

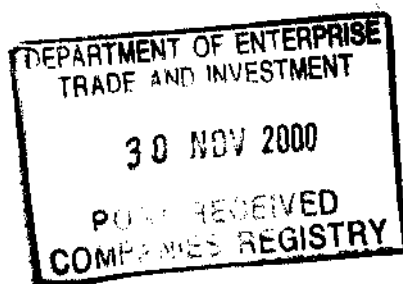
HAROLD MCGARRITY AND SONS LIMITED

**ABBREVIATED
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 JANUARY 2000**



REGISTERED NUMBER: NI 24588



HAROLD MCGARRITY AND SONS LIMITED

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

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HAROLD MCGARRITY AND SONS LIMITED

COMPANY INFORMATION
AT 31 JANUARY 2000

DIRECTORS

Harold McGarrity
Nigel McGarrity
Philip McGarrity

SECRETARY

Nigel McGarrity

REGISTERED OFFICE

35 Boucher Road
BELFAST
BT12 6HR

AUDITORS

MOONEY MOORE
Chartered Certified Accountants - Registered Auditors

24 - 38 Gordon Street
BELFAST
BT1 2LG

PRINCIPAL BANKERS

Ulster Bank Limited
10 - 20 Lombard Street
BELFAST
BT1 1 BH

HAROLD MCGARRITY AND SONS LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 January 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were the purchase and sale of motor vehicles and associated services. There were no significant changes in the company's activities during the year.

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £59,007.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

FUTURE DEVELOPMENTS

Prospects for the immediate future are satisfactory.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The potential impact of the introduction of the single European currency on the company is believed to be minimal.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year were as follows:

		Number of Shares	
		2000	1999
Harold McGarrity	Ordinary Shares	12,500	12,500
Nigel McGarrity	Ordinary Shares	7,500	7,500
Philip McGarrity	Ordinary Shares	5,000	5,000

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;
- 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 maintaining 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 (Northern Ireland) Order 1986. 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the company made charitable contributions totalling £3,587.

YEAR 2000 SOFTWARE ISSUES

The directors have made an assessment of the year 2000 problem and consider the impact on the company to be minimal.

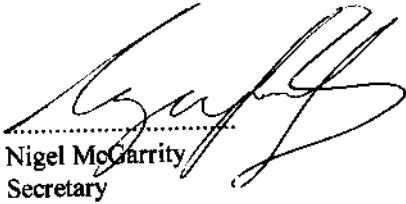
HAROLD MCGARRITY AND SONS LIMITED

DIRECTORS' REPORT

AUDITORS

The auditors, MOONEY MOORE, will be proposed for re-appointment in accordance with Article 393 of the Companies (Northern Ireland) Order 1986.

By order of the board:



.....
Nigel McGarrity
Secretary

Date: 29th November 2000

HAROLD MCGARRITY AND SONS LIMITED

AUDITORS' REPORT TO THE COMPANY PURSUANT TO ARTICLE 255B OF THE COMPANIES (NORTHERN IRELAND) ORDER 1986

We have examined the abbreviated accounts on pages 5 to 15 together with the full financial statements of the company prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the year ended 31 January 2000.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Article 254A of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Companies (Northern Ireland) Order 1986 and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254 A(3) of the Companies (Northern Ireland) Order 1986 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254 A(3) of the Companies (Northern Ireland) Order 1986 and the abbreviated accounts on pages 5 to 15 have been properly prepared in accordance with that provision.

Mooney Moore
MOONEY MOORE

Chartered Certified Accountants - Registered Auditors

24 - 38 Gordon Street
BELFAST
BT1 2LG

Date signed: 29 November 2000

HAROLD MCGARRITY AND SONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2000

	Notes	2000 £	1999 £
GROSS PROFIT		1,003,713	910,333
Administrative expenses		<u>876,939</u>	<u>774,015</u>
OPERATING PROFIT	2	126,774	136,318
Interest payable and similar charges	3	<u>(38,360)</u>	<u>(79,382)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		88,414	56,936
Tax on profit on ordinary activities	6	<u>(29,407)</u>	<u>(12,235)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>59,007</u>	<u>44,701</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 8 to 15 form part of these financial statements.

