

Abbreviated Financial Statements
for the Year Ended 31 December 2002
for
E W & S PRESTON HOLDINGS LTD



E W & S PRESTON HOLDINGS LTD

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for the Year Ended 31 December 2002**

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E W & S PRESTON HOLDINGS LTD

**Company Information
for the Year Ended 31 December 2002**

DIRECTORS:

R G Preston
Ms A E Preston

SECRETARY:

Ms A E Preston

REGISTERED OFFICE:

Crown Way
Colne
Lancashire
BB8 9NP

REGISTERED NUMBER:

4229621 (England and Wales)

AUDITORS:

Haworths
Registered Auditors
Chartered Accountants
1 Stanley Street
Accrington

E W & S PRESTON HOLDINGS LTD

Report of the Directors for the Year Ended 31 December 2002

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company. The company did not trade during the period.

The principal activity of the company's subsidiary was that of a motor vehicle main dealership.

REVIEW OF BUSINESS

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

DIVIDENDS

Interim dividends per share on the Ordinary £1 shares were paid as follows:

£6.04	- 19 April 2002
£11.73	- 12 July 2002
<u>£17.77</u>	

The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the 'B' Ordinary £1 shares. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the 'C' Ordinary £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 31 December 2002 will be £22,727.

DIRECTORS

The directors during the year under review were:

R G Preston
Ms A E Preston

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

	31.12.02	1.1.02
Ordinary £1 shares		
R G Preston	1,315	1,315
Ms A E Preston	1,279	1,279
'B' Ordinary £1 shares		
R G Preston	2	2
Ms A E Preston	-	-
'C' Ordinary £1 shares		
R G Preston	1	1
Ms A E Preston	-	-

E W & S PRESTON HOLDINGS LTD

**Report of the Directors
for the Year Ended 31 December 2002**

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 of the profit or loss of the company 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;
- 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.

AUDITORS

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

ON BEHALF OF THE BOARD:



Ms A E Preston - Secretary

Date: 17-6-03

E W & S PRESTON HOLDINGS LTD

**Report of the Independent Auditors to
E W & S Preston Holdings Ltd
Under Section 247B of the Companies Act 1985**

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

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to thirteen are properly prepared in accordance with that provision.

Haworths
Registered Auditors
Chartered Accountants
1 Stanley Street
Accrington

Date: 24th June 2003

E W & S PRESTON HOLDINGS LTD

**Abbreviated Profit and Loss Account
for the Year Ended 31 December 2002**

		Year Ended 31.12.02		Period 6.6.01 to 31.12.01	
	Notes	£	£	£	£
GROSS PROFIT			-		-
Administrative expenses			5,230		1,175
OPERATING LOSS	3		(5,230)		(1,175)
Income from investments		172,727		400,000	
Interest receivable and similar income		15,231		-	
			187,958		400,000
			182,728		398,825
Interest payable and similar charges	4		72,942		600
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			109,786		398,225
Tax on profit on ordinary activities	5		-		-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			109,786		398,225
Dividends	6		22,727		-
			87,059		398,225
Retained profit brought forward			398,225		-
RETAINED PROFIT CARRIED FORWARD			<u>£485,284</u>		<u>£398,225</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period.

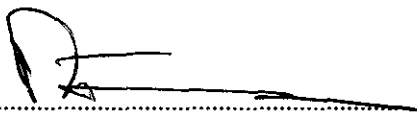
E W & S PRESTON HOLDINGS LTD

**Abbreviated Balance Sheet
31 December 2002**

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	7		999,096		999,096
CURRENT ASSETS:					
Cash at bank and in hand		561,703		400,001	
CREDITORS: Amounts falling due within one year	8	<u>722,918</u>		<u>548,275</u>	
NET CURRENT LIABILITIES:			<u>(161,215)</u>		<u>(148,274)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			837,881		850,822
CREDITORS: Amounts falling due after more than one year	9		<u>350,000</u>		<u>450,000</u>
			<u>£487,881</u>		<u>£400,822</u>
CAPITAL AND RESERVES:					
Called up share capital	11		2,597		2,597
Profit and loss account			<u>485,284</u>		<u>398,225</u>
SHAREHOLDERS' FUNDS:	12		<u>£487,881</u>		<u>£400,822</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



.....
R G Preston - Director

Approved by the Board on 17/6/03.....

The notes form part of these financial statements

E W & S PRESTON HOLDINGS LTD

**Cash Flow Statement
for the Year Ended 31 December 2002**

		Year Ended 31.12.02	Period 6.6.01 to 31.12.01
	Notes	£	£
Net cash inflow from operating activities	1	69,413	600
Returns on investments and servicing of finance	2	115,016	399,400
Equity dividends paid		(22,727)	-
		<u>161,702</u>	<u>400,000</u>
Financing	2	-	1
Increase in cash in the period		<u><u>£161,702</u></u>	<u><u>£400,001</u></u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>161,702</u>	<u>400,001</u>
Change in net funds resulting from cash flows		<u>161,702</u>	<u>400,001</u>
Movement in net funds in the period		<u>161,702</u>	<u>400,001</u>
Net funds at 1 January		<u>400,001</u>	-
Net funds at 31 December		<u><u>£561,703</u></u>	<u><u>£400,001</u></u>

The notes form part of these financial statements

E W & S PRESTON HOLDINGS LTD

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2002**

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

	Year Ended 31.12.02 £	Period 6.6.01 to 31.12.01 £
Operating loss	(5,230)	(1,175)
Increase in creditors	74,643	1,775
Net cash inflow from operating activities	<u>69,413</u>	<u>600</u>

