

**OATHALL PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2000**

**Company Registration Number 1169256**

**McKellen & Co.**  
Chartered Accountants  
2 Parsonage Road,  
Manchester.  
M20 4PQ



**OATHALL PLC**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

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**OATHALL PLC**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The Board of Directors**

A Birchall  
E Birchall

**Company Secretary**

A Birchall

**Registered Office**

2 Parsonage Road,  
Withington,  
Manchester,  
M20 4PQ.

**Auditors**

McKellen & Co.  
Chartered Accountants  
2 Parsonage Road,  
Manchester.  
M20 4PQ

**Bankers**

Barclays Bank plc  
P.O. Box 62  
Lyme Building  
Westmere Drive  
Crewe  
Cheshire.

**OATHALL PLC**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31st DECEMBER 2000**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2000.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of property investment and equity investing.

**RESULTS AND DIVIDENDS**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2000 £	1999 £
Dividends paid on ordinary shares	12,800	111,000

**THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2000	At 1 January 2000
A Birchall	24,640	24,640
E Birchall	7,360	7,360

**RETIREMENT OF DIRECTORS**

In accordance with the Articles of Association, A Birchall will retire from the board and, being eligible, will stand for re-appointment.

**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 at the end of the year and of the profit or loss for the year then ended.

**OATHALL PLC**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31st DECEMBER 2000**

**DIRECTORS' RESPONSIBILITIES** *(continued)*

In preparing those financial statements, the directors are required to:

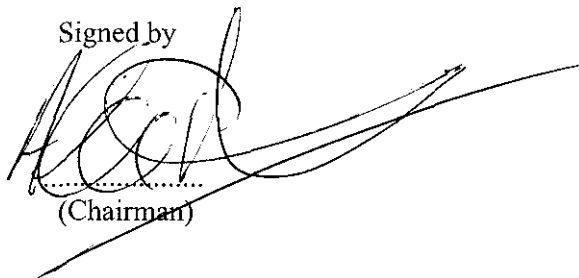
- select suitable accounting policies, as described on page 8, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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. The directors 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**

A resolution to re-appoint McKellen & Co. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by

A large, stylized handwritten signature in black ink, appearing to be 'H. C. H.', is written over a horizontal dotted line. Below the line, the word '(Chairman)' is printed in parentheses.

31st May 2001

**OATHALL PLC**  
**AUDITORS' REPORT TO THE SHAREHOLDERS**  
**YEAR ENDED 31ST DECEMBER 2000**

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As described on pages 2 to 3, the company's directors are responsible for the preparation of the 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.

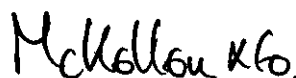
**BASIS OF AUDIT OPINION**

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 31st December 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



McKELLEN & CO.  
Registered Auditors  
2 Parsonage Road,  
Manchester.  
M20 4PQ

4th June 2001

**OATHALL PLC**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31st DECEMBER 2000**

	Note	2000 £	1999 £
<b>TURNOVER</b>	<b>2</b>	177,468	704,522
Cost of sales		(132,007)	(559,604)
<b>GROSS PROFIT</b>		45,461	144,918
Administrative expenses		(8,943)	(10,955)
Other operating income	<b>3</b>	3,576	3,992
<b>OPERATING PROFIT</b>	<b>4</b>	40,094	137,955
Interest receivable		5,574	2,528
Interest payable and similar charges	<b>6</b>	-	(229)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		45,668	140,254
Tax on profit on ordinary activities	<b>7</b>	(8,821)	(28,174)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		36,847	112,080
Dividends	<b>8</b>	(12,800)	(111,000)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		24,047	1,080

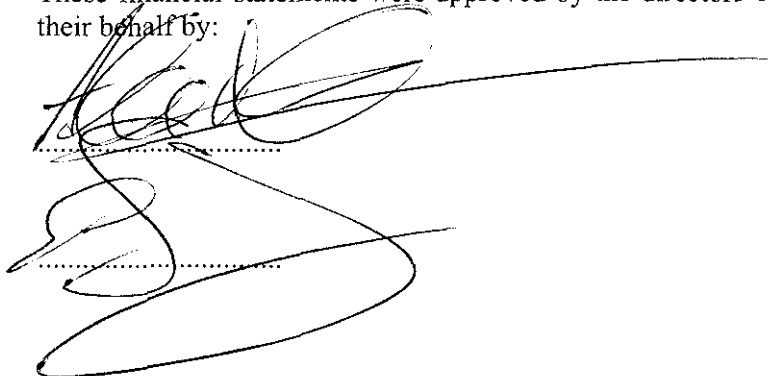
The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

