



BANTIO LTD
ABBREVIATED ACCOUNTS

31 DECEMBER 2002



COMPANY REGISTRATION NUMBER 02950433



BANTIO LTD

ABBREVIATED ACCOUNTS

Period from 1 July 2002 to 31 December 2002

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BANTIO LTD

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

L M Prater
Mrs R M Cross
Mr D H Cross
Mrs J Jones
Mr R Jordan

Company secretary

Mrs J Jones

Registered office

Braunton Road
BARNSTAPLE
Devon
EX31 1LQ

Auditors

Glover Stanbury & Co
Chartered Accountants
& Registered Auditors
30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

Bankers

HSBC plc
10 High Street
BARNSTAPLE
Devon
EX31 1BQ

Solicitors

Triggs Read and Dart
103 Boutport Street
BARNSTAPLE
Devon
EX31 1SY

BANTIO LTD

THE DIRECTORS' REPORT *(continued)*

Period from 1 July 2002 to 31 December 2002

The directors present their report and the financial statements of the company for the period from 1 July 2002 to 31 December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year continued to be that of retailing and servicing of motor vehicles.

The shorter six month trading period covered by these accounts is to enable the company trading year to be aligned with our major suppliers and enable us to match our forward planning with the various manufacturer targets.

We have taken the opportunity to update our computer system at the end of the year and the new Dealer Management System will improve control and the management process.

The major changes to the motor trade are being brought about by European legislation and will come in to effect during 2003. We still await full details about how the various manufacturers will interpret the new rules. We will carefully evaluate each aspect of our business in relation to any new requirements and take action that is in the best interest of the company. We are in a good position to react to change with confidence.

RESULTS AND DIVIDENDS

The trading results for the period, and the company's financial position at the end of the period 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 period together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 July 2002
L M Prater and the Alan Prater Trust	90,000	90,000
Mr D H and Mrs R M Cross	90,100	90,100
Mrs J Jones	10,000	10,000
Mr R Jordan	<u>10,000</u>	<u>10,000</u>

BANTIO LTD

THE DIRECTORS' REPORT *(continued)*

Period from 1 July 2002 to 31 December 2002

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 period and of the profit or loss for the period then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 9 to 10, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. 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 Glover Stanbury & Co 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:
Braunton Road
BARNSTAPLE
Devon
EX31 1LQ

Signed by order of the directors



MRS J JONES
Company Secretary

Glover Stanbury Co

CHARTERED ACCOUNTANTS

BANTIO LTD

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 15, together with the financial statements of the company for the period from 1 July 2002 to 31 December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

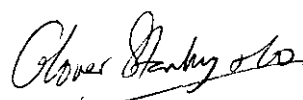
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 15 are properly prepared in accordance with those provisions.

30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

6/8/2003



GLOVER STANBURY & CO
Chartered Accountants
& Registered Auditors

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PARTNERS

Martin J Chance
Steve D Pearce
Brian C Ross
Kevin N Salter

CONSULTANT

H Mike J Glover



INVESTOR IN PEOPLE



Registered to carry on audit
work by The Institute of Chartered
Accountants in England & Wales.

BANTIO LTD**ABBREVIATED PROFIT AND LOSS ACCOUNT**

Period from 1 July 2002 to 31 December 2002

	Note	31 Dec 02 £	Year to 30 Jun 02 £
GROSS PROFIT		514,000	877,487
Distribution Costs		245,708	396,486
Administrative expenses		229,079	422,555
OPERATING PROFIT	2	39,213	58,446
Interest payable and similar charges	5	38,297	67,513
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		916	(9,067)
Tax on profit/(loss) on ordinary activities		-	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		916	(9,067)
Balance brought forward		(35,487)	(26,420)
Balance carried forward		(34,571)	(35,487)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 9 to 15 form part of these abbreviated accounts.

