

COMPANY REGISTRATION NUMBER 2650430

CAUSEWAY GARAGE WILTSHIRE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2002



ROBSON TAYLOR
Chartered Accountants & Registered Auditors
1 Abacus House
Newlands Road
Corsham
Wiltshire

CAUSEWAY GARAGE WILTSHIRE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

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CAUSEWAY GARAGE WILTSHIRE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	A J H Walker D A Emery
Company secretary	S Mortimer
Registered office	London Road Pewsham Chippenham Wiltshire
Auditors	Robson Taylor Chartered Accountants & Registered Auditors 1 Abacus House Newlands Road Corsham Wiltshire
Bankers	HSBC Bank Plc 1 Mansion House Street Newbury Berkshire

CAUSEWAY GARAGE WILTSHIRE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year continued to be that of suppliers of motor vehicles and related services. The principal activity of its subsidiary company, Lendtrade Limited, during the year was vehicle sales and hire.

Both the level of business and ther period end financial position were satisfactory, although sales had fallen through lack of Saab promotion in the period. The directors expect that the level of activity will be sustained for the foreseeable future.

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:

	2002 £	2001 £
Proposed dividends on ordinary shares	—	4,500
Dividends paid on ordinary shares	38,683	54,100
Dividends paid on preference shares	—	955
	<u>38,683</u>	<u>59,555</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:

		At 31 December 2002	At 1 January 2002
A J H Walker	£1 Ordinary A shares	90,000	90,000
		—	—
D A Emery	£1 Ordinary B shares	10,000	10,000
		—	—
		<u>—</u>	<u>—</u>

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 10 to 12, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

CAUSEWAY GARAGE WILTSHIRE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

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.

DONATIONS

During the year the company made the following contributions:

	2002	2001
	£	£
Other	<u>120</u>	<u>959</u>

AUDITORS

A resolution to re-appoint Robson Taylor 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:
London Road
Pewsham
Chippenham
Wiltshire

Signed by order of the directors

S.Mortimer

S MORTIMER
Company Secretary

Approved by the directors on 21/5/03.....

CAUSEWAY GARAGE WILTSHIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 19, together with the financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

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 AUDIT 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 19

1 Abacus House
Newlands Road
Corsham
Wiltshire

23rd May 2003
.....

Robson Taylor

ROBSON TAYLOR
Chartered Accountants
& Registered Auditors

CAUSEWAY GARAGE WILTSHIRE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2002

	Note	2002 £	2001 £
GROSS PROFIT		999,885	972,699
Administrative expenses		<u>888,197</u>	<u>847,517</u>
OPERATING PROFIT	2	111,688	125,182
Interest receivable		1,016	2,655
Interest payable	5	<u>(68,959)</u>	<u>(59,383)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		43,745	68,454
Tax on profit on ordinary activities	6	<u>31,136</u>	<u>(4,182)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		12,609	72,636
Dividends (including non-equity)	7	<u>38,683</u>	<u>59,555</u>
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		(26,074)	13,081
Balance brought forward		<u>132,014</u>	<u>118,933</u>
Balance carried forward		<u><u>105,940</u></u>	<u><u>132,014</u></u>

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

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

The notes on pages 10 to 19 form part of these financial statements.

CAUSEWAY GARAGE WILTSHIRE LIMITED

BALANCE SHEET

31ST DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Intangible assets	8	—	—
Tangible assets	9	316,337	330,916
Investments	10	2	2
		<u>316,339</u>	<u>330,918</u>
CURRENT ASSETS			
Stocks	11	1,109,348	742,045
Debtors	12	252,124	240,882
Cash at bank and in hand		4,995	185,323
		<u>1,366,467</u>	<u>1,168,250</u>
CREDITORS: Amounts falling due within one year	13	<u>1,268,008</u>	<u>1,078,383</u>
NET CURRENT ASSETS		<u>98,459</u>	<u>89,867</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>414,798</u>	<u>420,785</u>
CREDITORS: Amounts falling due after more than one year	14	<u>185,067</u>	<u>188,771</u>
		<u>229,731</u>	<u>232,014</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	23,791	—
		<u>205,940</u>	<u>232,014</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	100,000	100,000
Profit and Loss Account		105,940	132,014
SHAREHOLDERS' FUNDS	20	<u>205,940</u>	<u>232,014</u>

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

These financial statements were approved by the directors on the 21st May 2003 and are signed on their behalf by:



A J H WALKER

The notes on pages 10 to 19 form part of these financial statements.

