	(460)	460	-
Total	2,171,729	(284,854)	1,886,875

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain investment and freehold property.

As permitted by section 203 (3) of the Companies Act 1985, the profit and loss account of the parent company has not been separately presented in the financial statements.

Basis of consolidation
The group financial statements consolidate the financial statements of the company and all subsidiaries for the financial period using acquisition accounting.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill
Goodwill arising on the acquisition of new and existing subsidiaries is written off in equal instalments over a 10 year period.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	Buildings only at 2% straight line
Improvements to leasehold property	Over the term of the lease
Office equipment	15-33% straight line basis
Fixtures, fittings, plant and machinery	15% straight line basis
Motor vehicles	25% straight line basis

Premiums paid on short term leases are written off on acquisition.

Stocks
Stocks are stated at the lower of cost and net realisable value. Cost comprises the average cost of all purchases in stock.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at current rates for tax deferred in respect of all material timing differences. Deferred assets are only recognised to the extent that they are considered recoverable. The company has not adopted a policy of discounting deferred tax assets and liabilities.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital elements of the future repayments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions
The parent company operates a money purchase scheme for directors. The assets of the scheme are invested and managed independently of the finances of the group. Contributions payable for the year are charged in the profit and loss account.

The group operates a money purchase pension scheme for other employees. Contributions payable for the year are charged in the profit and loss account.

continued...

1. **ACCOUNTING POLICIES - continued**

Investment Properties
In accordance with the accounting standard in respect of the revaluation of properties, investment property has been retained at the book valuations as at 31 January 2000. As these properties are held for investment purposes, not consumption, depreciation is not considered relevant.

2. **ANALYSIS OF OPERATIONS**

	2005		
	Continuing	Acquisitions	Total
	£	£	£
Cost of sales	13,804,910	2,209,761	16,014,671
Gross profit	11,653,806	2,314,066	13,967,872
Net operating expenses:			
Administrative expenses	9,313,603	2,314,807	11,628,410

	2004		
	Continuing	Acquisitions	Total
	£	£	£
Cost of sales	13,404,270	-	13,404,270
Gross profit	10,845,784	-	10,845,784
Net operating expenses:			
Administrative expenses	8,629,974	-	8,629,974

3. **STAFF COSTS**

	2005	2004
	£	£
Wages and salaries	7,143,650	5,446,108
Social security costs	609,014	478,354
Other pension costs	63,192	34,024
	7,815,856	5,958,486

The average monthly number of employees during the year was as follows:

	2005	2004
Sales and administration	622	391

continued...

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2005 £	2004 £
Depreciation - owned assets	413,919	363,953
Depreciation - assets on hire purchase contracts	-	1,848
Profit on disposal of fixed assets	(39,950)	(63,300)
Goodwill amortisation	163,860	98,409
Auditors remuneration	27,420	21,780
Operating leases - land and buildings	499,898	214,523
Directors' emoluments	178,804	178,452

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Bank interest	47	-
Interest on overdue tax	47	2,454
Hire purchase	46	794
	140	3,248

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2005 £	2004 £
Current tax:		
UK corporation tax	795,000	722,665
Adjustment re previous year	(3,561)	5,826
Tax on profit on ordinary activities	791,439	728,491

UK corporation tax has been charged at 30% (2004 - 30%).

continued...

6. TAXATION - continued

Factors affecting the tax charge
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	2,441,080	2,276,929
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 - 30%)	732,324	683,079
Effects of:		
Depreciation in the period in excess of capital allowances	*84,343*	*59,059*
Marginal relief	(168)	(1,766)
Provision rounding	(2,325)	758
Profit on sale of fixed assets	(11,985)	(18,991)
Adjustment re previous years	(3,097)	6,352
Allowable expenditure	(7,653)	-
Current tax charge	791,439	728,491

7. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £451,004 (2004 - £433,757).

8. DIVIDENDS

	2005 £	2004 £
Equity shares:		
Interim	8,185	7,016
Final	11,692	10,523
	19,877	17,539

continued...