HAROLD MCGARRITY AND SONS LIMITED

ABBREVIATED BALANCE SHEET AT 31 JANUARY 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	7	711,620	673,344
CURRENT ASSETS			
Stocks	8	1,323,715	1,190,984
Debtors	9	519,757	557,370
Cash at bank and in hand		802	1,104
		1,844,274	1,749,458
CREDITORS: amounts falling due within one year	10	(1,749,864)	(1,645,770)
NET CURRENT ASSETS		94,410	103,688
TOTAL ASSETS LESS CURRENT LIABILITIES		806,030	777,032
CREDITORS: amounts falling due after more than one year	11	(203,094)	(254,803)
PROVISIONS FOR LIABILITIES AND CHARGES		(35,340)	(13,640)
NET ASSETS		567,596	508,589
CAPITAL AND RESERVES			
Called up share capital	15	25,000	25,000
Profit and loss account	16	542,596	483,589
TOTAL SHAREHOLDERS' FUNDS	17	567,596	508,589

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to medium-sized companies.

On behalf of the board:

Director

29 November 2000
Date

The notes on pages 8 to 15 form part of these financial statements.

HAROLD MCGARRITY AND SONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2000

	Notes	2000 £	1999 £
Net cash inflow / (outflow) from operating activities	2	120,197	(180,654)
Returns on investments and servicing of finance	18	(38,360)	(79,382)
Capital expenditure	18	(87,835)	(105,057)
Cash outflow before use of liquid resources and financing		(5,998)	(365,093)
Financing	18	-	6,028
DECREASE IN CASH IN THE YEAR		(5,998)	(359,065)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	19		
DECREASE IN CASH IN THE YEAR		(5,998)	(359,065)
Cash inflow from movement in debt and lease financing		-	(6,028)
Change in net debt resulting from cash flows		(5,998)	(365,093)
Movement in debt in the year		(5,998)	(365,093)
Net debt at 1 February 1999		(743,120)	(378,027)
Net debt at 31 January 2000		(749,118)	(743,120)

The notes on pages 8 to 15 form part of these financial statements.

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost basis of accounting and in accordance with statements of standard accounting practice issued by UK accountancy bodies.

The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

Turnover

Turnover represents the total invoice value, excluding value added tax, of work done during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Freehold land and buildings	2% straight line
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance

Stocks and Work in Progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

Deferred Taxation

The company provides for deferred taxation to take account of timing differences between the treatment of certain items for accounts purposes and taxation purposes on the liability method, except where a liability is not considered likely to arise in the foreseeable future.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Pension costs

The company operates a self administered pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from those of the company's assets.

2. OPERATING PROFIT

Operating profit is stated:

	2000	1999
	£	£
After charging:		
Depreciation of fixed assets	49,766	41,726
Auditors' remuneration and accountancy fees	4,000	12,000
Exceptional items:		
Exceptional item	-	15,440

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

2. OPERATING PROFIT - (continued)

Reconciliation of operating profit to net cash inflow from operating activities

	2000 £	1999 £
Operating profit	126,774	136,318
Depreciation	49,766	41,726
Loss on disposal of fixed assets	106	-
Increase in stocks	(132,731)	204,506
Decrease in debtors	37,613	(188,450)
Increase in creditors	38,668	(374,751)
Net cash inflow from operating activities	120,196	(180,651)

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
Loan interest	12,144	28,074
On other loans repayable in full within five years	26,216	51,308
	38,360	79,382

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	2000 £	1999 £
Staff costs		
Wages and salaries	406,826	342,483
Social security costs	44,150	46,124
Other pension costs	16,800	16,000
	467,776	404,607

The average number of employees during the year was made up
as follows:

	2000 No.	1999 No.
Administration	6	6
Selling and Distribution	34	24
	40	30

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

4. INFORMATION ON DIRECTORS AND EMPLOYEES - (continued)

	2000	1999
	£	£
Directors' emoluments		
Emoluments	104,123	97,144
Pension contributions	16,800	16,000
	<u>120,923</u>	<u>113,144</u>

5. PENSION COSTS

Defined contribution scheme

The company operates a self administered pension scheme in respect of two of the directors. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £16,800 (1999:£16,000).

