

COOPERS OF OULTON LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended

31 MAY 2003

COMPANY NUMBER 564081



COOPERS OF OULTON LIMITED

DIRECTORS

D Cooper Chairman
P Cooper

SECRETARY

D Cooper

REGISTERED OFFICE

Regency Garage
Aberford Road
Oulton
Leeds
LS26 8HR

AUDITORS

Fullertons
Chartered Accountants
Westfield House
Westfield Road
Leeds
LS3 1DF

COOPERS OF OULTON LIMITED

Notice is given that the Annual General Meeting of the company will be held at the Registered Office of the company on 25 November 2003 at 10.00 am for the following purposes:

- To receive and adopt the directors' report and statement of financial statements for the year ended 31 May 2003 together with the report of the auditors.
- To approve directors' emoluments.
- To re-elect D Cooper as a director.
- To re-appoint Fullertons as auditors and to authorise the directors to fix their remuneration for the ensuing year.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company.

By order of the board



DAVID COOPER
Secretary

Regency Garage
Aberford Road
Oulton
Leeds
LS26 8HR

4 November 2003

COOPERS OF OULTON LIMITED**DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 May 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of motor vehicle engineers and dealers.

DEVELOPMENTS DURING THE YEAR AND THE COMPANY'S POSITION AT 31 MAY 2003

There have been no significant developments during the year and the directors consider the results for the year to 31 May 2003, as set out in the financial statements, to be satisfactory.

DIVIDENDS

The directors do not recommend payment of a dividend for the year ended 31 May 2003. If this recommendation is approved, retained profits of £49,172 (2002: loss £61,953) will be added to reserves.

FIXED ASSETS

Significant changes to fixed assets are shown in note 5 to the accounts.

DIRECTORS

The members of the board during the year and their interests in the £1 ordinary share capital of the company at 31 May 2003 were:

	2003	2002
D Cooper	1,000	1,000
P Cooper	1,000	1,000

D Cooper retires by rotation at the annual general meeting and offers himself for re-election.

COOPERS OF OULTON LIMITED**DIRECTORS' REPORT (continued)****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 as at the end of the financial year 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;

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. 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

Fullertons have expressed their willingness to continue in office, and in accordance with Section 385 of the Companies Act 1985, a resolution will be put to the Annual General Meeting re-appointing Fullertons as auditors to the company.

This report was approved by the board on 4 November 2003 and signed on its behalf.


DAVID COOPER

Secretary

Regency Garage
Aberford Road
Oulton
Leeds
LS26 8HR

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF**COOPERS OF OULTON LIMITED**

We have audited the financial statements of Coopers of Oulton Limited for the year ended 31 May 2003 on pages 6 to 15. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 4.

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 are not disclosed.

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

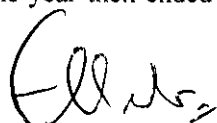
Basis of Audit Opinion

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 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 affairs of the company as at 31 May 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**FULLERTONS**

Chartered Accountants
Registered Auditor
Westfield House
2/10 Westfield Road
Leeds
LS3 1DF

4 November 2003

COOPERS OF OULTON LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2003**

	Notes	2003 £	2002 £
Turnover	2	5,652,567	6,502,123
Other operating income		23,046	40,213
		-----	-----
		5,675,703	6,542,336
		-----	-----
Goods bought for resale		(4,923,178)	(5,733,325)
Staff costs	14	(460,347)	(557,581)
Depreciation	5	(7,509)	(7,546)
Other operating charges		(230,929)	(291,514)
		-----	-----
		(5,621,963)	(6,589,966)
		-----	-----
Operating profit/(loss)	3	53,740	(47,630)
Profit/(loss) on ordinary activities before interest		53,740	(47,630)
Bank and other interest payable	4	(8,899)	(14,562)
Bank and other interest receivable		4,331	239
		-----	-----
Profit/(loss) on ordinary activities before taxation		49,172	(61,953)
		-----	-----
Profit/(loss) on ordinary activities after taxation		49,172	(61,953)
		-----	-----
Retained profit/(loss) transferred to reserves	11	49,172	(61,953)
		=====	=====

None of the company's activities were acquired or discontinued during the year and there were no recognised gains or losses for 2003 or 2002 other than those included in the profit and loss account.

The notes on pages 10 to 15 form part of the financial statements.

