

REGISTERED NUMBER: 01022321 (England and Wales)

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2011
FOR
K J SHORTIS LIMITED**

TUESDAY



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COMPANIES HOUSE

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for the year ended 31 January 2011**

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K J SHORTIS LIMITED
COMPANY INFORMATION
for the year ended 31 January 2011

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)
SENIOR STATUTORY AUDITOR.	I A Barlow
AUDITORS	Sexty & Co Chartered Certified Accountants & Registered Auditors 124 Thorpe Road Norwich Norfolk NR1 1RS
BANKERS.	Lloyds TSB Bank plc 16 Gentleman's Walk Norwich Norfolk NR2 1LZ
SOLICITORS.	Howes Percival 51 Colegate Norwich Norfolk NR3 1DD

**CHAIRMAN'S REPORT
for the year ended 31 January 2011**

The year to 31st January 2011 was again challenging but I am pleased to report another strong trading year with pre tax profits of £2.4 million

Last year was a time of great pressure for most businesses. For us it was a year with no exceptional capital profits and another year of negligible returns on our cash reserves due to the low interest rates.

I therefore feel very comfortable with our results, which are after we have provided for a discretionary bonus of £500,000 paid to all staff at all levels, who contributed to these results.

I would like to thank them for their efforts.

During the year we opened a new EU depot at Lowestoft and invested a further £1.1 million in freehold property so we now own the majority of our trading sites and we have no borrowings and substantial cash reserves.

Trading in the current year is ever more difficult and major companies are reporting very tough figures and reduced earnings, even losses.

I am pleased to report that all group companies are trading profitably although overall profits are down by 15% in the first half of the current year. Action has been taken to review costs and wherever possible increase the sales.

The uncertain international financial situation is worrying and makes any forward projections almost impossible, however I am sure that our policy of husbanding our resources and keeping an eye open for opportunities is the wise option at this time.

We have in the past found difficult times produce opportunities for strong companies with cash resources.

Kevin Shortis

**REPORT OF THE DIRECTORS
for the year ended 31 January 2011**

The directors present their report with the financial statements of the company and the group for the year ended 31 January 2011

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

Included within Chairman's Report

DIVIDENDS

An interim dividend of £0.30 per share was paid in October 2010. A final dividend of £1.00 per share was declared and noted as a post balance sheet event. Mr K J Shortis has waived his right to the final dividend.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2010 to the date of this report

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

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 year 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 2011 Group owned land and buildings had a total value of not less than £12 million

**REPORT OF THE DIRECTORS
for the year ended 31 January 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Sexty & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD.



Mr K J Shortis - Director

15 September 2011

**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 2011 on pages six to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

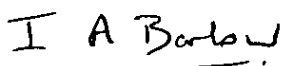
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



I A Barlow (Senior Statutory Auditor)
for and on behalf of Sexty & Co
Chartered Certified Accountants
& Registered Auditors
124 Thorpe Road
Norwich
Norfolk
NR1 1RS

15 September 2011

K J SHORTIS LIMITED (REGISTERED NUMBER 01022321)**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
for the year ended 31 January 2011

	Notes	2011 £	2010 £
TURNOVER		38,666,232	37,088,635
Cost of sales		20,107,511	19,146,261
GROSS PROFIT		18,558,721	17,942,374
Administrative expenses		16,166,992	15,237,414
OPERATING PROFIT	3	2,391,729	2,704,960
Interest receivable and similar income		23,997	38,216
		2,415,726	2,743,176
Interest payable and similar charges	4	-	409
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,415,726	2,742,767
Tax on profit on ordinary activities	5	706,788	765,062
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		1,708,938	1,977,705

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

CONSOLIDATED BALANCE SHEET
31 January 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Intangible assets	8	1,266,422	1,266,422
Tangible assets	9	13,612,142	12,490,671
Investments	10	-	-
		<u>14,878,564</u>	<u>13,757,093</u>
CURRENT ASSETS			
Stocks	11	6,934,739	6,500,267
Debtors	12	1,933,127	1,802,308
Cash at bank and in hand		5,719,897	5,018,979
		<u>14,587,763</u>	<u>13,321,554</u>
CREDITORS			
Amounts falling due within one year	13	6,225,448	5,443,905
NET CURRENT ASSETS		<u>8,362,315</u>	<u>7,877,649</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,240,879</u>	<u>21,634,742</u>
PROVISIONS FOR LIABILITIES	15	<u>18,000</u>	<u>-</u>
NET ASSETS		<u><u>23,222,879</u></u>	<u><u>21,634,742</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	246,770	246,770
Revaluation reserve	17	475,533	475,533
Profit and loss account	17	22,500,576	20,912,439
SHAREHOLDERS' FUNDS	22	<u><u>23,222,879</u></u>	<u><u>21,634,742</u></u>

