

REGISTRAR OF COMPANIES

BLACKWOOD UNITED INVESTMENTS LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST JANUARY 2003



BLACKWOOD UNITED INVESTMENTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST JANUARY 2003

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BLACKWOOD UNITED INVESTMENTS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

YEAR ENDED 31ST JANUARY 2003

DIRECTOR:

J. R. Harries

SECRETARY:

J. M. Harris

REGISTERED OFFICE:

Commercial Road,
Pontllanfraith,
NEWPORT,
South Wales.
NP2 2JG

COMPANY NUMBER:

1034284

BANKERS:

Barclays Bank PLC,
16 High Street,
NEWBRIDGE,
South Wales.

SOLICITORS:

Gabb & Company,
32 Monk Street,
ABERGAVENNY,
South Wales.

AUDITORS:

Stephen Brown & Co.,
Chartered Accountants,
16 Gold Tops,
NEWPORT,
South Wales.
NP20 4PH

BLACKWOOD UNITED INVESTMENTS LIMITED

DIRECTOR'S REPORT

YEAR ENDED 31ST JANUARY 2003

The director presents his report together with the audited financial statements of the company for the year ended 31st January 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company is the ownership and management of property. The principal activities of its subsidiaries are that of motor vehicle retailers and repairers.

DIRECTOR

The present membership of the board is set out on page 1.

The director's beneficial interest, as defined by the Companies Act 1985, in the issued share capital of the company at 1st February 2002 and 31st January 2003 was as follows:-

	Ordinary Shares of £1 each	
	31.01.03 No.	01.02.02 No.
J. R. Harries	3,490 =====	3,490 =====

DIRECTOR'S RESPONSIBILITIES

Company Law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:-

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

BLACKWOOD UNITED INVESTMENTS LIMITED

DIRECTOR'S REPORT (CONTINUED)

YEAR ENDED 31ST JANUARY 2003

AUDITORS

Stephen Brown & Co, have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the next Annual General Meeting.

EXEMPTION FOR SMALL COMPANY

Advantage is taken in the preparation of the Director's Report of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed for and on behalf of the sole director


J. M. HARRIS
SECRETARY

Date 31st July 2003

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

BLACKWOOD UNITED INVESTMENTS LIMITED

YEAR ENDED 31ST JANUARY 2003

We have audited the financial statements of Blackwood United Investments Limited for the year ended 31st January 2003 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of investment properties) and the accounting policies set out therein.

Respective responsibility of director and auditors

As described in the Statement of Director's Responsibilities, the company's director is responsible for the preparation of the 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 Director's Report 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 director's remuneration and transactions with the company is not disclosed.

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

Basis of Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31st January 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Stephen Brown & Co.

Stephen Brown & Co.,
Chartered Accountants and Registered Auditors,
16 Gold Tops,
NEWPORT,
South Wales.
NP20 4PH

Date *12th August 2003*

BLACKWOOD UNITED INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST JANUARY 2003

	Note	2003 £	2002 £
Turnover		36,515	35,236
Administrative expenses	2	(10,863)	(14,000)
		<u>25,652</u>	<u>21,236</u>
Interest payable		(2,544)	(5,728)
Loss on disposal of fixed assets		-	(30,300)
Profit/(loss) on ordinary activities before taxation		<u>23,108</u>	<u>(14,792)</u>
Tax on ordinary activities	3	(4,428)	(4,315)
Profit/(loss) on ordinary activities after taxation		<u>18,680</u>	<u>(19,107)</u>
Dividends		(10,057)	-
Retained profit/(loss) for the financial year		<u>8,623</u>	<u>(19,107)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2003 £	2002 £
Profit/(loss) for the financial year	8,623	(19,107)
Unrealised surplus on property revaluations less deferred tax	40,440	-
Total gains and losses recognised since last annual report	<u>49,063</u>	<u>(19,107)</u>

The notes on pages 7 to 10 form part of these financial statements.

BLACKWOOD UNITED INVESTMENTS LIMITED

BALANCE SHEET

AT 31ST JANUARY 2003

	Note	2003		2002	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	4		445,524		369,000
Investments	5		1,500		1,500
			-----		-----
			447,024		370,500
CURRENT ASSETS					
Debtors	6	5,897		4,441	
CREDITORS : Amounts due within one year	7	(66,627)		(26,498)	
		-----		-----	
NET CURRENT LIABILITIES			(60,730)		(22,057)
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			386,294		348,443
CREDITORS : Due in more than one year	8		(7,511)		(20,283)
PROVISIONS FOR LIABILITIES AND CHARGES	9		(1,560)		-
			-----		-----
NET ASSETS			377,223		328,160
			-----		-----
CAPITAL AND RESERVES					
Called up share capital	10		3,500		3,500
Profit and loss account	11		174,649		166,026
Revaluation reserve	12		199,074		158,634
			-----		-----
SHAREHOLDERS' FUNDS			377,223		328,160
			-----		-----

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

These financial statements were approved by the Director on *31st July 2003*


J. R. HARRIES
DIRECTOR

The notes on pages 7 to 10 form part of these financial statements.

BLACKWOOD UNITED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 2003

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and are in accordance with applicable accounting standards, including the Financial Reporting Standard for Smaller Entities (effective June 2002). The following accounting policies have been applied:-

Turnover

Turnover represents rents receivable during the year.

Investment properties

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The director considers that this accounting policy results in the accounts giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Deferred taxation

Deferred taxation is provided in full at current rates on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Consolidation

These accounts present information about the company and not about the group.

The company has taken advantage of the exemption granted under Section 248 of the Companies Act 1985 which relates to medium size groups.

