

Mayflower Automotive Products (UK) Limited

Annual report and financial statements
for the year ended 31 December 2002

Registered number: 3289111



Directors' report

For the year ended 31 December 2002

The directors present their annual report on the affairs of the company, together with the audited financial statements and independent auditors' report, for the year ended 31 December 2002.

Principal activities, review of business and future developments

The company continues to be an intermediate holding company. The company did not trade during either year. There is currently no intention to change that activity in the future nor recommence trading.

Results and dividends

The company's profit for the year is £40,000,000 (2001 £nil) and dividends of £35.1675p (2001 £nil) per ordinary share, amounting to £40,000,000 were proposed during the year.

Directors and their interests

The directors who served during the year were as follows:

D T Donnelly

T V Whitmore

None of the directors has any interests in the shares of the company.

The interests of D T Donnelly and T V Whitmore in the shares of the ultimate parent company including details of share options held are disclosed in the consolidated financial statements of The Mayflower Corporation plc.

No directors exercised share options during the year (2001: nil). None of the directors have any other interests in any body corporate in The Mayflower Corporation plc Group that are required to be notified to the company under section 324 of the Companies Act 1985.

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' report (continued)

For the year ended 31 December 2002

The directors are responsible for keeping proper accounting records which 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.

Auditors

Arthur Andersen resigned as auditors to the Company at the Annual General meeting on 18 April 2002 and at that meeting PricewaterhouseCoopers were appointed in their place. Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 24 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

Director

6 October 2003

Independent auditors' report

Independent auditors' report to the members of Mayflower Automotive Products Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

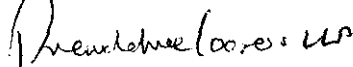
Basis of audit opinion

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 at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
West London
6 October 2003

Profit and loss account

For the year ended 31 December 2002

	Notes	2002 £	2001 £
Income from shares in group undertakings	4	40,000,000	-
Profit on ordinary activities before and after taxation	2	40,000,000	-
Dividends	6	(40,000,000)	-
Retained profit for the financial year		-	-
Retained profit, at 1 January		7,544	7,544
Retained profit, at 31 December		7,544	7,544

There were no recognised gains or losses in either year other than the result for that year and therefore no separate statement of recognised gains and losses has been prepared.

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

All results derive from continuing operations.

Balance sheet

As at 31 December 2002

	Notes	2002 £	2001 £
Fixed assets			
Investments	7	<u>13,500</u>	<u>13,500</u>
Current assets			
Debtors	8	49,123,915	9,123,915
Creditors: Amounts falling due within one year	9	<u>(47,992,456)</u>	<u>(7,992,456)</u>
Net current assets		<u>1,131,459</u>	<u>1,131,459</u>
Total assets less current liabilities		<u>1,144,959</u>	<u>1,144,959</u>
Capital and reserves			
Called-up share capital	10	1,137,415	1,137,415
Profit and loss account		<u>7,544</u>	<u>7,544</u>
Equity shareholders' funds		<u>1,144,959</u>	<u>1,144,959</u>

The financial statements on pages 5 to 9 were approved by the board of directors on 6 October 2003 and signed on its behalf by:

Director



6 October 2003

Notes to the financial statements

For the year ended 31 December 2002

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985.

b) Group accounts

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of the Mayflower Corporation plc which prepares consolidated financial statements which are publicly available.

c) Cash flow

In accordance with Financial Reporting Standard 1 (Revised 1996), the company has not presented a cash flow statement as more than 90% of its voting rights are controlled within the group and the consolidated accounts in which the results of the company are included are publicly available.

d) Related party transactions

The company has taken advantage of the exemption granted within Financial Reporting Standard 8, which does not require disclosure of transactions between group undertakings, as more than 90% of the company's voting rights are controlled within the group.

d) Fixed asset investments

Fixed asset investments in subsidiary undertakings are shown at cost less any provision for impairment.

e) Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Notes to the financial statements (continued)

For the year ended 31 December 2002

e) *Taxation (continued)*

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Profit on ordinary activities before taxation

Auditors' remuneration for audit and non-audit services is borne by a fellow group undertaking, Mayflower Management Services Limited.

3 Staff costs

Apart from the directors, the average monthly number of employees was Nil (2001 – Nil).

None of the directors received remuneration from the company during either year, their remuneration being borne by a fellow group undertaking, Mayflower Management Services Limited.

4 Income from shares in group undertakings

	2002 £	2001 £
Dividends received	<u>40,000,000</u>	<u>-</u>

5 Taxation

There was no charge for taxation in either year.

The company had no unprovided deferred tax liability or asset at either year-end due to there being no trading ongoing in the company.

6 Dividends proposed on equity shares

	2002 £	2001 £
Dividends proposed of £35.1675 (2001 - £nil) per ordinary share	<u>40,000,000</u>	<u>-</u>

7 Investments

Subsidiary undertakings

	£
Cost at the beginning and end of the year	<u>13,500</u>

Notes to the financial statements (continued)

For the year ended 31 December 2002

7 Investments (continued)

Subsidiary undertakings comprise the following, which are registered in England and Wales.

Name of subsidiary	Ordinary shares	Principal activities
Mayflower Vehicle Systems plc	100%	Vehicle component manufacture
Motor Panels plc	100%	Dormant

8 Debtors

	2002 £	2001 £
Amounts owed by group undertakings	<u>49,123,915</u>	<u>9,123,915</u>

9 Creditors: Amounts falling due within one year

	2002 £	2001 £
UK and overseas taxation	1,000	1,000
Amounts owed to group undertakings	<u>47,991,456</u>	<u>7,991,456</u>
	<u>47,992,456</u>	<u>7,992,456</u>

10 Called-up share capital

	2002 £	2001 £
<i>Authorised</i>		
1,137,416 (2001: 1,137,416) ordinary shares of £1 each	<u>1,137,416</u>	<u>1,137,416</u>
<i>Allotted, called-up and fully-paid</i>		
1,137,415 (2001: 1,137,415) ordinary shares of £1 each	<u>1,137,415</u>	<u>1,137,415</u>

11 Ultimate parent company and controlling party

The immediate and ultimate parent company and controlling party is The Mayflower Corporation plc, a company registered in England and Wales.

The only group of which Mayflower Automotive Products (UK) Limited is a member and for which group financial statements are drawn up is that headed by The Mayflower Corporation plc, whose principal place of business is at Mayflower House, London Road, Loudwater, High Wycombe, Buckinghamshire, HP10 9RF. The consolidated financial statements of this group are available to the public and may be obtained from the address above.