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Registration Number 03550488

Discount 9 Autotech Limited

Directors' Report and Financial Statements

for the year ended 31 May 2001



Discount 9 Autotech Limited

Company Information

Directors	John Anthony Nicholas Neil Robert Johnson-Cooper
Secretary	Neil Robert Johnson-Cooper
Company Number	03550488
Registered Office	Unit 23 South Cornelly Industrial Estate Bridgend CF33 4RE

Discount 9 Autotech Limited

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Discount 9 Autotech Limited

Directors' Report
for the year ended 31 May 2001

The directors present their report and the financial statements for the year ended 31 May 2001.

Principal Activity
The principal activity of the company is the sale of motor cars and parts, and maintenance and servicing of cars.

Directors and their Interests
The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	2001	2000 or date of appointment
John Anthony Nicholas	1	1
Neil Robert Johnson-Cooper	1	1

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 06.02.02 and signed on its behalf by

Neil Robert Johnson-Cooper
Secretary

06.02.02.

Discount 9 Autotech Limited

Accountants' Report to the Shareholders on the Unaudited Financial Statements of Discount 9 Autotech Limited

We report on the financial statements for the year ended 31 May 2001 set out on pages 3 to 10

Respective responsibilities of directors and reporting accountants

As described on page 2 the company's directors are responsible for the preparation of financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

(a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;

(b) having regard only to, and on the basis of, the information contained in those accounting records:

(i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and

(ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that , fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1)

R J Lewin & Co R J Lewin + Co 7th FEBRUARY 2002

Accountants and Registered Auditors

OLd Bell Chambers
Bank Street
Chepstow
Monmouthshire
NP16 5EJ

Profit and Loss Account
for the year ended 31 May 2001

	Notes	2001 £	2000 £
Turnover	2	226,246	210,267
Cost of sales		(78,833)	(73,503)
Gross profit		147,413	136,764
Administrative expenses		(86,115)	(79,726)
Operating profit	3	61,298	57,038
Interest receivable and similar income		76	99
Interest payable and similar charges	4	(5,004)	(3,713)
Profit on ordinary activities before taxation		56,370	53,424
Tax on profit on ordinary activities	7	(11,444)	(10,818)
Profit on ordinary activities after taxation		44,926	42,606
Dividends		(54,000)	(22,000)
(Loss)/retained profit for the year		(9,074)	20,606
Retained profit brought forward		66,590	45,984
Retained profit carried forward		57,516	66,590

The notes on pages 6 to 10 form an integral part of these financial statements.

Discount 9 Autotech Limited

Balance Sheet
as at 31 May 2001

	Notes	2001 £	2001 £	2000 £	2000 £
Fixed Assets					
Intangible assets	8		9,520		10,880
Tangible assets	9		84,752		85,590
			94,272		96,470
Current Assets					
Stocks		24,058		33,902	
Debtors	10	3,640		12,393	
Cash at bank and in hand		21,895		12,841	
		49,593		59,136	
Creditors: amounts falling due within one year	11	(34,371)		(35,837)	
Net Current Assets			15,222		23,299
Total Assets Less Current Liabilities			109,494		119,769
Creditors: amounts falling due after more than one year	12		(51,976)		(53,177)
Net Assets			57,518		66,592
Capital and Reserves					
Called up share capital	13		2		2
Profit and loss account			57,516		66,590
Shareholders' Funds			57,518		66,592

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 10 form an integral part of these financial statements.

Balance Sheet (continued)

Directors' statements required by Section 249B(4) for the year ended 31 May 2001

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 May 2001 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 06.02.02 and signed on its behalf by

John Anthony Nicholas
Director

Notes to the Financial Statements for the year ended 31 May 2001

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Not depreciated
Fixtures, fittings and equipment	-	25% Reducing Balance
Motor vehicles	-	25% Reducing Balance
Goodwill	-	10% Straight Line

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.8. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

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2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2001	2000
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	1,360	1,360
Depreciation and other amounts written off tangible assets	4,188	3,469

4. Interest payable and similar charges

	2001	2000
	£	£
On loans and overdrafts	4,677	3,507
Hire purchase interest	327	206
	5,004	3,713

5. Directors' emoluments

	2001	2000
	£	£
Remuneration and pension payments	27,573	21,280

6. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,328 (2000 - £0).

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7. Taxation

	2001	2000
	£	£
UK current year taxation		
UK Corporation Tax	11,887	10,818
Prior years		
UK Corporation Tax	(443)	-
	11,444	10,818

8. Intangible fixed assets

	Goodwill	Total
	£	£
At 1 June 2000		
At 31 May 2001	13,600	13,600
Provision for diminution in value		
At 1 June 2000	2,720	2,720
Charge for year	1,360	1,360
At 31 May 2001	4,080	4,080
Net book values		
At 31 May 2001	9,520	9,520
At 31 May 2000	10,880	10,880

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9. Tangible fixed assets

	Land and buildings freehold	Fixtures, fittings equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 June 2000	72,188	8,405	11,405	91,998
Additions	-	3,350	-	3,350
At 31 May 2001	72,188	11,755	11,405	95,348
Depreciation				
At 1 June 2000	-	3,291	3,117	6,408
Charge for the year	-	2,116	2,072	4,188
At 31 May 2001	-	5,407	5,189	10,596
Net book values				
At 31 May 2001	72,188	6,348	6,216	84,752
At 31 May 2000	72,188	5,114	8,288	85,590

10. Debtors

	2001	2000
	£	£
Trade debtors	3,640	12,393

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11. Creditors: amounts falling due within one year	2001 £	2000 £
Bank loan	5,144	5,144
Net obligations under finance leases and hire purchase contracts	919	919
Trade creditors	6,058	5,498
Corporation tax	11,887	10,818
Other taxes and social security costs	6,823	7,700
Directors' accounts	1,635	3,983
Accruals and deferred income	1,905	1,775
	34,371	35,837

12. Creditors: amounts falling due after more than one year	2001 £	2000 £
Bank loan	49,602	49,884
Net obligations under finance leases and hire purchase contracts	2,374	3,293
	51,976	53,177

13. Share capital	2001 £	2000 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2