Cash flow statement

Under the Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

2. ADMINISTRATIVE EXPENSES

Administrative expenses include:-

	2003	2002
	£	£
Auditors remuneration	820	580
	*****	*****

BLACKWOOD UNITED INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31ST JANUARY 2003

	2003	2002
	£	£
3. TAXATION		
U.K. corporation tax:		
Current	4,428	3,573
Adjustment for underprovision in previous year	-	742
Deferred taxation (note 9)	-	-
	-----	-----
	4,428	4,315
	-----	-----

	Freehold land and properties £	Total £
4. TANGIBLE FIXED ASSETS		
Cost		
At 1 st February 2002	214,194	214,194
Additions	34,524	34,524
Disposals	-	-
	-----	-----
At 31 st January 2003	248,718	248,718
	-----	-----
Open market valuation		
At 31 st January 2003	445,524	445,524
	-----	-----
At 31 st January 2002	369,000	369,000
	-----	-----

The company's entire freehold property interests were valued on 31st January 2003 at £445,524 by Mr. J. R. Harries, the director of the company.

	2003	2002
	£	£
5. INVESTMENTS HELD AS FIXED ASSETS		
Holding 75% Arrow Motor Group Limited		
150 ordinary shares of £1 each, acquired on 29 th January 1991, cost	1,500	1,500
	-----	-----

Arrow Motor Group Limited is a holding company, incorporated in England, of a group of companies whose principal activities are those of retailing and repairing new and used motor vehicles. The company has not prepared consolidated accounts for the year to 31st January 2003, but the accounts of the company and its subsidiaries show the following information:-

	2003	2002
	£	£
Arrow Motor Group Limited		
Net assets	546,702	703,735
	-----	-----
Retained loss for the year after taxation	(157,033)	(15,468)
	-----	-----
The Autohouse (Blackwood) Limited		
Net liabilities	(11,404)	(100,649)
	-----	-----
Retained profit/(loss) for the year after taxation	89,245	(17,701)
	-----	-----
Autobond (Blackwood) Limited		
Net assets	136,246	108,590
	-----	-----
Retained profit for the year after taxation	27,656	5,963
	-----	-----

BLACKWOOD UNITED INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31ST JANUARY 2003

5. INVESTMENTS (CONTINUED)

Arrow Motor Group Limited held the following investments in group companies at 31st January 2003:-

	2003 £	2002 £
Holding 98% The Autohouse (Blackwood) Limited 98 ordinary shares of £1 each, cost	98 ==	98 ==
Holding 51% Autobond (Blackwood) Limited 51 ordinary shares of £1 each, cost	51 ==	51 ==

The Autohouse (Blackwood) Limited is a limited company, incorporated in England. The company trades as a Ford motor car main dealer franchise.

Autobond (Blackwood) Limited is a limited company, incorporated in England. The company trades as a motor car body repairer and tyre and exhaust bay fitters.

6. DEBTORS

	2003 £	2002 £
<i>Amounts due within one year:</i>		
Trade debtors	3,000	2,000
VAT recoverable	764	741
Prepayments	2,133	1,700
	----- 5,897 =====	----- 4,441 =====

7. CREDITORS: DUE WITHIN ONE YEAR

Barclays Bank PLC – overdraft (secured)	45,128	10,691
Barclays Bank PLC – loan (secured)	10,724	8,676
Corporation tax	4,428	3,573
Director's loan account – J. R. Harries	4,000	1,676
Accruals	2,347	1,882
	----- 66,627 =====	----- 26,498 =====

8. CREDITORS: DUE IN MORE THAN ONE YEAR

Barclays Bank PLC - loan (secured)	7,511 =====	20,283 =====
------------------------------------	----------------	-----------------

9. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation		
Movement in provision – set against revaluation reserve	1,560 =====	- =====
	2003 Amount provided £	2002 Amount provided £
Surplus on revaluation of tangible fixed assets	1,560 =====	- =====

No provision for deferred taxation has been made for gains arising on the revaluation of properties for which no sale agreement was entered into at 31st January 2003. The potential liability amounted to £14,000 (2002 : £15,000).

BLACKWOOD UNITED INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31ST JANUARY 2003

10. CALLED UP SHARE CAPITAL	2003	2002
	£	£
Authorised 4,000 ordinary shares of £1 each	4,000	4,000
	=====	=====
Issued and fully paid Ordinary shares of £1 each	3,500	3,500
	=====	=====
11. PROFIT AND LOSS ACCOUNT		
At 1 st February 2002	166,026	180,885
Profit for the year	8,623	(19,107)
Transfer from revaluation reserve	-	4,248
	-----	-----
At 31 st January 2003	174,649	166,026
	-----	-----
12. REVALUATION RESERVE		
At 1 st February 2002	158,634	162,882
Surplus on property revaluations	42,000	-
Deferred tax on revaluation surplus	(1,560)	-
Transfer re sale of property below valuation	-	(4,248)
	-----	-----
At 31 st January 2003	199,074	158,634
	-----	-----

13. RELATED PARTY TRANSACTIONS

Control

J. R. Harries is the sole director of the company and has the controlling interest. He is also a director of Arrow Motor Group Limited and of its subsidiaries Autobond (Blackwood) Limited and Autohouse (Blackwood) Limited.

14. CONTINGENT LIABILITIES

The company had no contingent liabilities at 31st January 2003.

15. CAPITAL COMMITMENTS	2003	2002
	£	£
Capital expenditure contracted for but not provided in the financial statements.	Nil	Nil
	===	===

16. POST BALANCE SHEET EVENTS

Completion on the sale of one of the company's freehold properties took place on 3rd February 2003. The gross proceeds of the sale amounted to £100,000 and part of these proceeds were used to repay the bank loan in full.

Deferred tax of £1,560 has been provided in the accounts on the gain on this sale, after utilising capital losses brought forward from earlier years.