

Company Registration No 3258247

VIRTUAL SHOWROOM LIMITED

ANNUAL REPORT

31 DECEMBER 2000



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DIRECTORS AND PROFESSIONAL ADVISERS

DIRECTORS

J A Cunningham
G Elliott

SECRETARY

G Elliott

REGISTERED OFFICE

1 Princes Road
Weybridge
Surrey KT13 9TU

BANKERS

Bank of Scotland plc
Uberior House
61 Grassmarket
Edinburgh EH1 2JF

Chase Manhattan Plc
125 London Wall
London EC2Y 5AJ

SOLICITORS

Weil Gotshal & Manges
One South Place
London EC2M 2WG

Nabarro Nathanson
Lacon House
Theobald's Road
London WC1X 8RW

AUDITORS

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Harman House
1 George Street
Uxbridge
Middlesex UB8 1QQ

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the nine months ended 31 December 2000.

PRINCIPAL ACTIVITY

The principal activity of the company is the sale of Internet services to the motor trade.

REVIEW OF THE BUSINESS

The company has not traded in the nine month period ended 31 December 2000. The company became dormant on 10 February 2000.

RESULTS AND DIVIDENDS

Details of the results for the period are set out in the profit and loss account on page 5. No dividend payments were made or proposed.

TANGIBLE FIXED ASSETS

The company has no tangible fixed assets.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period are shown below:

M R Oliphant	Resigned 30 September 2000
J A Cunningham	
G Elliott	Appointed 9 November 2000

No directors serving at 31 December 2000 had any interest in the shares of the company at 31 December or at 31 March 2000.

At 31 March 2000 M R Oliphant held 4,472,550 'A' ordinary shares in Glass's Holdings Limited, the ultimate UK holding company.

The following directors hold options to subscribe for 'A' ordinary shares in Glass's Holdings Limited at a price of £1 per share upon a flotation or sale of that company - J A Cunningham 1,000,000 shares, G Elliott 231,440 shares. The options will lapse on 31 October 2008. (M R Oliphant options to subscribe for 1,504,358 shares lapsed on 30 September 2000)

By order of the Board



G Elliott
Secretary

24 April 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently as explained on page 7 under Note 1 "Accounting Policies". They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2000 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

By order of the Board



G Elliott
Secretary

24 April 2001

AUDITORS' REPORT TO THE MEMBERS OF VIRTUAL SHOWROOM LIMITED

We have audited the financial statements set out on pages 5 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes the responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 affairs of the company and the group at 31 December 2000 and of the result of the company for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Uxbridge

24 April 2001

VIRTUAL SHOWROOM LIMITED

PROFIT AND LOSS ACCOUNT

31 December 2000

	Note	9 months to 31 Dec 2000 £	Year to 31 Mar 2000 £
TURNOVER			
Discontinued activities	2	-	170,262
		-	170,262
Operating charges	3	-	(290,597)
OPERATING PROFIT – Discontinued activities		-	(120,335)
Profit on sale of operations	7	-	489,427
Interest payable	6	-	(2,378)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	366,714
Tax on profit on ordinary activities	8	-	-
PROFIT FOR THE FINANCIAL YEAR		-	366,714
Dividends		-	-
PROFIT RETAINED FOR THE PERIOD		-	366,714

There is no difference between the profit on ordinary activities before taxation and the result for the period stated above, and their historical cost equivalents.

The company has no recognised gains and losses other than the losses above. Therefore no separate statement of total recognised gains and losses has been presented.

VIRTUAL SHOWROOM LIMITED

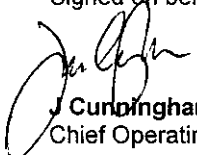
BALANCE SHEET

31 December 2000

	Note	31 Dec 2000		31 Mar 2000	
		£	£	£	£
CURRENT ASSETS					
Debtors	9	<u>274,000</u>		<u>274,000</u>	
NET CURRENT ASSETS			<u>274,000</u>		<u>274,000</u>
NET ASSETS			<u>274,000</u>		<u>274,000</u>
CAPITAL AND RESERVES					
Called up share capital	10		200,000		200,000
Profit and loss account			<u>74,000</u>		<u>74,000</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS	11		<u>274,000</u>		<u>274,000</u>

These financial statements were approved by the Board of Directors on 24 April 2001

Signed on behalf of the Board of Directors


J Cunningham
 Chief Operating Officer


Giles Elliott
 Finance Director

NOTES TO THE FINANCIAL STATEMENTS

31 December 2000

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

Accounting convention

The financial statements have been prepared in accordance with the historical cost convention.