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
The taxation charge comprises:		
Corporation tax at 21% (1999 - 21%)	7,707	5,725
Transfer to deferred tax	21,700	5,134
Adjustment in respect of prior years	-	1,376
	<u>29,407</u>	<u>12,235</u>

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
Cost:				
At 1 February 1999	584,587	206,754	58,592	849,933
Additions	2,117	79,761	12,109	93,987
Disposals	-	(9,950)	-	(9,950)
At 31 January 2000	586,704	276,565	70,701	933,970
Depreciation:				
At 1 February 1999	84,343	73,580	18,353	176,276
Charge for year	10,323	31,591	7,852	49,766
On disposals	-	(3,692)	-	(3,692)
At 31 January 2000	94,666	101,479	26,205	222,350
Net book value:				
At 31 January 2000	492,038	175,086	44,496	711,620
At 31 January 1999	487,952	114,807	70,585	673,344

**2000
£** **1999
£**

Analysis of net book value of land and buildings:

Freehold	492,038	487,952
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8. STOCKS

	2000 £	1999 £
Motor Vehicles and Accessories	1,323,715	1,190,984

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

9. DEBTORS

	2000 £	1999 £
Trade debtors	397,759	368,517
Other debtors	121,998	191,353
	519,757	559,870

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

10. CREDITORS: amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	547,306	489,421
Net obligations under finance leases and hire purchase contracts	5,556	-
Trade creditors	847,308	1,006,795
Corporation tax	7,707	5,725
Other taxes and social security costs	30,116	35,388
Accruals and deferred income	311,871	108,441
	<u>1,749,864</u>	<u>1,645,770</u>

The bank loan is secured by a deposit of the deeds of the premises at 35 Boucher Road, Belfast. The bank also has an all monies mortgage debenture giving a fixed charge over book debts, all states or interests in the company's property and a floating charge over the company's undertaking and all its property and assets both present and future.

11. CREDITORS: amounts falling due after more than one year

	2000	1999
	£	£
Bank loan	70,948	81,622
Directors' loans	125,619	167,153
Other long term loans increase	-	6,028
Net obligations under finance leases and hire purchase contracts	6,527	-
	<u>203,094</u>	<u>254,803</u>

12. BORROWINGS

	2000	1999
	£	£
The company's borrowings are repayable as follows		
Up to one year and on demand	<u>547,306</u>	<u>489,421</u>

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

13. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	2000 £	1999 £
The company's obligations are repayable as follows:		
Net obligations analysed as follows:		
Included in creditors - amounts falling due within one year	5,556	-
Included in creditors - amounts falling due after more than one year	6,527	-
	<u>12,083</u>	<u>-</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2000 £	1999 £
Deferred taxation (see below)		
Balance at 1 February 1999	13,640	8,506
Transferred to profit and loss account	21,700	5,134
	<u>35,340</u>	<u>13,640</u>
Total provision for liabilities and charges	<u>35,340</u>	<u>13,640</u>

	Fully provided 2000 £	1999 £
Deferred tax is calculated at 21% (1999 - 24%) analysed over the following timing differences:		
On the excess of capital allowances over depreciation	<u>35,340</u>	<u>13,640</u>

15. SHARE CAPITAL

	2000 £	1999 £
Authorised:		
Equity interests:		
Ordinary Shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid:		
Equity interests:		
Ordinary Shares of £1 each	<u>25,000</u>	<u>25,000</u>

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

16. PROFIT AND LOSS ACCOUNT

	2000	1999
	£	£
Retained profit as at 1 February 1999	483,589	438,888
Profit for the year	59,007	44,701
Retained profit as at 31 January 2000	<u>542,596</u>	<u>483,589</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the year	59,007	44,701
Opening shareholders' funds	<u>508,589</u>	<u>463,888</u>
Closing shareholders' funds	<u>567,596</u>	<u>508,589</u>

Represented by:-	567,596	508,589
Equity interests	<u> </u>	<u> </u>

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2000	1999
	£	£
Returns on investments and servicing of finance		
Interest paid	<u>(38,360)</u>	<u>(79,382)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(38,360)</u>	<u>(79,382)</u>
Capital expenditure		
Purchase of tangible fixed assets	(93,987)	(105,057)
Receipts from sale of tangible fixed assets	<u>6,152</u>	<u>-</u>
Net cash outflow from capital expenditure	<u>(87,835)</u>	<u>(105,057)</u>
Financing		
New long-term loans	-	6,028
Net cash (outflow) / inflow from financing	<u>-</u>	<u>6,028</u>

HAROLD MCGARRITY AND SONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

19. ANALYSIS OF CHANGES IN NET DEBT

	1999 £	Cash flow £	2000 £
Cash at bank and in hand	1,104	(302)	802
Bank overdraft	(384,392)	(71,174)	(455,566)
		(71,476)	
Debt due within one year	(105,029)	13,769	(91,260)
Debt due after one year	(254,803)	51,709	(203,094)
	(743,120)	(5,998)	(749,118)

20. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

21. CAPITAL COMMITMENTS

There were no commitments for capital expenditure at the balance sheet date.