CAUSEWAY GARAGE WILTSHIRE LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 2002

	2002		2001
	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		45,591	296,341
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	1,016		2,655
Interest paid	(44,169)		(40,049)
Interest element of hire purchase	(24,790)		(19,334)
Non-equity dividends paid	—		(955)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(67,943)	(57,683)
TAXATION		4,182	(19,724)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets	(37,521)		(296,874)
Receipts from sale of fixed assets	2,000		—
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(35,521)	(296,874)
EQUITY DIVIDENDS PAID		(38,683)	(58,600)
CASH OUTFLOW BEFORE FINANCING		(92,374)	(136,540)
FINANCING			
Capital element of hire purchase	(80,605)		82,789
Net (outflow)/inflow from other long-term creditors	(15,040)		179,240
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(95,645)	262,029
(DECREASE)/INCREASE IN CASH		(188,019)	125,489

The notes on pages 10 to 19 form part of these financial statements.

CAUSEWAY GARAGE WILTSHIRE LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002	2001
	£	£
Operating profit	111,688	125,182
Depreciation	52,100	36,075
(Profit)/Loss on disposal of fixed assets	(2,000)	4,125
Increase in stocks	(367,303)	(160,775)
(Increase)/decrease in debtors	(15,424)	27,685
Increase in creditors	266,530	264,049
Net cash inflow from operating activities	<u>45,591</u>	<u>296,341</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002	2001
	£	£
(Decrease)/increase in cash in the period	(188,019)	125,489
Cash outflow in respect of hire purchase	80,605	(82,789)
Net cash outflow from/(inflow) from other long-term creditors	<u>15,040</u>	<u>(179,240)</u>
	(92,374)	(136,540)
Change in net debt	(92,374)	(136,540)
Net debt at 1 January 2002	<u>(285,463)</u>	<u>(148,923)</u>
Net debt at 31 December 2002	<u>(377,837)</u>	<u>(285,463)</u>

The notes on pages 10 to 19 form part of these financial statements.

CAUSEWAY GARAGE WILTSHIRE LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2002 £	Cash flows £	At 31 Dec 2002 £
Net cash:			
Cash in hand and at bank	185,323	(180,328)	4,995
Overdrafts	—	(7,691)	(7,691)
	<u>185,323</u>	<u>(188,019)</u>	<u>(2,696)</u>
Debt:			
Debt due after 1 year	(179,240)	15,040	(164,200)
Hire purchase agreements	(291,546)	80,605	(210,941)
	<u>(470,786)</u>	<u>95,645</u>	<u>(375,141)</u>
Net debt	<u>(285,463)</u>	<u>(92,374)</u>	<u>(377,837)</u>

The notes on pages 10 to 19 form part of these financial statements.

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

(b) Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

(c) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

(d) Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

(e) Amortisation

Amortisation is calculated so as to write off the cost of intangible assets, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - evenly over 7 years

(f) 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:

Property Improvements	- 4%, 20% straight line
Plant and Equipment	- 15%, 30%, 33%, 40%, 50%, straight line
Fixtures and Fittings	- 15% straight line
Motor Vehicles	- 25% straight line

(g) Stocks

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

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

(h) 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.

(i) 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.

(j) 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.