Cash flow statement

The company is exempt from preparing a cash flow statement under FRS 1 on the basis that it is a wholly-owned subsidiary whose cash flows are included in the consolidated financial statements of the ultimate parent company.

Turnover

Turnover represents income from the sale and subsequent support of Internet services to the motor industry. Any income received in advance is treated as deferred income and included in creditors.

Leasing obligations

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Pension costs

The expected cost of providing pensions, as calculated periodically by professional actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2000

2 ANALYSIS OF TURNOVER

Turnover represents sales made in the United Kingdom. There is no difference between turnover categorised by origin and turnover categorised by destination.

3 OPERATING CHARGES

	9 months to 31 Dec 2000	Year ending 31 Mar 2000
	£	£
Materials Consumed	-	129,019
Staff costs (See note 4)	-	99,705
Depreciation	-	38,629
Auditor's remuneration	-	-
Audit Services	-	-
Other operating charges	-	23,244
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	-	290,597

The audit fees for the current and previous years have been borne by Glass's Information Services Limited.

4 EMPLOYEES

	9 months to 31 Dec 2000 Number	Year ending 31 Mar 2000 Number
The average number of employees during the year	-	4
	£	£
The costs incurred in respect of these employees were:		
Wages and salaries	-	88,103
Social security costs	-	8,378
Other Pension Costs	-	3,224
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	-	99,705

5 DIRECTORS' EMOLUMENTS

The executive directors received no remuneration during the period (Mar 2000 - nil) in their capacity as directors of the company.

6 INTEREST PAYABLE

	9 months to 31 Dec 2000	Year ending 31 Mar 2000
Bank deposit interest paid	-	2,378
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2000

7 PROFIT ON SALE OF OPERATIONS

The exceptional profit (Mar 2000) is composed of £215,427 on sale of assets and liabilities to the previous holding company, Kalamazoo Computer Group Plc and £274,000 on sale of the business to Glass's Information Services Limited.

No tax is attributable on the exceptional profit.

8 TAX ON PROFIT ON ORDINARY ACTIVITIES

	9 months to 31 Dec 2000	Year ending 31 Mar 2000
Corporation tax at 30%	-	-

9 DEBTORS

	Dec 2000 £	Mar 2000 £
Amounts owed by Group undertakings	274,000	274,000

10 CALLED UP SHARE CAPITAL

	Dec 2000 £	Mar 2000 £
Authorised, allotted and fully paid 200,000 ordinary shares of £1 each	200,000	200,000

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS/(DEFICIT)

	Dec 2000 £	Mar 2000 £
Opening Shareholders' funds/(deficit)	274,000	(92,714)
Profit for financial year	-	366,714
Closing Shareholders' funds	274,000	274,000

12 CAPITAL COMMITMENTS

The company had no capital expenditure authorised or contracted at 31 December 2000 or at 31 March 2000.

13 OPERATING LEASE COMMITMENTS

The company had no commitments under operating leases at 31 December 2000 or at 31 March 2000.

14 ULTIMATE HOLDING COMPANY

The largest group and the smallest group in which the results of the company are consolidated is the group of which Glass's Holdings Limited is the holding company. Glass's Holdings Limited is incorporated in England and Wales. Copies of its consolidated financial statements are available from 1 Princes Road, Weybridge, Surrey KT13 9TU.

The directors consider Qualified Fund, CV, incorporated in the Netherlands, to be the company's ultimate holding and controlling company.

The company has taken advantage of the exemption under paragraph 3c of FRS 8 in not disclosing details of transactions with other members of the group.