Registered number: SC099608

AUTO-TECH (COACHWORKS) LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 JULY 2001



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COMPANY INFORMATION

DIRECTORS	G D Semple E B Semple D F Caldwell R Murray W Eadie
SECRETARY	E B Semple
COMPANY NUMBER	SC099608
REGISTERED OFFICE	20 Robert Drive Govan Glasgow G51 3HE
AUDITORS	Neilson Renton & Co Chartered Accountants & Registered Auditors 144 St. Vincent Street Glasgow G2 5LQ

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DIRECTORS' REPORT
For the year ended 31 July 2001

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

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.

PRINCIPAL ACTIVITIES

The company's principal activity during the period was that of vehicle bodywork repair.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	31/7/01	1/8/00
G D Semple	76	76
E B Semple	-	8
D F Caldwell	8	8
R Murray	8	8
W Eadie	8	-

AUDITORS

The auditors, Neilson Renton & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been 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 31 October 2001 and signed on its behalf.

G D Semple
Director

AUDITORS' REPORT TO THE SHAREHOLDERS OF AUTO-TECH (COACHWORKS) LTD

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 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 the company's affairs as at 31 July 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Neilson Renton & Co

Neilson Renton & Co

Chartered Accountants
Registered Auditors
144 St. Vincent Street
Glasgow
G2 5LQ

31 October 2001

PROFIT AND LOSS ACCOUNT
For the year ended 31 July 2001

	Note	2001 £	*2000 £*
TURNOVER	1	**2,338,944**	*2,433,684*
Cost of sales		**(1,149,243)**	*(1,218,220)*
GROSS PROFIT		**1,189,701**	*1,215,464*
Administrative expenses		**(1,015,850)**	*(1,040,576)*
Other operating income	2	**802**	*944*
OPERATING PROFIT	3	**174,653**	*175,832*
Interest receivable		**10,875**	*7,666*
Interest payable		**(16,042)**	*(21,693)*
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**169,486**	*161,805*
TAX ON PROFIT ON ORDINARY ACTIVITIES	5	**(33,798)**	*(33,333)*
RETAINED PROFIT FOR THE FINANCIAL YEAR		**135,688**	*128,472*
RETAINED PROFIT BROUGHT FORWARD		**404,067**	*275,595*
RETAINED PROFIT CARRIED FORWARD		**£ 539,755**	*£ 404,067*

The notes on pages 5 to 9 form part of these financial statements.

BALANCE SHEET
As at 31 July 2001

	Note	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible fixed assets	6		**603,531**		*609,577*
CURRENT ASSETS					
Stocks	7	**5,250**		*6,000*	
Debtors	8	**152,358**		*153,217*	
Cash at bank and in hand		**406,875**		*382,567*	
		564,483		*541,784*	
CREDITORS: amounts falling due within one year	9	**(458,495)**		*(520,988)*	
NET CURRENT ASSETS			**105,988**		*20,796*
TOTAL ASSETS LESS CURRENT LIABILITIES			**709,519**		*630,373*
CREDITORS: amounts falling due after more than one year	10		**(147,100)**		*(205,872)*
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	11		**(22,564)**		*(20,334)*
NET ASSETS			**£ 539,855**		*£ 404,167*
CAPITAL AND RESERVES					
Called up share capital	12		**100**		*100*
Profit and loss account			**539,755**		*404,067*
SHAREHOLDERS' FUNDS			**£ 539,855**		*£ 404,167*

The financial statements have been 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 31 October 2001 and signed on its behalf.

G D Semple
Director

The notes on pages 5 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and buildings	-	2%	Straight line
Plant & machinery	-	15%	Reducing balance
Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	25%	Reducing balance

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. OTHER OPERATING INCOME

	2001	*2000*
	£	*£*
Government grants received	**802**	*944*

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2001

3. OPERATING PROFIT

The operating profit is stated after charging:

	2001	*2000*
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	**52,788**	*53,711*
Audit remuneration	**3,600**	*3,600*
Accountancy fees	**2,100**	*3,868*

4. DIRECTORS' REMUNERATION

	2001	*2000*
	£	£
Aggregate emoluments	**£ 193,349**	*£ 199,018*

5. TAXATION

	2001	*2000*
	£	£
UK Corporation tax	**31,568**	*30,936*
Transfer to deferred taxation	**2,230**	*2,397*
	£ 33,798	*£ 33,333*

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2001

6. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Plant & Machinery	Motor Vehicles	Fixtures & Equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2000	**404,907**	**304,049**	**31,625**	**83,633**	**824,214**
Additions	**15,474**	**6,838**	**19,750**	**4,996**	**47,058**
Disposals	**-**	**-**	**(1,000)**	**-**	**(1,000)**
At 31 July 2001	**420,381**	**310,887**	**50,375**	**88,629**	**870,272**
Depreciation					
At 1 August 2000	**15,998**	**129,096**	**18,898**	**50,645**	**214,637**
Charge for the year	**8,408**	**26,844**	**8,040**	**9,496**	**52,788**
On disposals	**-**	**-**	**(684)**	**-**	**(684)**
At 31 July 2001	**24,406**	**155,940**	**26,254**	**60,141**	**266,741**
Net book value					
At 31 July 2001	**£ 395,975**	**£ 154,947**	**£ 24,121**	**£ 28,488**	**£ 603,531**
At 31 July 2000	*£ 388,909*	*£ 174,953*	*£ 12,727*	*£ 32,988*	*£ 609,577*

7. STOCKS

	2001	2000
	£	£
Raw materials	**5,250**	*6,000*

The difference between purchase price or production cost of stocks and their replacement cost is not material.

8. DEBTORS

	2001	2000
	£	£
Due within one year		
Trade debtors	**139,762**	*137,829*
Other debtors	**12,596**	*15,388*
	£ 152,358	*£ 153,217*

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2001

9. CREDITORS:
Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	**112,897**	*159,552*
Trade creditors	**165,211**	*144,959*
Corporation tax	**32,680**	*30,901*
Social security and other taxes	**60,299**	*61,511*
Other creditors	**87,408**	*124,065*
	£ 458,495	*£ 520,988*

The bank loan and overdraft are secured by a standard security over the premises at Robert Drive, Govan and by a bond and floating charge over the assets of the company.

Included within other creditors is a loan of £58,266 (2000: £90,825) from Geoff and Elizabeth Semple, directors of the company. The maximum amount outstanding during the year was £90,825 (2000: £104,547).

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

	2001 £	2000 £
Bank loans	**£ 147,100**	*£ 205,872*

Creditors include amounts not wholly repayable within 5 years as follows:

	2001 £	2000 £
Repayable by instalments	**£ 3,100**	*£ 61,872*

11. DEFERRED TAXATION

	2001 £	2000 £
At 1 August 2000 and 31 July 2001	**£ 22,564**	*£ 20,334*

The provision for deferred taxation and the amounts not provided are as follows:

	Amounts provided 2001 £	Amounts not provided 2001 £	*Amounts provided 2000 £*	*Amounts not provided 2000 £*
Accelerated capital allowances	**£ 22,564**	**£ -**	*£ 20,334*	*£ -*

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2001

12. SHARE CAPITAL

	2001	2000
	£	£
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	**£ 100**	£ 100

13. OPERATING LEASE COMMITMENTS

At 31 July 2001 the company had annual commitments under non-cancellable operating leases as follows:

	2001	2000
	£	£
Expiry date:		
Within 1 year	**4,774**	-
Between 2 and 5 years	**16,496**	14,323