

Sc 74261

A W MOTOR SPARES LIMITED

Report and Accounts

31 January 2002



A W Motor Spares Limited

Registered Number 74261

DIRECTORS

Mr W H Malcolm

Mr A B Malcolm

SECRETARY

C R Stewart

AUDITORS

Ernst & Young LLP

George House

50 George Square

Glasgow

G2 1RR

REGISTERED OFFICE

Brookfield House

2 Burnbrae Drive

Linwood Industrial Estate

Linwood

PA3 3BU

 **ERNST & YOUNG**

A W Motor Spares Limited

DIRECTORS' REPORT

The directors present their report and accounts for the period to 31 January 2002.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £1,898,140, (Period to 5 February 2001: £195,630). The directors do not recommend an ordinary dividend.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

On 5 February 2001 the entire share capital of the company was acquired by The Malcolm Group plc (formerly Grampian Holdings plc). On 6 February 2001 the entire fixed assets of the company were transferred to WH Malcolm Ltd.

DIRECTORS AND THEIR INTERESTS

The directors who held office throughout the period were:

Mr W H Malcolm
Mr A B Malcolm

The beneficial interests of the directors holding office on 31 January 2002 in the issued share capital of the company was as follows.

Ordinary £1 shares	31 January 2002	5 February 2001
WH Malcolm	–	1
A B Malcolm	–	1

The share interest and details of options to subscribe for ordinary shares of a director who is also a director of The Malcolm Group plc (formerly Grampian Holdings plc), the ultimate parent undertaking, are disclosed in the accounts of The Malcolm Group plc (formerly Grampian Holdings plc).

AUDITORS

On 6 February 2001, Brechin, Cole – Hamilton & Co resigned as auditors of the company. The directors appointed Ernst & Young LLP to fill the casual vacancy under s388 of Companies Act 1985.

A resolution to re-appoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



C R Stewart
Secretary

25 November 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then 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 accounts; and
- prepare the accounts 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 accounts 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
A W MOTOR SPARES LIMITED**

We have audited the company's financial statements for the period ended 31 January 2002 which comprise Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and 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 Directors' 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 directors' remuneration and transactions with the company is not disclosed.

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

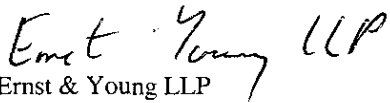
Basis of audit opinion

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 judgments made by the directors 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 affairs of the company as at 31 January 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
Glasgow

25 November 2002

A W Motor Spares Limited

PROFIT AND LOSS ACCOUNT for the period ended 31 January 2002

		6 February 2001 to 31 January 2002	1 October 2000 to 5 February 2001
	Notes	£	£
TURNOVER		—	578,350
Cost of sales		—	348,493
GROSS PROFIT		—	229,857
Administrative expenses		—	(35,341)
OPERATING PROFIT	2	—	194,516
Interest Receivable		3,406	20,360
		3,406	296,499
Interest Payable		(176)	(502)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,230	295,997
Tax on profit on ordinary activities	3	—	(100,367)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,230	195,630
Dividends	4	—	(116,000)
Transferred to reserves	9	3,230	79,630

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for period ended 31 January 2002

	6 February 2001 to 31 January 2002	1 October 2000 to 5 February 2001
	£	£
Profit for the financial year	3,230	195,630
Unrealised profit on fixed asset transfer to fellow subsidiary	1,894,910	—
Total recognised gains and losses for the period	1,898,140	195,630

A W Motor Spares Limited

BALANCE SHEET

at 31 January 2002

	Notes	31 January 2002 £	5 February 2001 £
FIXED ASSETS			
Tangible assets	5	–	710,340
CURRENT ASSETS			
Debtors – amounts falling due after one year	6	2,605,250	–
Debtors – amounts falling due within one year	6	4,400	7,866
Cash at bank		–	133,783
		<u>2,609,650</u>	<u>141,649</u>
CREDITORS: Amounts falling due within one year	7	<u>(1,170)</u>	<u>(141,649)</u>
NET CURRENT ASSETS		<u>2,608,480</u>	<u>–</u>
TOTAL ASSETS LESS LIABILITIES		<u><u>2,608,480</u></u>	<u><u>710,340</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account		<u>2,608,478</u>	<u>710,338</u>
	9	<u><u>2,608,480</u></u>	<u><u>710,340</u></u>



A B Malcolm
Director

25 November 2002

A W Motor Spares Limited

NOTES TO THE ACCOUNTS

at 31 January 2002

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

In view of the exemptions available under FRS 1 no cash flow statement has been prepared. A Group Cash Flow Statement consolidating the cash flows of the company is combined within the accounts of The Malcolm Group plc (formerly Grampian Holdings plc), the ultimate parent company.