**OATHALL PLC**  
**BALANCE SHEET AS AT**  
**31st DECEMBER 2000**

	Note	2000 £	1999 £
<b>FIXED ASSETS</b>			
Tangible assets	9	32,500	32,500
Investments	10	1,500	1,500
		<u>34,000</u>	<u>34,000</u>
<b>CURRENT ASSETS</b>			
Debtors	11	290	4,424
Investments	12	92,115	82,000
Cash at bank		31,197	55,451
		<u>123,602</u>	<u>141,875</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	(13,482)	(55,802)
<b>NET CURRENT ASSETS</b>		<u>110,120</u>	<u>86,073</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>144,120</u>	<u>120,073</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	15	32,000	32,000
Profit and loss account	16	112,120	88,073
<b>SHAREHOLDERS' FUNDS</b>	17	<u>144,120</u>	<u>120,073</u>

These financial statements were approved by the directors on the 31st May 2001 and are signed on their behalf by:





**OATHALL PLC**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31st DECEMBER 2000**

	Note	2000 £	1999 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>18</b>	15,713	169,252
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		5,574	2,528
Interest paid		-	(229)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		5,574	2,299
<b>TAXATION</b>		(23,063)	3,926
<b>EQUITY DIVIDENDS PAID</b>		(12,800)	(111,000)
<b>CASH (OUTFLOW)/INFLOW BEFORE USE OF LIQUID RESOURCES</b>		(14,576)	64,477
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
Cash deposited in short-term deposits		(31,008)	-
<b>NET CASH OUTFLOW FROM MANAGEMENT OF LIQUID RESOURCES</b>		(31,008)	-
<b>(DECREASE)/INCREASE IN CASH</b>	<b>19</b>	<u>(45,584)</u>	<u>64,477</u>

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles                      -    25% on a reducing balance

**Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

**Investments**

Fixed asset investments are shown at cost less amounts written off. Provision is made for any permanent diminution in value. Provision is not made for temporary fluctuations in value. Income is included, together with the related tax credit, in the accounts of the year in which it is receivable.

Current asset investments are stated at the lower of cost and market value, at the balance sheet date.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2000	1999
	£	£
United Kingdom	177,468	704,522

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**3. OTHER OPERATING INCOME**

	<b>2000</b>	1999
	£	£
Rent receivable	<u>3,576</u>	<u>3,992</u>

**4. OPERATING PROFIT**

Operating profit is stated after charging:

	<b>2000</b>	1999
	£	£
Directors' emoluments	-	-
Depreciation	-	1,875
Auditors' remuneration		
- as auditors	1,500	2,300
Operating lease costs:		
Land and buildings	<u>1,026</u>	<u>996</u>

**5. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	<b>2000</b>	1999
	No.	No.
Number of management staff	<u>4</u>	<u>4</u>

The aggregate payroll costs of the above were:

	<b>2000</b>	1999
	£	£
Wages and salaries	4,800	4,600
Social security costs	245	284
	<u>5,045</u>	<u>4,884</u>

**6. INTEREST PAYABLE**

	<b>2000</b>	1999
	£	£
Interest payable on bank borrowing	-	216
Interest payable on stock broker account	-	13
	<u>-</u>	<u>229</u>

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2000 £	1999 £
<b>In respect of the year:</b>		
Corporation tax based on the results for the year at 20% (1999 - 20%)	9,000	27,502
Interest on overdue corporation tax	(77)	-
	<u>8,923</u>	<u>27,502</u>
<b>Adjustment in respect of previous years:</b>		
Corporation tax	(102)	672
	<u>8,821</u>	<u>28,174</u>

**8. DIVIDENDS**

The following dividends have been paid in respect of the year:

	2000 £	1999 £
Dividends paid on equity shares	<u>12,800</u>	<u>111,000</u>

**9. TANGIBLE FIXED ASSETS**

	Leasehold Property £	Motor Vehicles £	Total £
<b>COST</b>			
At 1st January 2000 and 31st December 2000	<u>32,500</u>	<u>12,860</u>	<u>45,360</u>
<b>DEPRECIATION</b>			
At 1st January 2000	-	12,860	12,860
At 31st December 2000	-	12,860	12,860
<b>NET BOOK VALUE</b>			
At 31st December 2000	<u>32,500</u>	-	<u>32,500</u>
At 31st December 1999	<u>32,500</u>	-	<u>32,500</u>

The property is included at the directors' valuation as at 31 December 2000 and this is based on an open market value for its existing use. The historical cost is £50,032.