BANTIO LTD**ABBREVIATED BALANCE SHEET****31 December 2002**

	Note	31 Dec 02 £	30 Jun 02 £
FIXED ASSETS			
Tangible assets	6	<u>251,937</u>	<u>187,626</u>
CURRENT ASSETS			
Stocks	7	993,872	1,012,002
Debtors	8	340,367	348,626
Cash in hand		640	685
		<u>1,334,879</u>	<u>1,361,313</u>
CREDITORS: Amounts falling due within one year	9	<u>1,276,725</u>	<u>1,311,064</u>
NET CURRENT ASSETS		<u>58,154</u>	<u>50,249</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>310,091</u>	<u>237,875</u>
CREDITORS: Amounts falling due after more than one year	10	<u>144,562</u>	<u>73,262</u>
		<u>165,529</u>	<u>164,613</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	200,100	200,100
Profit and loss account		(34,571)	(35,487)
SHAREHOLDERS' FUNDS	15	<u>165,529</u>	<u>164,613</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on the 14 April 2003 and are signed on their behalf by:


 MRS R M CROSS


 MR D H CROSS

The notes on pages 9 to 15 form part of these abbreviated accounts.

BANTIO LTD

CASH FLOW STATEMENT (continued)

Period from 1 July 2002 to 31 December 2002

	31 Dec 02 £	Year to 30 Jun 02 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	68,604	275,245
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(14,993)	(31,863)
Interest element of hire purchase	(26,990)	(41,296)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(41,983)	(73,159)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(84,509)	(24,952)
Receipts from sale of fixed assets	500	560
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(84,009)	(24,392)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(57,388)	177,694
FINANCING		
Issue of equity share capital	-	60,000
Oil company loan injection (repayment)	47,000	(11,400)
Repayment of bank loans	(5,000)	(210,828)
Capital element of hire purchase	31,782	(11,744)
Inflow of directors' long-term loans	-	40,000
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	73,782	(133,972)
INCREASE IN CASH	16,394	43,722

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 Dec 02 £	Year to 30 Jun 02 £
Operating profit	39,213	58,446
Interest payable	3,686	5,646
Depreciation	20,098	31,747
(Profit)/Loss on disposal of fixed assets	(400)	990
Decrease/(increase) in stocks	18,130	(317,590)
Decrease in debtors	8,259	361,909
(Decrease)/increase in creditors	(20,382)	134,097
Net cash inflow from operating activities	68,604	275,245

The notes on pages 9 to 15 form part of these financial statements.

BANTIO LTD**CASH FLOW STATEMENT** *(continued)*

Period from 1 July 2002 to 31 December 2002

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	31 Dec 02 £	30 Jun 02 £
Increase in cash in the period	16,394	43,722
Net cash (inflow) from/outflow from debentures	(47,000)	11,400
Net cash outflow from bank loans	5,000	210,828
Cash outflow in respect of hire purchase	(31,782)	11,744
Net cash (inflow) from directors' long-term loans	-	(40,000)
	<u>(57,388)</u>	<u>237,694</u>
Change in net debt	(57,388)	237,694
Net debt at 1 July 2002	(262,785)	(500,479)
Net debt at 31 December 2002	<u>(320,173)</u>	<u>(262,785)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jul 2002 £	Cash flows £	At 31 Dec 2002 £
Net cash:			
Cash in hand and at bank	685	(45)	640
Overdrafts	(140,047)	16,439	(123,608)
	<u>(139,362)</u>	<u>16,394</u>	<u>(122,968)</u>
Debt:			
Debt due within 1 year	(21,400)	(8,100)	(29,500)
Debt due after 1 year	(54,100)	(33,900)	(88,000)
Hire purchase agreements	(47,923)	(31,782)	(79,705)
	<u>(123,423)</u>	<u>(73,782)</u>	<u>(197,205)</u>
Net debt	<u>(262,785)</u>	<u>(57,388)</u>	<u>(320,173)</u>

The notes on pages 9 to 15 form part of these abbreviated accounts.