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

	Year Ended 31.12.02 £	Period 6.6.01 to 31.12.01 £
Returns on investments and servicing of finance		
Interest received	15,231	-
Interest paid	(72,942)	(600)
Dividends received	172,727	400,000
Net cash inflow for returns on investments and servicing of finance	<u>115,016</u>	<u>399,400</u>
Financing		
Cash receipt re share issue	-	1
Net cash inflow from financing	<u>-</u>	<u>1</u>

E W & S PRESTON HOLDINGS LTD

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2002**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.02 £	Cash flow £	At 31.12.02 £
Net cash:			
Cash at bank and in hand	<u>400,001</u>	<u>161,702</u>	<u>561,703</u>
	<u>400,001</u>	<u>161,702</u>	<u>561,703</u>
 Total	 <u>400,001</u>	 <u>161,702</u>	 <u>561,703</u>
Analysed in Balance Sheet			
 Cash at bank and in hand	 <u>400,001</u>		 <u>561,703</u>
	<u>400,001</u>		<u>561,703</u>

The notes form part of these financial statements

E W & S PRESTON HOLDINGS LTD

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements present information about the company only and not about the group.

Accounting convention

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Fixed Asset Investments

Fixed asset investments, which comprise of shares in the company's wholly owned subsidiary, are stated at cost.

2. STAFF COSTS

There were no staff costs for the year ended 31 December 2002 nor for the period ended 31 December 2001.

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

	Year Ended 31.12.02	Period 6.6.01 to 31.12.01
Management	<u>2</u>	<u>2</u>

3. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 31.12.02 £	Period 6.6.01 to 31.12.01 £
Auditors' remuneration	<u>1,670</u>	<u>1,175</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.12.02 £	Period 6.6.01 to 31.12.01 £
Loan stock interest	<u>72,942</u>	<u>600</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2002 nor for the period ended 31 December 2001.

E W & S PRESTON HOLDINGS LTD

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

6. DIVIDENDS

	Year Ended 31.12.02 £	Period 6.6.01 to 31.12.01 £
Equity shares:		
2,594 Ordinary shares of £1 each		
Interim - Ordinary shares	22,727	-
	<u>22,727</u>	<u>-</u>

The above were paid to Ms A E Preston only, the other shareholders having waived their right to receive the dividends.

7. FIXED ASSET INVESTMENTS

		£
COST:		
At 1 January 2002		
and 31 December 2002		999,096
NET BOOK VALUE:		
At 31 December 2002		999,096
At 31 December 2001		999,096
	2002	2001
	£	£
Unlisted investments	999,096	999,096

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

E W & S Preston Limited
Nature of business: Motor dealership

Class of shares:	%
Ordinary	holding 100.00

	2002	2001
	£	£
Aggregate capital and reserves	2,192,487	2,045,016
Profit for the year/period	297,471	191,882

Exemption from the requirements to prepare group accounts has been taken under s248, Companies Act 1985.

E W & S PRESTON HOLDINGS LTD

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Loan stock (see note 10)	646,500	546,500
Other Creditors	58,833	-
Social Security & Other Taxes	14,708	-
Accrued Expenses	2,877	1,775
	<u>722,918</u>	<u>548,275</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £	2001 £
Loan stock (see note 10)	<u>350,000</u>	<u>450,000</u>

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Loan stock	<u>646,500</u>	<u>546,500</u>
Amounts falling due between one and two years:		
Loan stock	<u>100,000</u>	<u>100,000</u>
Amounts falling due between two and five years:		
Loan stock	<u>250,000</u>	<u>350,000</u>

On 28 December 2001 the company issued £996,500 of secured loan stock 2001-2005, to be redeemed on set dates as prescribed in an agreement dated 28 December 2001.

The rate of interest payable by the company on the loan stock is 7.3% per annum until the stock is fully repaid.

11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
2,594	Ordinary	£1	2,594	2,594
2	'B' Ordinary	£1	2	2
1	'C' Ordinary	£1	1	1
			<u>2,597</u>	<u>2,597</u>

E W & S PRESTON HOLDINGS LTD

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

11. CALLED UP SHARE CAPITAL - continued

The ordinary B shares have the right to a dividend at the sole discretion of the directors.

On a winding up the B shareholders have the right to receive repayment of the amount paid up on their shares, together with any accrued dividend.

The B shareholders have the right to receive notice of, to be present and to speak at and to vote at any general meeting of the company, if any resolution is submitted which abrogates, varies or otherwise directly affects the special rights and privileges attaching to the B ordinary shares.

Except as above the B ordinary shareholders have no further rights to vote or to participate in the profits or the assets of the company.

The holders of the C shares have no right to vote at any shareholders meeting and have no right to dividends or other distributions.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Profit for the financial year	109,786	398,225
Dividends	(22,727)	-
	87,059	398,225
Issue of share capital	-	2,597
Net addition to shareholders' funds	87,059	400,822
Opening shareholders' funds	400,822	-
Closing shareholders' funds	487,881	400,822
Equity interests	487,881	400,822

13. CONTROL

The company is controlled by Mr R G Preston by virtue of his beneficial interest in 50.6% of the issued share capital.

14. SECURE ACCOUNT

Included in cash at bank and in hand on the balance sheet is an amount of £561,702 (2001 - £400,000) which is in a bank account opened by the company solely for the purpose of redeeming the loan stock. Access to this account is limited to the holders of the loan stock and a representative of the company. Agreement is required between the company and the stock holders before any deposits or withdrawals are made.