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**10. INVESTMENTS**

	<b>Total £</b>
<b>COST</b>	
At 1st January 2000 and 31st December 2000	<u>1,500</u>
<b>NET BOOK VALUE</b>	
<b>At 31st December 2000</b>	<u>1,500</u>
At 31st December 1999	<u>1,500</u>

Fixed asset investments comprise works of art.

**11. DEBTORS**

	<b>2000 £</b>	<b>1999 £</b>
ACT recoverable	-	4,254
VAT recoverable	117	-
Prepayments and accrued income	173	170
	<u>290</u>	<u>4,424</u>

**12. INVESTMENTS**

	<b>2000 £</b>	<b>1999 £</b>
Other investments	<u>92,115</u>	<u>82,000</u>

These comprise of listed investments.

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**13. CREDITORS: Amounts falling due within one year**

	<b>2000</b>	1999
	£	£
Bank loans and overdrafts	437	-
Trade creditors	-	22,886
Other creditors including taxation and social security:		
Corporation tax	9,000	27,496
VAT	-	1,370
	<u>9,437</u>	<u>51,752</u>
Accruals and deferred income	4,045	4,050
	<u>13,482</u>	<u>55,802</u>

**14. RELATED PARTY TRANSACTIONS**

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

**15. SHARE CAPITAL****Authorised share capital:**

	<b>2000</b>	1999
	£	£
32,000 Ordinary shares of £1 each	<u>32,000</u>	<u>32,000</u>

**Allotted, called up and fully paid:**

	<b>2000</b>	1999
	£	£
Ordinary share capital	<u>32,000</u>	<u>32,000</u>

**16. PROFIT AND LOSS ACCOUNT**

	<b>2000</b>	1999
	£	£
Balance brought forward	88,073	86,993
Retained profit for the financial year	<u>24,047</u>	<u>1,080</u>
Balance carried forward	<u>112,120</u>	<u>88,073</u>

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2000</b>	1999
	<b>£</b>	<b>£</b>
Profit for the financial year	36,847	112,080
Dividends	(12,800)	(111,000)
	<u>24,047</u>	<u>1,080</u>
Opening shareholders' equity funds	120,073	118,993
Closing shareholders' equity funds	<u>144,120</u>	<u>120,073</u>

**18. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2000</b>	1999
	<b>£</b>	<b>£</b>
Operating profit	40,094	137,955
Depreciation	-	1,875
(Increase)/Decrease in debtors	(120)	19,774
(Decrease)/Increase in creditors	(24,261)	9,648
	<u>15,713</u>	<u>169,252</u>
Net cash inflow from operating activities	<u>15,713</u>	<u>169,252</u>

**19. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>2000</b>	1999
	<b>£</b>	<b>£</b>
(Decrease)/Increase in cash in the period	(45,584)	64,477
Cash used to increase liquid resources	31,008	-
	<u>(14,576)</u>	<u>64,477</u>
Change in net funds	(14,576)	64,477
Net funds at 1st January 2000	55,451	10,974
Net funds at 31st December 2000	<u>30,760</u>	<u>55,451</u>

**OATHALL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31st DECEMBER 2000**

**20. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Jan 2000 £	Cash flows £	At 31 Dec 2000 £
Net cash:			
Cash in hand and at bank	55,451		31,197
Less: deposits treated as liquid resources	-		(31,008)
	55,451	(55,262)	189
Overdrafts	-	(437)	(437)
	55,451	(55,699)	(248)
Net funds	55,451	(55,699)	(248)

**21. PENSIONS**

The company has not operated, or contributed to any pension scheme on behalf of its employees.

**22. CONTINGENCIES**

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31st December 2000.

**23. CAPITAL COMMITMENTS**

The directors have confirmed that there were no capital commitments at 31st December 2000.