BANTIO LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Period from 1 July 2002 to 31 December 2002

1. ACCOUNTING POLICIES

Basis of accounting

The abbreviated accounts have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Leasehold Property Improvements	6.25% of Cost
Plant and equipment	15% reducing balance
Fixtures, fittings and equipment	15% reducing balance
Motor Vehicles	33% reducing balance
Computer equipment	25% of cost

Stocks

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

Work in progress

Used cars is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of used cars.

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.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

BANTIO LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Period from 1 July 2002 to 31 December 2002

1. ACCOUNTING POLICIES *(continued)*

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.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	31 Dec 02 £	Year to 30 Jun 02 £
Amortisation	(2,500)	(5,000)
Depreciation of owned fixed assets	9,531	22,372
Depreciation of assets held under hire purchase agreements	10,567	9,375
Loss on disposal of fixed assets	-	990
Profit on disposal of fixed assets	(400)	-
Auditors' remuneration		
- as auditors	5,000	5,000
- for other services	1,425	2,950

BANTIO LTD**NOTES TO THE ABBREVIATED ACCOUNTS**

Period from 1 July 2002 to 31 December 2002

3. PARTICULARS OF EMPLOYEES

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

	31 Dec 02 No	Year to 30 Jun 02 No
Service and productive staff	24	22
Selling	7	6
Administration	3	3
Managerial	4	4
	<u>38</u>	<u>35</u>

The aggregate payroll costs of the above were:

	31 Dec 02 £	Year to 30 Jun 02 £
Wages and salaries	319,144	556,437
Social security costs	27,735	47,822
	<u>346,879</u>	<u>604,259</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	31 Dec 02 £	Year to 30 Jun 02 £
Emoluments receivable	<u>48,887</u>	<u>83,069</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	31 Dec 02 £	Year to 30 Jun 02 £
Interest payable on bank borrowing	4,322	9,312
Finance charges	26,990	41,296
Other similar charges payable	6,985	16,905
	<u>38,297</u>	<u>67,513</u>

BANTIO LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Period from 1 July 2002 to 31 December 2002

6. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Computer equipment £	Total £
COST						
At 1 Jul 2002	104,463	87,678	28,565	209	53,190	274,105
Additions	1,595	13,099	3,145	12,642	54,028	84,509
Disposals	-	-	-	(209)	-	(209)
At 31 Dec 2002	<u>106,058</u>	<u>100,777</u>	<u>31,710</u>	<u>12,642</u>	<u>107,218</u>	<u>358,405</u>
DEPRECIATION						
At 1 Jul 2002	10,829	33,267	11,743	-	30,640	86,479
Charge for the period	3,353	3,971	2,913	1,883	7,978	20,098
On disposals	-	-	-	(109)	-	(109)
At 31 Dec 2002	<u>14,182</u>	<u>37,238</u>	<u>14,656</u>	<u>1,774</u>	<u>38,618</u>	<u>106,468</u>
NET BOOK VALUE						
At 31 Dec 2002	<u>91,876</u>	<u>63,539</u>	<u>17,054</u>	<u>10,868</u>	<u>68,600</u>	<u>251,937</u>
At 30 Jun 2002	<u>93,634</u>	<u>54,411</u>	<u>16,822</u>	<u>209</u>	<u>22,550</u>	<u>187,626</u>

Hire purchase agreements

Included within the net book value of £251,937 is £72,677 (To 30 Jun 02 - £21,189) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the period in respect of such assets amounted to £10,567 (To 30 Jun 02 - £9,375).