9. ACQUISITION

On 3 August 2004 a subsidiary of the group Wilco Motor Spares Limited acquired Motosave Holdings Limited and subsidiary companies. The total consideration was £2,000,000. The group has used acquisition accounting to account for this purchase. The fair value of the assets of the business at acquisition were as follows:-

	Net assets acquired £
Tangible fixed assets	628,159
Stock	1,270,253
Debtors and prepayments	190,471
Cash at bank	342,517
Creditors and accruals	(1,651,032)
Provisions for liabilities and charges	(21,000)
Net assets	759,368
Consideration: cash	(1,829,826)
loan notes	(170,174)
Legal fees	(36,398)
Goodwill arising	1,277,030

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 February 2004	1,090,937
Additions	1,277,030
At 31 January 2005	2,367,967
AMORTISATION	
At 1 February 2004	620,117
Amortisation for year	163,860
At 31 January 2005	783,977
NET BOOK VALUE	
At 31 January 2005	1,583,990
At 31 January 2004	470,820

Company

	Goodwill £
COST	
At 1 February 2004 and 31 January 2005	1
NET BOOK VALUE	
At 31 January 2005	1
At 31 January 2004	1

continued...

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Long leasehold £	Investment properties £
COST OR VALUATION				
At 1 February 2004	5,188,967	28,254	67,100	130,000
Additions	864,192	128,528	-	-
At 31 January 2005	6,053,159	156,782	67,100	130,000
DEPRECIATION				
At 1 February 2004	164,870	24,547	1,342	-
Charge for year	52,955	14,655	671	-
At 31 January 2005	217,825	39,202	2,013	-
NET BOOK VALUE				
At 31 January 2005	5,835,334	117,580	65,087	130,000
At 31 January 2004	5,024,097	3,707	65,758	130,000

	Fixtures,fittings, plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST OR VALUATION				
At 1 February 2004	696,901	996,362	573,779	7,681,363
Additions	396,991	556,080	32,214	1,978,005
Disposals	(1,404)	(395,329)	(2,590)	(399,323)
At 31 January 2005	1,092,488	1,157,113	603,403	9,260,045
DEPRECIATION				
At 1 February 2004	616,728	615,448	466,439	1,889,374
Charge for year	79,576	234,811	31,251	413,919
Eliminated on disposal	(12,365)	(279,277)	(609)	(292,251)
At 31 January 2005	683,939	570,982	497,081	2,011,042
NET BOOK VALUE				
At 31 January 2005	408,549	586,131	106,322	7,249,003
At 31 January 2004	80,173	380,914	107,340	5,791,989

Included in cost or valuation of land and buildings is freehold land of £3,279,342 (2004 - £2,927,994) which is not depreciated.

continued...

11. **TANGIBLE FIXED ASSETS - continued**

Group

Cost or valuation at 31 January 2005 is represented by:

	Freehold property £	Short leasehold £	Long leasehold £	Investment properties £
Valuation in 1996	89,504	-	-	79,769
Valuation in 1997	304,676	-	-	23,999
Cost	5,658,979	156,782	67,100	26,232
	6,053,159	156,782	67,100	130,000

	Fixtures,fittings, plant and machinery £	Motor vehicles £	Office equipment £	Totals £
Valuation in 1996	-	-	-	169,273
Valuation in 1997	-	-	-	328,675
Cost	1,092,488	1,157,113	603,403	8,762,097
	1,092,488	1,157,113	603,403	9,260,045

The freehold land and buildings and investment properties were revalued by the directors on 31 January 1996 and 1997. The cost of these properties amounted to £5,685,211 (2004 - £4,821,019).

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST OR VALUATION	
At 1 February 2004	7,419
Transfer to ownership	(7,419)
At 31 January 2005	-
DEPRECIATION	
At 1 February 2004	4,943
Transfer to ownership	(4,943)
At 31 January 2005	-
NET BOOK VALUE	
At 31 January 2005	-
At 31 January 2004	2,476

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	*Long leasehold* £	*Investment properties* £
COST OR VALUATION			
At 1 February 2004	4,322,059	67,100	130,000
Additions	864,192	-	-
At 31 January 2005	5,186,251	67,100	130,000
DEPRECIATION			
At 1 February 2004	146,191	1,342	-
Charge for year	41,723	671	-
At 31 January 2005	187,914	2,013	-
NET BOOK VALUE			
At 31 January 2005	4,998,337	65,087	130,000
At 31 January 2004	4,175,868	65,758	130,000