COOPERS OF OULTON LIMITED**BALANCE SHEET AT 31 MAY 2003**

	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible assets	5	102,842	103,180
		-----	-----
CURRENT ASSETS			
Stocks	6	694,437	741,346
Debtors	7	297,383	263,881
Cash at bank and in hand		6,095	5,475
		-----	-----
		997,915	1,010,702
CREDITORS (amounts due within one year)	8	(338,964)	(401,261)
		-----	-----
NET CURRENT ASSETS		658,951	609,441
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		761,793	712,621
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	10	2,000	2,000
Profit and loss account	11	759,793	710,621
		-----	-----
SHAREHOLDERS' FUNDS	12	761,793	712,621
		=====	=====

All share capital relates to equity interests.

These financial statements were approved by the board of directors on 4 November 2003 and signed on its behalf



DAVID COOPER



PHILIP COOPER

The notes on pages 10 to 15 form part of the financial statements.

COOPERS OF OULTON LIMITED**CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2003**

	Notes	£	2003 £	£	2002 £
Net cash inflow (outflow) from operating activities	A		105,253		(145,715)
Return on investment and servicing of finance					
Interest payable		(8,899)		(14,562)	
Interest receivable		4,331		239	
		-----		-----	
Net cash outflow from return on investment and servicing of finance			(4,568)		(14,323)
Tax received/(paid)			-		-
Investing activities					
Purchase of tangible fixed assets		(7,171)		-	
Sale of tangible fixed assets		-		-	
		-----		-----	
Net cash (outflow)/inflow from investing activities			(7,171)		-
Net cash (inflow)/outflow before financing			93,514		(160,038)
Increase/(decrease) in cash and cash equivalent assets	B,C		93,514		(160,038)
			=====		=====

The notes on page 9 accompany the cashflow statement.

COOPERS OF OULTON LIMITED**NOTES TO THE CASH FLOW STATEMENT****A RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2003 £	2002 £
Operating profit/(loss)	53,740	(47,630)
Depreciation	7,509	7,546
Decrease/(increase) in stocks	46,909	(108,362)
(Increase)/decrease in debtors	(33,502)	(55,645)
Increase/(decrease) in creditors	30,597	58,376
	-----	-----
Net cash inflow (outflow) from operating activities	105,253	(145,715)
	=====	=====

B ANALYSIS OF CHANGES IN NET DEBT

	Balance 1 June 2002 £	Cash flows £	Other changes £	Balance 31 May 2003 £
Cash at bank an in hand	5,475	620	-	6,095
Bank overdraft	(157,802)	92,894	-	(64,908)
	-----	-----	-----	-----
	(152,327)	93,514	-	(58,813)
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
	-----	-----	-----	-----
	(152,327)	93,514	-	(58,813)
	=====	=====	=====	=====

C RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2003 £	2002 £
(Decrease)/increase in cash in the period	93,514	(160,038)
	-----	-----
Change in net debt	93,514	(160,038)
Net debt at 1 June 2002	(152,327)	7,711
	-----	-----
Net debt at 31 May 2003	(58,813)	(152,327)
	=====	=====

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****1 ACCOUNTING POLICIES****Basis of preparation of financial statements**

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

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

Tangible fixed assets and depreciation

Freehold land and buildings are written off over 100 years. Leasehold land and buildings are stated at cost less amortisation calculated on a straight line basis so as to write off the assets over the period of the lease. Other fixed assets are stated at cost less depreciation calculated on a reducing balance basis at rates estimated to write off these assets over their expected useful lives. The rates of depreciation applied are:-

Motor vehicles	25%
Fixtures and fittings	5%
Plant	10%

Stocks

Stocks are stated at the lower of cost, after deducting trade discounts, and net realisable value.

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.

Pension costs

The company operates defined contribution schemes to provide pensions for directors and staff upon retirement.

The assets of the schemes are held independently of the company by insurance companies. The amounts charged to profit and loss account in the year represent the amounts payable by the company to the funds in respect of the year.

2 TURNOVER

The whole of the turnover and loss before taxation from continuing activities is attributable to dealing in motor vehicles and vehicle repairs.