7. STOCKS

	31 Dec 02 £	30 Jun 02 £
Demonstrators	428,237	384,218
Used cars	481,466	533,073
Parts and consumables	<u>84,169</u>	<u>94,711</u>
	<u>993,872</u>	<u>1,012,002</u>

BANTIO LTD**NOTES TO THE ABBREVIATED ACCOUNTS**

Period from 1 July 2002 to 31 December 2002

8. DEBTORS

	31 Dec 02 £	30 Jun 02 £
Trade debtors	210,787	201,976
Prepayments and accrued income	129,580	146,650
	<u>340,367</u>	<u>348,626</u>

9. CREDITORS: Amounts falling due within one year

	31 Dec 02 £	30 Jun 02 £
Oil company loan	22,000	11,400
Bank loans and overdrafts	131,108	150,047
Trade creditors	954,571	988,753
Other taxation and social security	85,882	40,699
Hire purchase agreements	23,143	28,761
Factoring advances	25,972	34,696
Other creditors	2,841	535
L Prater Director's Loan Account	-	20,000
D H Cross Director's Loan Account	-	1,000
R Jordan Directors' Loan Account	-	3,000
Accruals and deferred income	31,208	32,173
	<u>1,276,725</u>	<u>1,311,064</u>

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

	31 Dec 02 £	30 Jun 02 £
Bank loans and overdrafts	131,108	150,047
Factoring advances	25,972	34,696
Trade creditors	295,488	192,944
	<u>452,568</u>	<u>377,687</u>

The above are secured by fixed and floating charges on the assets of the company by way of debenture and deed of priority.

BANTIO LTD**NOTES TO THE ABBREVIATED ACCOUNTS**

Period from 1 July 2002 to 31 December 2002

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

	31 Dec 02 £	30 Jun 02 £
Oil company loan	48,000	11,600
Bank loans and overdrafts	-	2,500
Other creditors:		
Hire purchase agreements	56,562	19,162
Directors' loan accounts	40,000	40,000
	<u>144,562</u>	<u>73,262</u>

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

	31 Dec 02 £	30 Jun 02 £
Bank loans and overdrafts	-	2,500

The above is secured by fixed and floating charges on the assets of the company by way of debenture and deed of priority.

11. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	31 Dec 02 £	30 Jun 02 £
Amounts payable within 1 year	23,143	28,761
Amounts payable between 1 and 2 years	56,562	19,162
	<u>79,705</u>	<u>47,923</u>

12. DEFERRED TAXATION

The elements of deferred taxation, which result in a nil balance at the end of the period, together with details of other amounts not provided for, are as follows:

	31 Dec 02 Provided £	Unprovided £	30 Jun 02 Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	8,931	-	8,130	-
Tax losses available	(8,931)	-	(8,130)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BANTIO LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Period from 1 July 2002 to 31 December 2002

13. RELATED PARTY TRANSACTIONS

Bantio Ltd rents its premises from Barum Properties, a partnership in which the directors, Mr D H Cross, Mrs R M Cross and Mr L Prater's children are partners. The rent paid during the period amounted to £32,500 and there were no outstanding liabilities at the year end

Bantio Ltd also paid the Prater Partnership, of which Mr L Prater is a partner, £5,502 for consultancy services.

At the period end Bantio Ltd had outstanding liabilities of £20,000 owing to Mr D H and Mrs R M Cross, £10,000 owing to Mrs J S Jones and £10,000 owing to Mr R T Jordan.

14. SHARE CAPITAL

Authorised share capital:

	31 Dec 02 £	30 Jun 02 £
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid:

	31 Dec 02		30 Jun 02	
	No	£	No	£
Ordinary shares of £1 each	<u>200,100</u>	<u>200,100</u>	<u>200,100</u>	<u>200,100</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Dec 02 £	30 Jun 02 £
Profit/(Loss) for the financial period	916	(9,067)
New equity share capital subscribed	-	60,000
Net addition to funds	<u>916</u>	<u>50,933</u>
Opening shareholders' equity funds	<u>164,613</u>	<u>113,680</u>
Closing shareholders' equity funds	<u>165,529</u>	<u>164,613</u>