The financial statements were approved by the Board of Directors on 15 September 2011 and were signed on its behalf by

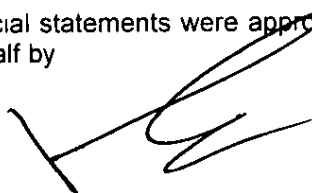


Mr K J Shortis - Director

COMPANY BALANCE SHEET
31 January 2011

	Notes	2011	2010
		£	£
FIXED ASSETS			
Intangible assets	8	1	1
Tangible assets	9	11,557,430	10,521,720
Investments	10	256,559	256,559
		<u>11,813,990</u>	<u>10,778,280</u>
CURRENT ASSETS			
Debtors	12	8,928	8,058
Cash at bank		6,258,246	5,235,389
		<u>6,267,174</u>	<u>5,243,447</u>
CREDITORS			
Amounts falling due within one year	13	5,501,876	4,052,623
NET CURRENT ASSETS		<u>765,298</u>	<u>1,190,824</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>12,579,288</u></u>	<u><u>11,969,104</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	246,770	246,770
Revaluation reserve	17	344,687	344,687
Profit and loss account	17	11,987,831	11,377,647
SHAREHOLDERS' FUNDS	22	<u><u>12,579,288</u></u>	<u><u>11,969,104</u></u>

The financial statements were approved by the Board of Directors on 15 September 2011 and were signed on its behalf by



Mr K J Shortis - Director

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 January 2011

	Notes	2011 £	2010 £
Net cash inflow from operating activities	1	3,149,669	2,787,825
Returns on investments and servicing of finance	2	23,997	37,807
Taxation		(807,181)	(751,918)
Capital expenditure	2	(1,544,766)	(1,861,134)
Equity dividends paid		(120,801)	(261,111)
		<u>700,918</u>	<u>(48,531)</u>
Financing	2	-	(1,045)
Increase/(Decrease) in cash in the period		<u>700,918</u>	<u>(49,576)</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		700,918	(49,576)
Cash outflow from decrease in debt and lease financing		<u>-</u>	<u>1,045</u>
Change in net funds resulting from cash flows		<u>700,918</u>	<u>(48,531)</u>
Movement in net funds in the period		<u>700,918</u>	<u>(48,531)</u>
Net funds at 1 February		<u>5,018,979</u>	<u>5,067,510</u>
Net funds at 31 January		<u>5,719,897</u>	<u>5,018,979</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 January 2011

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

	2011 £	2010 £
Operating profit	2,391,729	2,704,960
Depreciation charges	490,574	485,180
Profit on disposal of fixed assets	(67,279)	(66,978)
Increase in stocks	(434,472)	(441,054)
(Increase)/Decrease in debtors	(130,819)	120,393
Increase/(Decrease) in creditors	899,936	(14,676)
Net cash inflow from operating activities	<u>3,149,669</u>	<u>2,787,825</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	23,997	38,216
Interest element of hire purchase or finance lease rentals payments	-	(409)
Net cash inflow for returns on investments and servicing of finance	<u>23,997</u>	<u>37,807</u>
Capital expenditure		
Purchase of tangible fixed assets	(1,627,042)	(1,965,639)
Sale of tangible fixed assets	82,276	104,505
Net cash outflow for capital expenditure	<u>(1,544,766)</u>	<u>(1,861,134)</u>
Financing		
Capital repayments in year	-	(1,045)
Net cash outflow from financing	<u>-</u>	<u>(1,045)</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 2 10 £	Cash flow £	At 31 1 11 £
Net cash			
Cash at bank and in hand	5,018,979	700,918	5,719,897
	<u>5,018,979</u>	<u>700,918</u>	<u>5,719,897</u>
Total	<u>5,018,979</u>	<u>700,918</u>	<u>5,719,897</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 January 2011

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 408 of the Companies Act 2006, 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

J Smart & Co (Retail) Limited and Car Care, subsidiary companies which have had their trade and assets consolidated into the group, were written off over the estimated useful life of 10 years

An annual impairment review is carried out each year concerning the goodwill arising from the acquisition of Motosave Limited and Linco Plc Any diminution in value is reflected in the financial statements

Tangible fixed assets

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

Freehold buildings	2% straight line basis
Leasehold property	Over the term of the lease
Fixtures, fittings, office equipment, plant and machinery	10-50% straight line basis
Motor vehicles	25% straight line basis

Stocks

Stocks are stated at the lower of cost and net realisable value using the average cost method, after making due allowances for obsolete and slow moving items

Cost comprises the average cost of all purchases included 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

1 ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

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.