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****3 OPERATING PROFIT/(LOSS)**

	2003	2002
	£	£
After charging:		
Directors' emoluments as executives	77,330	118,458
Auditors' remuneration	3,000	3,000
Operating lease rentals:		
- hire of plant and machinery	6,601	5,732
- other	20,000	20,000
Depreciation of owned assets	7,509	7,546
	=====	=====
After crediting:		
Property income	5,865	6,605
	=====	=====

4 INTEREST PAYABLE

	2003	2002
	£	£
On bank overdraft	8,021	14,562
	-----	-----
	8,021	14,562
	=====	=====

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****5 TANGIBLE FIXED ASSETS**

		Short leasehold			
	Freehold	land and	Plant and	Vehicles	Total
	properties	buildings	equipment		
	£	£	£	£	£
Cost					
1 June 2002	35,241	43,422	202,261	5,650	286,574
Additions	-	-	7,171	-	7,171
	-----	-----	-----	-----	-----
31 May 2003	35,241	43,422	209,432	5,650	293,745
	=====	=====	=====	=====	=====
Depreciation					
1 June 2002	4,523	43,422	130,553	4,896	183,394
Provision for the year	352	-	6,969	188	7,509
	-----	-----	-----	-----	-----
31 May 2003	4,875	43,422	137,522	5,084	190,903
	=====	=====	=====	=====	=====
Net book value					
31 May 2003	30,366	-	71,910	566	102,842
	=====	=====	=====	=====	=====
Net book value					
31 May 2002	30,718	-	71,708	754	103,180
	=====	=====	=====	=====	=====

6 STOCKS

	2003	2002
	£	£
Motor vehicles	680,969	728,962
Parts and accessories	13,468	12,384
	-----	-----
	694,437	741,346
	=====	=====

7 DEBTORS

	2003	2002
	£	£
Trade debtors	238,891	193,290
Prepayments	55,492	70,591
Other debtors	3,000	-
	-----	-----
	297,383	263,881
	=====	=====

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****8 CREDITORS (amounts falling due within one year)**

	2003	2002
	£	£
Bank overdraft	64,908	157,802
Trade creditors	129,525	133,042
Other taxes and social security costs	35,476	26,578
Directors' loan accounts	57,794	31,243
Other creditors	42,031	38,530
Accruals	9,230	14,066
	-----	-----
	<u>338,964</u>	<u>401,261</u>

The bank overdraft is secured by a floating charge over the assets of the company.

9 PROVISIONS FOR LIABILITIES AND CHARGES

	2003	2002
	£	£
Deferred taxation:		
Provided:		
At 1 June 2002	-	-
Loss relief claimed	-	-
	-----	-----
At 31 May 2003	-	-
	=====	=====
Potential:		
Accelerated capital allowances	-	-
	=====	=====

10 CALLED UP SHARE CAPITAL

	2003	2002
	£	£
Authorised:		
Ordinary shares of £1 each	2,000	2,000
	=====	=====
Allotted, issued and fully paid:		
Ordinary shares of £1 each	2,000	2,000
	=====	=====

11 PROFIT AND LOSS ACCOUNT

	2003	2002
	£	£
At 1 June 2002	710,621	772,574
Retained profit/(loss) for the year	49,172	(61,953)
	-----	-----
At 31 May 2003	<u>759,793</u>	<u>710,621</u>

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2003 £	2002 £
Profit/(loss) for the financial year	49,172	(61,953)
Opening shareholders' funds	712,621	774,574
	-----	-----
Closing shareholders' funds	761,793	712,621
	=====	=====

13 FINANCIAL COMMITMENTS**Pension obligations:**

All employees are contracted into the government earnings related scheme. Certain employees are members of a fully insured money purchase scheme.

14 PARTICULARS OF EMPLOYEES

The average number of persons (including directors) employed by the company during the year was:

	2003	2002
Category: Administration	5	6
Sales	4	4
Stores	2	2
Works	16	18
	----	----
	27	30
	==	==

Their total remuneration was:

	£	£
Wages and salaries	408,555	467,416
Social security costs	36,589	47,681
Other pension costs	15,203	22,484
	-----	-----
	460,347	557,581
	=====	=====

COOPERS OF OULTON LIMITED**NOTES TO THE FINANCIAL STATEMENTS****15 RELATED PARTY DISCLOSURE**

D Cooper and P Cooper, both directors of the company, each own 25% of the freehold of Regency Garage, Aberford Road, Oulton, Leeds, LS26 8HR for which the company paid rent of £20,000 (2002: £20,000) during the year.

Included in creditors (note 8) are loans due to certain directors, these are analysed as follows:

	2003	2002
	£	£
D Cooper	17,855	16,945
P Cooper	39,939	14,298
	<u>=====</u>	<u>=====</u>

16 OTHER COMMITMENTS

At 31 May 2003 the company had annual commitments under a non-cancellable operating lease as follows:

	Land and buildings	
	2003	2002
	£	£
Expiry date:		
Within one year	20,000	20,000
	<u>=====</u>	<u>=====</u>