	Office equipment £	Fixtures,fittings, plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 February 2004	2,190	5,701	1,000	4,528,050
Additions	766	-	-	864,958
At 31 January 2005	2,956	5,701	1,000	5,393,008
DEPRECIATION				
At 1 February 2004	1,931	3,478	750	153,692
Charge for year	412	737	250	43,793
At 31 January 2005	2,343	4,215	1,000	197,485
NET BOOK VALUE				
At 31 January 2005	613	1,486	-	5,195,523
At 31 January 2004	259	2,223	250	4,374,358

Included in land and buildings is freehold land valued at £3,000,105 (2004 - £2,648,757) which is not depreciated.

continued...

11. TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 31 January 2005 is represented by:

	Freehold property	Long leasehold	Investment properties
	£	£	£
Valuation in 1996	26,784	-	79,769
Valuation in 1997	236,550	-	23,999
Cost	4,922,917	67,100	26,232
	5,186,251	67,100	130,000

	Office equipment	Fixtures,fittings, plant and machinery	Motor vehicles	Totals
	£	£	£	£
Valuation in 1996	-	-	-	106,553
Valuation in 1997	-	-	-	260,549
Cost	2,956	5,701	1,000	5,025,906
	2,956	5,701	1,000	5,393,008

The freehold land and buildings and investment properties were valued by the directors on the 31 January 1996 and 1997. The cost of these properties amounts to £4,949,149 (2004 - £4,084,957).

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings
	£
COST	
At 1 February 2004 and 31 January 2005	256,559
NET BOOK VALUE	
At 31 January 2005	256,559
At 31 January 2004	256,559

continued...

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Fastfit Exhausts Limited
Nature of business: Supply and fitting of exhausts and tyres

	% holding
Class of shares:	
Ordinary	100.00

	2005 £	2004 £
Aggregate capital and reserves	1,943,724	1,766,422
Profit for the year	177,302	167,838

Wilco Motor Spares Limited
Nature of business: Retailer of car spares and accessories

	% holding
Class of shares:	
Ordinary	100.00

	2005 £	2004 £
Aggregate capital and reserves	2,367,911	2,072,211
Profit for the year	295,700	401,713

Cyclemaster Limited
Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	100.00

	2005 £	2004 £
Aggregate capital and reserves	100	100

E U Limited
Nature of business: Wholesaler of motor vehicle components

	% holding
Class of shares:	
Ordinary	100.00

	2005 £	2004 £
Aggregate capital and reserves	2,693,120	2,164,878
Profit for the year	528,242	364,927

J Smart & Co (Retail) Limited (Subsidiary of Wilco Motor Spares Limited)
Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	100.00

	2005 £	2004 £
Aggregate capital and reserves	27,100	27,100

continued...

12. **FIXED ASSET INVESTMENTS - continued**

Carmaster Limited (Subsidiary of Wilco Motor Spares Limited)
Nature of business: Dormant

	% holding	2005 £	2004 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		10,000	10,000

Linco plc (Subsidiary of E U Limited)
Nature of business: Wholesaler of motor vehicle components

	% holding	2005 £	2004 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,536,397	1,345,196
Profit for the year		191,201	180,203

Motosave Holdings Limited
Nature of business: Holding company

	% holding	2005 £
Class of shares:		
Ordinary	100.00	
Aggregate capital and reserves		33,992

Motosave Limited (Subsidiary of Motosave Holdings Limited)
Nature of business: Retailer of car spares and accessories

	% holding	2005 £
Class of shares:		
Ordinary	100.00	
Aggregate capital and reserves		733,568
Profit for the year		6,192

Auto Supa-Save Limited (Subsidiary of Motosave Limited)
Nature of business: Dormant

	% holding	2005 £
Class of shares:		
Ordinary	100.00	
Aggregate capital and reserves		18,000

continued...