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 2011. As these properties are held for investment purposes, not consumption, depreciation is not considered relevant.

2 STAFF COSTS

	2011 £	2010 £
Wages and salaries	10,377,531	9,546,867
Social security costs	802,859	796,738
Other pension costs	115,844	106,596
	<u>11,296,234</u>	<u>10,450,201</u>

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

	2011	2010
Sales and administration	<u>615</u>	<u>602</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation - owned assets	490,574	485,180
Profit on disposal of fixed assets	(67,279)	(66,978)
Auditors' remuneration	34,109	32,921
Operating leases - land and buildings	<u>494,776</u>	<u>612,259</u>
Directors' remuneration	142,852	139,083
Directors' pension contributions to money purchase schemes	<u>10,000</u>	<u>5,000</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Hire purchase	<u>-</u>	<u>409</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

5 TAXATION**Analysis of the tax charge**

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

	2011 £	2010 £
Current tax		
UK corporation tax	690,000	782,000
Over provision in prior year	(1,212)	(11,938)
Total current tax	688,788	770,062
Deferred tax	18,000	(5,000)
Tax on profit on ordinary activities	<u>706,788</u>	<u>765,062</u>

UK corporation tax has been charged at 28% (2010 - 28%)

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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>2,415,726</u>	<u>2,742,767</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	676,403	767,975
Effects of		
Profit on disposal of assets	(18,838)	(18,754)
Excess of depreciation over capital allowances	33,971	31,534
Over provision in prior year	(1,212)	(11,937)
Provision rounding	1,755	1,215
Expenses not deductible for tax purposes	96	29
Marginal relief	(3,387)	-
Current tax charge	<u>688,788</u>	<u>770,062</u>

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, 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 £730,985 (2010 - £707,660)

7 DIVIDENDS

	2011 £	2010 £
Ordinary shares of £1 each		
Final	46,770	187,080
Interim	74,031	74,031
	<u>120,801</u>	<u>261,111</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

8 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 February 2010 and 31 January 2011	<u>2,367,967</u>
AMORTISATION	
At 1 February 2010 and 31 January 2011	<u>1,101,545</u>
NET BOOK VALUE	
At 31 January 2011	<u>1,266,422</u>
At 31 January 2010	<u>1,266,422</u>
 Company	 Goodwill £
COST	
At 1 February 2010 and 31 January 2011	<u>1</u>
NET BOOK VALUE	
At 31 January 2011	<u>1</u>
At 31 January 2010	<u>1</u>

9 TANGIBLE FIXED ASSETS

Group	Freehold property £	Short leasehold £	Long leasehold £
COST OR VALUATION			
At 1 February 2010	12,067,509	185,495	67,100
Additions	<u>1,141,894</u>	<u>-</u>	<u>-</u>
At 31 January 2011	<u>13,209,403</u>	<u>185,495</u>	<u>67,100</u>
DEPRECIATION			
At 1 February 2010	638,127	132,667	5,368
Charge for year	121,310	15,878	671
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31 January 2011	<u>759,437</u>	<u>148,545</u>	<u>6,039</u>
NET BOOK VALUE			
At 31 January 2011	<u>12,449,966</u>	<u>36,950</u>	<u>61,061</u>
At 31 January 2010	<u>11,429,382</u>	<u>52,828</u>	<u>61,732</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

9 TANGIBLE FIXED ASSETS - continued**Group**

	Investment properties £	Fixtures, fittings, plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 February 2010	130,000	1,440,348	1,014,577	14,905,029
Additions	-	100,971	384,177	1,627,042
Disposals	-	(3,331)	(282,937)	(286,268)
At 31 January 2011	130,000	1,537,988	1,115,817	16,245,803
DEPRECIATION				
At 1 February 2010	-	1,139,053	499,143	2,414,358
Charge for year	-	105,795	246,920	490,574
Eliminated on disposal	-	(1,531)	(269,740)	(271,271)
At 31 January 2011	-	1,243,317	476,323	2,633,661
NET BOOK VALUE				
At 31 January 2011	130,000	294,671	639,494	13,612,142
At 31 January 2010	130,000	301,295	515,434	12,490,671