The company has taken advantage of the exemption in FRS 8 which permits non-disclosure of transactions with entities which are part of The Malcolm Group plc (formerly Grampian Holdings plc) whose consolidated financial statements are publicly available.

Turnover

Turnover represents net invoiced sales excluding value added tax.

Tangible fixed assets

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

Motor vehicles and trailers - 25% on cost

2. OPERATING PROFIT

This is stated after charging / (crediting):

	6 February 2001 to 31 January 2002	1 October 2000 to 5 February 2001
	£	£
Depreciation on owned assets	-	351,183
Auditors' remuneration	-	1,500
	<u> </u>	<u> </u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	6 February 2001 to 31 January 2002	1 October 2000 to 5 February 2001
	£	£
Based on the profit for the year:		
UK Corporation tax	-	111,408
Corporation tax repayable	-	(11,041)
	<u> </u>	<u> </u>
	-	100,367
	<u> </u>	<u> </u>

There is no tax charge during the period. The unrealised profit on disposal of £1,894,910 related to the disposal of all the company's fixed assets to WH Malcolm Ltd, a fellow wholly owned subsidiary of The Malcolm Group plc (formerly Grampian Holdings Ltd).

A W Motor Spares Limited

NOTES TO THE ACCOUNTS at 31 January 2002

4. DIVIDENDS

<i>6 February 2001 to 31 January 2002</i>	<i>1 October 2000 to 5 February 2001</i>
£	£

Dividend Paid	—	116,000
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5. TANGIBLE FIXED ASSETS

*Motor Vehicles
And trailers*
£

COST:

At 5 February 2001	2,785,558
Disposals	(2,758,558)

At 31 January 2002	—
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DEPRECIATION

At 5 February 2001	2,075,218
Eliminated on disposal	(2,075,217)

At 31 January 2002	—
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NET BOOK VALUE

At 31 January 2002	—
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At 5 February 2001	710,340
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6. DEBTORS

<i>31 January 2002</i>	<i>5 February 2001</i>
£	£

Amounts falling due after one year:		
Amount due from parent company	2,605,250	—

Amounts falling due within one year

Other debtors	4,400	5,052
Taxation repayable	—	2,814
	4,400	7,866

A W Motor Spares Limited

NOTES TO THE ACCOUNTS at 31 January 2002

7. CREDITORS

	31 January 2002	5 February 2001
	£	£
Bank overdraft	281	-
VAT	-	14,626
Social Security and other taxes	-	1,255
Corporation tax	(92)	111,408
Accrued charges	981	14,360
	<u>1,170</u>	<u>141,649</u>

8. SHARE CAPITAL

	31 January 2002 No.	5 February 2001 No.	31 January 2002 £	5 February 2001 £
<i>Authorised</i>				
Ordinary shares of £1 each	100,000	100,000	100	100
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 January 2002	5 February 2001
	£	£
Profit for the financial year	3,230	195,630
Dividends	-	(116,000)
Unrealised profit on inter company fixed asset transfer	1,894,910	-
	<u>1,898,140</u>	<u>79,630</u>
Opening shareholders' funds	710,340	630,710
	<u>2,608,480</u>	<u>710,340</u>

Shareholders' funds are entirely attributable to equity interests.

10. ULTIMATE PARENT COMPANY

The directors consider The Malcolm Group plc (formerly Grampian Holdings plc), registered in England and Wales, to be the company's ultimate parent company. This is the only parent company for which group accounts are drawn up and of which the company is a member. The address from which copies of these group accounts are available to the public is: The Malcolm Group, Brookfield House, 2 Burnbrae Drive, Linwood, Renfrewshire PA3 3BU.