

FIRST CAR WASH PLC
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2001

Company Registration Number SC128992



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COMPANIES HOUSE 15/05/02

KINNAIRD HILL
Chartered Accountants & Registered Auditors
Anglia House
285 Milton Road
Cambridge
CB4 1XQ

FIRST CAR WASH PLC

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

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FIRST CAR WASH PLC

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

R.F.M. Adair (Chairman)
M.G. Wyatt

Company secretary

R.I. Bishop

Registered office

James Sellars House
144 West George Street
Glasgow
Lanarkshire
G2 2HG

Auditors

Kinnaird Hill
Chartered Accountants
& Registered Auditors
Anglia House
285 Milton Road
Cambridge
CB4 1XQ

FIRST CAR WASH PLC

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2001

The directors present their report and the financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the operation of a car wash facility at Stratford-upon-Avon.

The directors are satisfied with the results for the year and the financial position at the balance sheet date. The directors anticipate that the company's activities will continue for the foreseeable future.

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 not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

R.F.M. Adair (Chairman)
M.G. Wyatt

R.F.M. Adair and M.G. Wyatt have an interest in the company's transactions by virtue of their ownership, either directly or indirectly, of Tradeline Management plc, which is the holding company of First Car Wash plc.

POLICY ON THE PAYMENT OF CREDITORS

The company does not follow any specified code or standard on payment practice. However, it is the company's policy to negotiate terms with its suppliers and to ensure that they are aware of the terms of payment when business is agreed. It is the company's policy to abide by these terms. The number of creditor days at the balance sheet date was 17 (2000 - 7).

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.

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

select suitable accounting policies, as described on pages 7 to 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.

FIRST CAR WASH PLC

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2001

DIRECTORS' RESPONSIBILITIES *(continued)*

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 Kinnaird Hill as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
James Sellars House
144 West George Street
Glasgow
Lanarkshire
G2 2HG

Signed on behalf of the directors

M.G. WYATT
Director



Approved by the directors on**8 MAY 2002**

FIRST CAR WASH PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31ST DECEMBER 2001

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 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 in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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 AUDIT OPINION

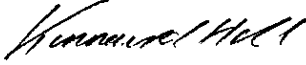
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 31st December 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Anglia House
285 Milton Road
Cambridge
CB4 1XQ


KINNAIRD HILL
Chartered Accountants
& Registered Auditors

8 MAY 2002

FIRST CAR WASH PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2001

	Note	2001 £	2000 £
TURNOVER	2	229,966	215,267
Cost of sales		<u>91,809</u>	<u>97,824</u>
GROSS PROFIT		138,157	117,443
Administrative expenses		<u>90,124</u>	<u>121,877</u>
OPERATING PROFIT/(LOSS)	3	48,033	(4,434)
Interest receivable		159	412
Interest payable	5	<u>(74)</u>	<u>-</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		48,118	(4,022)
Tax on profit/(loss) on ordinary activities	6	<u>(18)</u>	<u>(51)</u>
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		48,100	(4,073)
Balance brought forward		<u>(185,922)</u>	<u>(181,849)</u>
Balance carried forward		<u>(137,822)</u>	<u>(185,922)</u>

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.

The notes on pages 8 to 14 form part of these financial statements.

FIRST CAR WASH PLC

BALANCE SHEET

AS AT 31ST DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	7	<u>54,557</u>	<u>43,280</u>
CURRENT ASSETS			
Stocks	8	1,992	1,413
Debtors	9	166,836	165,276
Cash at bank and in hand		<u>35,236</u>	<u>21,107</u>
		<u>204,064</u>	<u>187,796</u>
CREDITORS: Amounts falling due within one year	10	<u>(44,165)</u>	<u>(70,526)</u>
NET CURRENT ASSETS		<u>159,899</u>	<u>117,270</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>214,456</u>	<u>160,550</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(5,806)</u>	<u>-</u>
		<u>208,650</u>	<u>160,550</u>
CAPITAL AND RESERVES			
Called-up equity share capital	16	186,459	186,459
Share premium account	17	160,013	160,013
Profit and Loss Account		(137,822)	(185,922)
SHAREHOLDERS' FUNDS	18	<u>208,650</u>	<u>160,550</u>

These financial statements were approved by the directors on the**8 MAY 2002**..., and are signed on their behalf by:

Robert Fm Adair

R.F.M. ADAIR
Director

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

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

The directors consider the going concern concept to be appropriate as all liabilities can be met from current cash flows.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement.

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:

Short leasehold land and buildings	- over the lease term
Plant and machinery	- over 10 years
Fixtures and fittings	- between 5 and 10 years
Motor vehicles	- over 5 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES *(continued)*

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.

2. TURNOVER

Turnover comprises amounts receivable net of VAT and arises wholly in the United Kingdom.