Included in freehold property is freehold land of £7,249,531 (2010 - £6,678,584) which is not depreciated

Cost or valuation at 31 January 2011 is represented by

	Freehold property £	Short leasehold £	Long leasehold £
Valuation in 1996	89,504	-	-
Valuation in 1997	282,261	-	-
Cost	12,837,638	185,495	67,100
	13,209,403	185,495	67,100

	Investment properties £	Fixtures, fittings, plant and machinery £	Motor vehicles £	Totals £
Valuation in 1996	79,769	-	-	169,273
Valuation in 1997	23,999	-	-	306,260
Cost	26,232	1,537,988	1,115,817	15,770,270
	130,000	1,537,988	1,115,817	16,245,803

The freehold properties and investment properties were revalued by the directors on 31 January 1996 and 1997. The cost of these properties amounted to £12,863,870 (2010 - £11,721,976)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

9 TANGIBLE FIXED ASSETS - continued**Company**

	Freehold property £	Long leasehold £	Investment properties £
COST OR VALUATION			
At 1 February 2010	10,871,366	67,100	130,000
Additions	1,141,894	-	-
At 31 January 2011	12,013,260	67,100	130,000
DEPRECIATION			
At 1 February 2010	541,378	5,368	-
Charge for year	105,513	671	-
At 31 January 2011	646,891	6,039	-
NET BOOK VALUE			
At 31 January 2011	11,366,369	61,061	130,000
At 31 January 2010	10,329,988	61,732	130,000

	Office equipment £	Fixtures, fittings, plant and machinery £	Totals £
COST OR VALUATION			
At 1 February 2010	2,956	5,701	11,077,123
Additions	-	-	1,141,894
At 31 January 2011	2,956	5,701	12,219,017
DEPRECIATION			
At 1 February 2010	2,956	5,701	555,403
Charge for year	-	-	106,184
At 31 January 2011	2,956	5,701	661,587
NET BOOK VALUE			
At 31 January 2011	-	-	11,557,430
At 31 January 2010	-	-	10,521,720

Included in freehold property is freehold land valued at £6,637,571 (2010 - £6,066,624) which is not depreciated

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

9 TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 31 January 2011 is represented by

	Freehold property £	Long leasehold £	Investment properties £
Valuation in 1996	26,784	-	79,769
Valuation in 1997	214,135	-	23,999
Cost	11,772,341	67,100	26,232
	<u>12,013,260</u>	<u>67,100</u>	<u>130,000</u>

	Office equipment £	Fixtures, fittings, plant and machinery £	Totals £
Valuation in 1996	-	-	106,553
Valuation in 1997	-	-	238,134
Cost	2,956	5,701	11,874,330
	<u>2,956</u>	<u>5,701</u>	<u>12,219,017</u>

The freehold properties and investment properties were valued by the directors on the 31 January 1996 and 1997. The cost of these properties amounts to £11,798,573 (2010 - £10,656,679)

10 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 February 2010 and 31 January 2011	<u>256,559</u>
NET BOOK VALUE	
At 31 January 2011	<u>256,559</u>
At 31 January 2010	<u>256,559</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

10 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

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		1,786,953	1,569,214
Profit for the year		<u>217,739</u>	<u>189,960</u>

Wilco Motor Spares Limited

Nature of business Retailer of car spares and accessories

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		3,401,663	3,200,787
Profit for the year		<u>200,876</u>	<u>304,490</u>

Cyclemaster Limited

Nature of business Dormant

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

E U Limited

Nature of business Wholesaler of motor vehicle components

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		4,221,006	4,061,177
Profit for the year		<u>159,829</u>	<u>250,234</u>

J Smart & Co Limited (Subsidiary of Wilco Motor Spares Limited)

Nature of business Dormant

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		<u>27,100</u>	<u>27,100</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

10 FIXED ASSET INVESTMENTS - continued**Carmaster Limited (Subsidiary of Wilco Motor Spares Limited)**

Nature of business Dormant

	%		
Class of shares	holding		
Ordinary	100 00		
		2011	2010
		£	£
Aggregate capital and reserves		<u>10,000</u>	<u>10,000</u>

Linco plc (Subsidiary of E U Limited)

Nature of business Wholesaler of motor vehicle components

	%		
Class of shares	holding		
Ordinary	100 00		
		2011	2010
		£	£
Aggregate capital and reserves		1,903,759	1,769,924
Profit for the year		<u>133,835</u>	<u>200,175</u>