(k) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

(i) Change in accounting policy

There has been a change in the accounting policy for deferred taxation in respect of the year ended 31 December 2002 to comply with the Financial Reporting Standard for Smaller Entities (effective June 2002). Financial Reporting Standard for Smaller Entities (June 2002) was issued on 23 June 2002 and is mandatory for years ending on or after 23 June 2002.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation	52,100	36,075
Loss on disposal of fixed assets	—	4,125
Profit on disposal of fixed assets	(2,000)	—
Auditors' remuneration		
- as auditors	8,648	4,694
Operating lease costs:		
Land and buildings	97,861	92,419
Plant and equipment	15,336	17,676

3. PARTICULARS OF EMPLOYEES

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

	2002	2001
	No	No
Number of production staff	14	13
Number of sales staff	6	6
Number of administrative staff	7	7
Number of management staff	2	2
	<u>29</u>	<u>28</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	464,424	444,290
Social security costs	37,815	37,321
Other pension costs	7,683	7,970
	<u>509,922</u>	<u>489,581</u>

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

4. DIRECTORS' EMOLUMENTS

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

	2002	2001
	£	£
Emoluments receivable	80,136	75,843
Value of company pension contributions to money purchase schemes	6,100	6,100
	<u>86,236</u>	<u>81,943</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

5. INTEREST PAYABLE

	2002	2001
	£	£
Interest payable on bank borrowing	2,847	1,346
Finance charges	24,790	19,334
Other similar charges payable	41,322	38,703
	<u>68,959</u>	<u>59,383</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19.25% (2001 - 20%)	7,345	—
Over/under provision in prior year	—	(4,182)
Total current tax	<u>7,345</u>	<u>(4,182)</u>
Deferred tax:		
Increase in deferred tax provision (note 16)		
Capital allowances	23,791	—
Tax on profit on ordinary activities	<u>31,136</u>	<u>(4,182)</u>

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

6. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2001 - 20%).

	2002	2001
	£	£
Profit on ordinary activities before taxation	<u>43,745</u>	<u>68,454</u>
Profit/(loss) on ord actvs by rate of tax	8,421	13,691
Expenses not deductible for tax purposes	1,718	642
Utilisation of tax losses	-	(20,911)
Capital allowances for the year less than/(in excess of) depreciation	<u>(2,794)</u>	<u>2,396</u>
Total current tax (note 6(a))	<u>7,345</u>	<u>(4,182)</u>

7. DIVIDENDS

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

	2002	2001
	£	£
Proposed dividend on ordinary shares	-	4,500
Dividend paid on ordinary shares	38,683	54,100
Dividend paid on preference shares	-	955
	<u>38,683</u>	<u>59,555</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1st January 2002 and 31st December 2002	<u>34,413</u>
AMORTISATION	
At 1st January 2002	<u>34,413</u>
At 31st December 2002	<u>34,413</u>
NET BOOK VALUE	
At 31st December 2002	-
At 31st December 2001	-

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

9. TANGIBLE FIXED ASSETS

	Property Improve- ments £	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2002	254,546	121,007	43,230	35,892	454,675
Additions	19,704	4,128	3,989	9,700	37,521
Disposals	—	—	—	(7,052)	(7,052)
At 31 December 2002	274,250	125,135	47,219	38,540	485,144
DEPRECIATION					
At 1 January 2002	2,151	84,415	18,685	18,508	123,759
Charge for the year	21,165	15,454	5,700	9,781	52,100
On disposals	—	—	—	(7,052)	(7,052)
At 31 December 2002	23,316	99,869	24,385	21,237	168,807
NET BOOK VALUE					
At 31 December 2002	250,934	25,266	22,834	17,303	316,337
At 31 December 2001	252,395	36,592	24,545	17,384	330,916

Hire purchase agreements

Included within the net book value of £316,337 is £17,303 (2001 - £15,621) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £8,018 (2001 - £13,219).