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging/(crediting):

	2001	2000
	£	£
Depreciation	7,807	20,666
Auditors' remuneration		
- as auditors	2,450	3,105
Operating lease costs:		
Land and buildings	15,293	51,333
Exceptional item: release of rent provision	(26,971)	-

4. PARTICULARS OF EMPLOYEES

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

	2001	2000
	No.	No.
Number of production staff	3	3
Number of administrative staff	4	4
	<u>7</u>	<u>7</u>

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	71,265	73,445
Social security costs	6,026	6,081
	<u>77,291</u>	<u>79,526</u>

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

5. INTEREST PAYABLE

	2001 £	2000 £
Finance charges	<u>74</u>	<u>-</u>

6. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2001 £	2000 £
Corporation Tax based on the results for the year at 10% (2000 - 10%)	16	51
Adjustment in respect of previous years:		
Corporation Tax	<u>2</u>	<u>-</u>
	<u>18</u>	<u>51</u>

7. TANGIBLE FIXED ASSETS

	Short Leasehold Land and Buildings £	Plant and Machinery £	Fixtures and Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2001	133,265	100,020	51,916	6,995	292,196
Additions	7,526	-	239	11,919	19,684
Disposals	-	-	-	(6,995)	(6,995)
At 31 December 2001	<u>140,791</u>	<u>100,020</u>	<u>52,155</u>	<u>11,919</u>	<u>304,885</u>
DEPRECIATION					
At 1 January 2001	96,180	97,027	50,113	5,596	248,916
Charge for the year	5,462	334	20	1,991	7,807
On disposals	-	-	-	(6,395)	(6,395)
At 31 December 2001	<u>101,642</u>	<u>97,361</u>	<u>50,133</u>	<u>1,192</u>	<u>250,328</u>
NET BOOK VALUE					
At 31 December 2001	<u>39,149</u>	<u>2,659</u>	<u>2,022</u>	<u>10,727</u>	<u>54,557</u>
At 31 December 2000	<u>37,085</u>	<u>2,993</u>	<u>1,803</u>	<u>1,399</u>	<u>43,280</u>

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

7. TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements

Included within the net book value of £54,557 is £10,727 (2000 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £1,192 (2000 - £Nil).

8. STOCKS

	2001	2000
	£	£
Consumables	<u>1,992</u>	<u>1,413</u>

9. DEBTORS

	2001	2000
	£	£
Amounts owed by group company	154,308	156,088
Other debtors	541	534
Prepayments and accrued income	<u>11,987</u>	<u>8,654</u>
	<u>166,836</u>	<u>165,276</u>

10. CREDITORS: Amounts falling due within one year

	2001	2000
	£	£
Trade creditors	4,382	2,068
Other creditors including taxation and social security:		
Corporation Tax	16	51
Other taxation and social security	10,796	9,079
Hire purchase agreements	3,167	-
Other creditors	1,425	2,191
Accruals and deferred income	<u>24,379</u>	<u>57,137</u>
	<u>44,165</u>	<u>70,526</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001	2000
	£	£
Hire purchase: Amounts due within one year	<u>3,167</u>	<u>-</u>

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

	2001	2000
	£	£
Other creditors including:		
Hire purchase agreements	<u>5,806</u>	<u>-</u>

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

11. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001	2000
	£	£
Hire purchase: Amounts due after one year	<u>5,806</u>	<u>-</u>

12. DEFERRED TAXATION

No provision has been made in the accounts and the amounts unprovided at the end of the year are as follows:

	2001	2000
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>-</u>	<u>9,650</u>

13. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2001	2000
	£	£
Amounts payable within 1 year	3,167	-
Amounts payable between 2 and 5 years	<u>5,806</u>	<u>-</u>
	<u>8,973</u>	<u>-</u>

14. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2001 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2001	2000
	£	£
Operating leases which expire:		
After more than 5 years	<u>42,264</u>	<u>40,245</u>

The company is currently 12 years (2000 - 11 years) into a 25 year lease at Stratford-upon-Avon.

15. RELATED PARTY TRANSACTIONS

These financial statements are included in the consolidated accounts of the parent company which are publically available and therefore this entity is exempt from the disclosure of related party transactions with the parent company.

FIRST CAR WASH PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

16. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
999,900 Ordinary shares of £0.50 each	499,950.00	499,950.00
100 'A' shares of £0.50 each	50.00	50.00
	<u>500,000.00</u>	<u>500,000.00</u>

Allotted, called up and fully paid:

	2001		2000	
	No.	£	No.	£
Ordinary shares	372,827.00	186,413.50	372,827.00	186,413.50
'A' shares	90.00	45.00	90.00	45.00
	<u>372,917.00</u>	<u>186,458.50</u>	<u>372,917.00</u>	<u>186,458.50</u>

The 'A' shares rank pari passu with the ordinary shares in respect of voting, dividends and return on capital.

17. SHARE PREMIUM ACCOUNT

	2001 £	2000 £
Balance brought forward and carried forward	<u>160,013</u>	<u>160,013</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit/(Loss) for the financial year	48,116	(4,073)
Opening shareholders' equity funds	<u>160,550</u>	<u>164,623</u>
Closing shareholders' equity funds	<u>208,666</u>	<u>160,550</u>

19. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company is Tradeline Management plc, a company registered in England and Wales.

The ultimate controlling party is the Board of Tradeline Management plc as a whole, being the two directors of this company and R.I. Bishop.