

Company Registration No. 2700287 (England and Wales)

RAPID EXHAUSTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2001



RAPID EXHAUSTS LIMITED

COMPANY INFORMATION

Directors

D P Bates
G Morris
C Walters
J A Bates

Secretary

J A Bates

Company number

2700287

Registered office

Unit 1, 312 Ware Road
Hertford
Hertfordshire
SG13 7ER

Auditors

BKR Haines Watts
Sterling House, 5 Buckingham Place
Bellfield Road West
High Wycombe
Buckinghamshire
HP13 5HQ

Business address

Unit 1, 312 Ware Road
Hertford
Hertfordshire
SG13 7ER

Bankers

Girobank plc
Bootle
Merseyside
G1R 0AA



RAPID EXHAUSTS LIMITED

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RAPID EXHAUSTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2001

The directors present their report and financial statements for the year ended 30 September 2001.

Principal activities

The principal activity of the company continued to be that of the purchase and sale of specialised motor accessories and allied parts.

The directors are pleased with the results for the year and look to the future with confidence.

Directors

The following directors have held office since 1 October 2000:

D P Bates
G Morris
C Walters
J A Bates

Directors' interests

The directors' interests in the shares of the company were as stated below:

	30 September 2001	Ordinary of £ 1 each 1 October 2000
D P Bates	36	36
G Morris	10	10
C Walters	54	54
J A Bates	-	-

Charitable contributions

During the year the company made political donations amounting to £0 (2000: £0).

During the year the company made charitable donations of £550 (2000: £0).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that BKR Haines Watts be reappointed as auditors of the company will be put to the Annual General Meeting.

RAPID EXHAUSTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2001

Directors' responsibilities

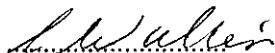
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



C Walters

Director

Date

8/5/02

RAPID EXHAUSTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF RAPID EXHAUSTS LIMITED

We have audited the financial statements of Rapid Exhausts Limited on pages 4 to 9 for the year ended 30 September 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom 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 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 company's affairs as at 30 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BKR Haines Watts

15 May 2002

Chartered Accountants
Registered Auditor

Sterling House, 5 Buckingham Place
Bellfield Road West
High Wycombe
Buckinghamshire
HP13 5HQ

RAPID EXHAUSTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2001

	Notes	2001 £	2000 £
Turnover		3,304,177	2,895,423
Cost of sales		(2,038,791)	(1,780,364)
Gross profit		1,265,386	1,115,059
Administrative expenses		(1,127,362)	(967,121)
Other operating income		-	7,461
Operating profit	2	138,024	155,399
Exceptional item	2	218,289	-
Profit on ordinary activities before interest		356,313	155,399
Other interest receivable and similar income		8,479	5,507
Interest payable and similar charges		(2,173)	-
Profit on ordinary activities before taxation		362,619	160,906
Tax on profit on ordinary activities	3	(51,723)	(36,277)
Profit on ordinary activities after taxation	9	310,896	124,629

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

RAPID EXHAUSTS LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	4		260,313		361,195
Current assets					
Stocks		588,153		473,805	
Debtors	5	588,300		499,748	
Cash at bank and in hand		148,237		22,699	
		<u>1,324,690</u>		<u>996,252</u>	
Creditors: amounts falling due within one year	6	<u>(505,430)</u>		<u>(580,826)</u>	
Net current assets			819,260		415,426
Total assets less current liabilities			<u>1,079,573</u>		<u>776,621</u>
Creditors: amounts falling due after more than one year	7		-		(7,944)
			<u>1,079,573</u>		<u>768,677</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		1,079,473		768,577
Shareholders' funds - equity interests	10		<u>1,079,573</u>		<u>768,677</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 8/5/02

C Walters

C Walters
Director

RAPID EXHAUSTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	10% Straight Line
Motor vehicles	25% Straight Line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences 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 foreseeable future.

2 Operating profit	2001 £	2000 £
Operating profit is stated after charging:		
Depreciation of tangible assets	64,337	49,521
Operating lease rentals	59,260	65,202
Auditors' remuneration	10,000	10,000
Directors' emoluments	150,585	146,810

The exceptional item, stated after operating profit, represents a trade debt written back.

3 Taxation	2001 £	2000 £
Domestic current year taxation		
U.K. corporation tax	38,779	32,000
Adjustment for prior years	12,944	4,277

RAPID EXHAUSTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2001

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2000	147,678	326,846	474,524
Additions	-	25,169	25,169
Disposals	-	(123,426)	(123,426)
	<hr/>	<hr/>	<hr/>
At 30 September 2001	147,678	228,589	376,267
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 October 2000	-	113,329	113,329
On disposals	-	(61,712)	(61,712)
Charge for the year	-	64,337	64,337
	<hr/>	<hr/>	<hr/>
At 30 September 2001	-	115,954	115,954
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 September 2001	147,678	112,635	260,313
	<hr/>	<hr/>	<hr/>
At 30 September 2000	147,678	213,517	361,195
	<hr/>	<hr/>	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 30 September 2001	21,281
	<hr/>
At 30 September 2000	28,375
	<hr/>
Depreciation charge for the year	
30 September 2001	7,094
	<hr/>
30 September 2000	7,094
	<hr/>

RAPID EXHAUSTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2001

5 Debtors	2001	2000
	£	£
Trade debtors	549,064	459,276
Other debtors	39,236	40,472
	<u>588,300</u>	<u>499,748</u>
 6 Creditors: amounts falling due within one year	 2001	 2000
	£	£
Bank loans and overdrafts	16,167	57,943
Net obligations under finance leases	7,944	8,667
Trade creditors	372,985	185,313
Taxation and social security	93,594	76,005
Other creditors	14,740	252,898
	<u>505,430</u>	<u>580,826</u>
The finance leases are secured against the assets concerned.		
 7 Creditors: amounts falling due after more than one year	 2001	 2000
	£	£
Net obligations under finance leases	-	7,944
	<u>-</u>	<u>7,944</u>
 Net obligations under finance leases		
Repayable within one year	7,944	8,667
Repayable between one and five years	-	7,944
	<u>7,944</u>	<u>16,611</u>
Included in liabilities falling due within one year	(7,944)	(8,667)
	<u>-</u>	<u>7,944</u>
 8 Share capital	 2001	 2000
	£	£
Authorised		
1,000 Ordinary of £ 1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
 Allotted, called up and fully paid		
100 Ordinary of £ 1 each	100	100
	<u>100</u>	<u>100</u>

RAPID EXHAUSTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2001

9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2000	768,577
Retained profit for the year	310,896
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Balance at 30 September 2001	1,079,473
	<hr/>

10 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial year	310,896	124,629
Opening shareholders' funds	768,677	644,048
	<hr/>	<hr/>
Closing shareholders' funds	1,079,573	768,677
	<hr/>	<hr/>

11 Financial commitments

At 30 September 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Between two and five years	-	-	43,213	-
In over five years	53,800	53,800	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	53,800	53,800	43,213	-
	<hr/>	<hr/>	<hr/>	<hr/>