10. INVESTMENTS

Investments in group undertaking

	£
COST	
At 1st January 2002 and 31st December 2002	<u>2</u>
NET BOOK VALUE	
At 31st December 2002	<u>2</u>
At 31st December 2001	<u>2</u>

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

10. INVESTMENTS *(continued)*

The company owns 100% of the issued share capital of the following company incorporated in the United Kingdom,

Lendtrade Limited

	2002	2001
	£	£
Aggregate capital and reserves	(9,086)	(10,407)
Profit for the year	1,323	1,439

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

11. STOCKS

	2002	2001
	£	£
Finished goods	<u>1,109,348</u>	<u>742,045</u>

12. DEBTORS

	2002	2001
	£	£
Trade debtors	125,565	187,250
Amounts owed by group undertakings	11,254	10,602
Corporation tax repayable	—	4,182
VAT recoverable	76,740	—
Other debtors	10,750	10,115
Prepayments and accrued income	27,815	28,733
	<u>252,124</u>	<u>240,882</u>

The debtors above include the following amounts falling due after more than one year:

	2002	2001
	£	£
Other debtors	<u>10,000</u>	<u>10,000</u>

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

13. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Other loans	77,072	20,000
Bank loans and overdrafts	7,691	—
Trade creditors	874,848	584,452
Other creditors including taxation and social security:		
Corporation tax	7,345	—
PAYE and social security	18,303	25,908
VAT	—	23,375
Hire purchase agreements	190,074	282,015
Other creditors	76,237	94,774
	<u>291,959</u>	<u>426,072</u>
Accruals and deferred income	16,438	47,859
	<u>1,268,008</u>	<u>1,078,383</u>

The security is a fixed charge over book debts and a floating charge over all other assets.

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

	2002	2001
	£	£
Bank loans and overdrafts	<u>7,691</u>	<u>—</u>

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

	2002	2001
	£	£
Other creditors:		
Hire purchase agreements	20,867	9,531
Other creditors	109,200	99,240
Other loans	55,000	80,000
	<u>185,067</u>	<u>188,771</u>

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2002	2001
	£	£
Amounts payable within 1 year	190,074	282,015
Amounts payable between 2 to 5 years	20,867	9,531
	<u>210,941</u>	<u>291,546</u>

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

16. DEFERRED TAXATION

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Profit and Loss Account movement arising during the year	23,791	—
Provision carried forward	23,791	—

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

	2002		2001	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	23,791	—	—	2,213
	23,791	—	—	2,213

The directors have applied the small companies corporation tax rate of 19% on the basis that their current forecasts suggest that foreseeable profits will fall in this band.

17. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2002 £	2001 £
Operating leases which expire:		
After more than 5 years	80,000	70,000

18. CONTINGENCIES

The company has guaranteed the bank borrowings of Lendtrade Limited, its subsidiary undertaking.

CAUSEWAY GARAGE WILTSHIRE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

19. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
90,000 Ordinary A shares of £1 each	90,000	90,000
10,000 Ordinary B shares of £1 each	10,000	10,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary A shares of £1 each	90,000	90,000	90,000	90,000
Ordinary B shares of £1 each	10,000	10,000	10,000	10,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

The A Ordinary Shares and the B Ordinary Shares constitute different classes of shares for the purposes of the Act but, confer upon the holders thereof the same rights and rank pari passu in all respects.

The Shares shall confer entitlement to participate in distributions of income or profits and to receive any assets of the Company, on a winding up or other return of capital.

The Shares shall entitle the holders thereof, on a winding up or other return of capital, in priority to any return of capital on any other class of shares, to repayment of the capital paid up or credited as paid up on each share.

The Ordinary A Shares shall entitle the holders to receive notice of and to attend or vote at any general meetings of the Company unless the business of the meeting includes the consideration of a resolution for winding up the Company or for a reduction in the capital or any resolution directly or adversely modifying or abrogating any of the special rights or privileges attached to the shares.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit for the financial year	12,609	72,636
Dividends	(38,683)	(59,555)
	<u>(26,074)</u>	<u>13,081</u>
Opening shareholders' equity funds	232,014	218,933
Closing shareholders' equity funds	<u>205,940</u>	<u>232,014</u>

21. POST BALANCE SHEET EVENTS

The director is considering winding down the subsidiary company, Lendtrade Limited and transferring any remaining trade to Causeway Garage Wiltshire Limited.