13. STOCKS

	Group	
	2005	2004
	£	£
Finished goods	5,127,854	3,867,634

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Trade debtors	1,393,615	1,410,984	-	-
Other debtors	25,396	10,722	-	-
Amounts owed by group companies	-	-	635,049	368,104
Prepayments	342,570	186,222	9,270	12,597
	1,761,581	1,607,928	644,319	380,701

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Hire purchase contracts (see note 16)	-	460	-	-
Trade creditors	3,481,223	2,000,266	-	-
Social security and other taxes	787,441	518,901	6,083	3,325
Proposed dividends	11,692	10,523	11,692	10,523
Other creditors	255,369	35,233	-	-
Corporation tax	471,801	432,400	113,000	98,000
Amounts owed to group companies	-	-	3,367,090	3,104,059
Accrued expenses	332,617	294,381	111,189	119,193
	5,340,143	3,292,164	3,609,054	3,335,100

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2005	2004
	£	£
Net obligations repayable:		
Within one year	-	460

continued...

16. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings	
	2005	2004
	£	£
Expiring:		
Within one year	7,520	27,205
Between one and five years	118,211	56,000
In more than five years	651,855	98,000
	777,586	181,205

Company

	Land and buildings	
	2005	2004
	£	£
Expiring:		
Between one and five years	23,000	-
In more than five years	-	23,000
	23,000	23,000

17. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	2005	2004
	£	£
Loan Notes	170,174	-

The loan notes are guaranteed by Lloyds TSB Bank plc. Funds to the value of £170,174 have been deposited with Lloyds TSB Bank plc in respect of it's potential liability under the guarantee.

18. **PROVISION FOR LIABILITIES AND CHARGES**

	Group	
	2005	2004
	£	£
Deferred tax	21,000	-

continued...

18. PROVISION FOR LIABILITIES AND CHARGES - continued

Group

	Deferred tax £
Accelerated capital allowances	21,000
Balance at 31 January 2005	21,000

19. CALLED UP SHARE CAPITAL

Authorised:

Number:	*Class:*	*Nominal value:*	*2005 £*	*2004 £*
500,000	Ordinary	£1	500,000	500,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005 £	2004 £
246,770	Ordinary	£1	246,770	246,770

20. RESERVES

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 February 2004	9,873,678	497,948	10,371,626
Retained profit for the year	1,629,764	-	1,629,764
At 31 January 2005	11,503,442	497,948	12,001,390

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 February 2004	3,858,438	367,102	4,225,540
Retained profit for the year	431,127	-	431,127
At 31 January 2005	4,289,565	367,102	4,656,667

21. PENSION COMMITMENTS

The parent company operates a money purchase pension scheme for the directors. The group operates a money purchase pension scheme for other employees.

The pension cost charge amounted to £63,192 (2004 £34,024).

continued...

22. CONTINGENT LIABILITIES

There is a contingent liability to Capital Gains Tax which represents the liability which would arise if the revalued freehold and investment property was sold for its net book value as included in these financial statements. In the absence of 1982 valuations it is not possible to accurately quantify this amount, if any.

23. RELATED PARTY DISCLOSURES

Property owned by the Taylor Patterson SIPP, for Mr K J Shortis, of which Mr K J Shortis is a trustee and beneficiary, was utilised by group companies. Annual rent payable is £54,000 (2004 £54,000).

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2005 £	2004 £
Profit for the financial year	1,649,641	1,548,438
Dividends	(19,877)	(17,539)
Net addition to shareholders' funds	1,629,764	1,530,899
Opening shareholders' funds	10,618,396	9,087,497
Closing shareholders' funds	12,248,160	10,618,396
Equity interests	12,248,160	10,618,396

Company

	2005 £	2004 £
Profit for the financial year	451,004	433,757
Dividends	(19,877)	(17,539)
Net addition to shareholders' funds	431,127	416,218
Opening shareholders' funds	4,472,310	4,056,092
Closing shareholders' funds	4,903,437	4,472,310
Equity interests	4,903,437	4,472,310

25. LOAN NOTES

Wilco Motor Spares Limited has issued loan notes for the sum of £170,174 (payable on demand). The loan notes are guaranteed by Lloyds TSB Bank plc and bear interest at the rate of 2% per annum. Funds to the value of £170,174 have been deposited with Lloyds TSB Bank plc in respect of it's potential liability under the guarantee.