Motosave Holdings Limited

Nature of business Dormant holding company

	%		
Class of shares	holding		
Ordinary	100 00		
		2011	2010
		£	£
Aggregate capital and reserves		<u>33,992</u>	<u>33,992</u>

Motosave Limited (Subsidiary of Motosave Holdings Limited)

Nature of business Retailer of car spares and accessories

	%		
Class of shares	holding		
Ordinary	100 00		
		2011	2010
		£	£
Aggregate capital and reserves		1,260,211	994,540
Profit for the year		<u>265,671</u>	<u>325,190</u>

Auto Supa-Save Limited (Subsidiary of Motosave Limited)

Nature of business Dormant

	%		
Class of shares	holding		
Ordinary	100 00		
		2011	2010
		£	£
Aggregate capital and reserves		<u>18,000</u>	<u>18,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

11 STOCKS

	Group	
	2011	2010
	£	£
Finished goods	6,934,739	6,500,267

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	1,463,272	1,353,643	-	-
Other debtors	112,342	118,305	500	500
Prepayments	357,513	330,360	8,428	7,558
	<u>1,933,127</u>	<u>1,802,308</u>	<u>8,928</u>	<u>8,058</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade creditors	3,839,260	3,454,149	-	-
Corporation tax	304,751	423,144	159,924	151,924
Social security and other taxes	920,210	838,185	24,596	19,001
Other creditors	762,548	405,367	7,473	2,256
Amounts owed to group companies	-	-	5,244,765	3,805,340
Accrued expenses	398,679	323,060	65,118	74,102
	<u>6,225,448</u>	<u>5,443,905</u>	<u>5,501,876</u>	<u>4,052,623</u>

14 OPERATING LEASE COMMITMENTS

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

Group

	Land and buildings	
	2011	2010
	£	£
Expiring		
Within one year	51,000	49,025
Between one and five years	97,392	187,250
In more than five years	279,750	241,650
	<u>428,142</u>	<u>477,925</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

14 OPERATING LEASE COMMITMENTS - continued**Company**

	Land and buildings	
	2011 £	2010 £
Expiring In more than five years	<u>28,500</u>	<u>28,500</u>

15 PROVISIONS FOR LIABILITIES

	Group	
	2011 £	2010 £
Deferred tax	<u>18,000</u>	<u>-</u>
Group		
		Deferred tax
		£
Movement in year		<u>18,000</u>
Balance at 31 January 2011		<u>18,000</u>

The deferred tax relates to accelerated capital allowances

No provision has been made for deferred tax on the gains recognised on revaluing properties to their market value or on the sale of a property where a potential taxable gain has been rolled over into replacement assets. Such tax would become payable only if the properties were sold without it being possible to claim rollover relief. At present it is not envisaged that any such tax will become payable in the foreseeable future.

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	2011 £	2010 £
246,770	Ordinary	£1	<u>246,770</u>	<u>246,770</u>

17 RESERVES**Group**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 February 2010	20,912,439	475,533	21,387,972
Profit for the year	1,708,938	-	1,708,938
Dividends	(120,801)	-	(120,801)
At 31 January 2011	<u>22,500,576</u>	<u>475,533</u>	<u>22,976,109</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

17 RESERVES - continued**Company**

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 February 2010	11,377,647	344,687	11,722,334
Profit for the year	730,985	-	730,985
Dividends	(120,801)	-	(120,801)
At 31 January 2011	<u>11,987,831</u>	<u>344,687</u>	<u>12,332,518</u>

18 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 £115,844 (2010 - £106,596)

19 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, on a commercial basis, is £69,000 (2010 - £68,250)

20 POST BALANCE SHEET EVENTS

A final dividend of £1.00 per share was proposed at the year end (2010 - £1.00)

21 ULTIMATE CONTROLLING PARTY

The group is under the control of Mr K J Shortis who owns over 80% of the issued share capital

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	2011 £	2010 £
Profit for the financial year	1,708,938	1,977,705
Dividends	(120,801)	(261,111)
Net addition to shareholders' funds	<u>1,588,137</u>	<u>1,716,594</u>
Opening shareholders' funds	21,634,742	19,918,148
Closing shareholders' funds	<u>23,222,879</u>	<u>21,634,742</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 January 2011

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	2011 £	2010 £
Profit for the financial year	730,985	707,660
Dividends	(120,801)	(261,111)
Net addition to shareholders' funds	<u>610,184</u>	<u>446,549</u>
Opening shareholders' funds	11,969,104	11,522,555
Closing shareholders' funds	<u><u>12,579,288</u></u>	<u><u>11,969,104</u></u>