Jordan Grand Prix Limited

Directors' report and financial statements

Registered number 2417588

31 December 2003

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

Principal activity

The principal activity of the company is the management and promotion of a Formula One race team and the design, development and manufacture of Formula One race cars.

Business review

The results for the year ended 31 December 2003 are set out on page 6 of the financial statements.

Despite a race victory in Brazil, the 2003 season has been the most difficult season since 1992 for the Jordan Ford team. As anticipated, income levels fell dramatically, and therefore the Jordan Ford team was restricted by resources and was unable to develop the car throughout the season, as they would have liked. The Jordan Ford team finished 9th in the FIA Formula One World Constructors' Championship. However, if the new points scoring system had not been introduced for the 2003 season the Jordan Ford team would have finished a very respectable 5th. Given the presence of six car manufacturer supported or owned teams and one team owned by a tobacco company there is an imbalance in Formula One as these teams do not have to rely upon traditional income sources. Indeed most of those businesses would not ordinarily survive independently, as they are so reliant upon their parent/partner companies for funding and support.

The company has made an operating loss of £587,000 *(2002: loss of £63,000)* in the year despite a significant fall in the income levels of £7.5m. Although the company paid for its engines in 2003, the operating costs have decreased by over £7.0m. This shows the company's ability to respond to the current sponsorship market position. Included within turnover in 2003 is a sum of £15.5m, which was received on termination of a contract, the details of which were agreed in 2002. The directors consider that this amount represents compensation for the additional engine and race related costs that they will incur in the 2003 season. Accordingly the directors believe that this income properly relates to the 2003 accounting year.

Looking to the future, the directors believe that there are reasonable prospects for the 2004, both financially and on the track performance as the company rebuilds the team for the future. The sponsorship market now appears to be more buoyant, and there are many more interested parties than there were 12 months ago. There should be an opportunity to benefit from the discussions relating to a New Concorde Agreement, both in terms of increased income but also reduced costs relative to engine supply, given statements made by MercedesChrysler in early 2003 and indeed the FIA's stated desire for independent teams to have affordable engines. The Jordan Ford EJ14 is proving to be an improved car and gives the Jordan Ford team the opportunity to improve further throughout the year.

The directors will do everything necessary to ensure the future and long-term success of the company, its staff, suppliers and customers.

Proposed dividend and transfer to reserves

The directors paid a dividend of £nil *(2002: £nil)* in the year. The loss for the year transferred to reserves is £659,000 *(2002: profit £5,269,000).*

Directors' report *(continued)*

Employees

Information on the costs and number of employees is provided in note 5 to the financial statements.

The company maintains a policy of regularly providing all employees with information on the company's performance.

It is company policy to consider all applicants for employment in the light of their abilities, skills and medical status to ensure that they may perform their functions without risk to their health or that of others. An employee becoming disabled is, where appropriate, offered retraining.

Directors and directors' interests

The directors who held office during the year and subsequently, were as follows:

EP Jordan
MP Jordan
D Shorthouse
J Schull (Resigned 26th September 2003)

Via a discretionary trust, EP Jordan and MP Jordan have the following beneficial interest in the ordinary shares of group companies as recorded in the register of directors' share and debenture interests:

Company	Shares	Interest at beginning and end of year
Jordan Grand Prix Holdings Limited	Ordinary shares of £1	1,002

Donations

During the year, the company made charitable donations of £35,000 *(2002: £57,000).*

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

EP Jordan
Director

Dadford Road
Silverstone
Northants
NN12 8TJ

Statement of 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;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD
United Kingdom

Report of the independent auditors to the members of Jordan Grand Prix Limited

We have audited the financial statements on pages 6 to 20.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

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.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the uncertainty over the company successfully securing sufficient additional sponsorship and continued bank facilities to enable it to continue in operation. In view of the significance of this uncertainty we consider that it should be drawn to your attention, but our opinion is not further qualified in this respect.

Independent auditor's report to the members of Jordan Grand Prix Limited
(continued)

Adverse opinion

An agreement ("Race Agreement") was entered into on 14 June 2000 between an engine manufacturer and Jordan Grand Prix Limited ("JGP") for the supply of engines for the 2001 to 2005 seasons. Subsequently, in March 2002, the engine manufacturer and JGP agreed that the Race Agreement be terminated ("Termination Agreement"). The engine manufacturer agreed to pay an amount of US$25m (£15.5m) to Black Bear Limited, a company owned by a trust in which Mr EP Jordan and his wife, Mrs M Jordan, have a beneficial interest, to induce JGP to enter into the Termination Agreement.

Black Bear Limited duly received this amount in April 2002 and subsequently its board of directors resolved that this amount be paid to JGP in 2003. This amount has been paid to JGP in the course of 2003 and has been included within turnover in these accounts.

The information described above provides, in our opinion, the information required by Schedule 6 to the Companies Act 1985, and should have been provided by the directors in the financial statements in compliance with that Schedule.

In our opinion, this amount should have been recognised as other operating income in the year ended 31 December 2002 since the company had no future obligations related to the termination payment. Had this treatment been adopted, the effect would have been to reduce turnover by £15.5m *(2002 increase other operating income by £15.5m to £15.5m)* increasing the loss before tax for the year ended 31 December 2003 by the same amount *(2002: changing the loss before tax of £0.2m into a profit of £15.3m)*; the taxation credit for the year would have increased *(2002: decreased)* by £4.6m; and the profit for the financial year of £1.2m would have become a loss of £9.7m *(2002: profit of £5.3m would have increased to £16.2m)*.

We qualified our audit report on the financial statements for the year ended 31 December 2002 with regard to this same disagreement.

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003.

In view of the effect of the failure to disclose the above transaction in these financial statements and the recognition in 2003 rather than 2002 of the income described above, in our opinion the financial statements do not give a true and fair view of the company's loss for the year ended 31 December 2003. In all other respects, in our opinion, the financial statements have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

16 March 2004

KPMG LLP
Chartered Accountants
Registered Auditor

Profit and loss account

for the year ended 31 December 2003

	Note	**2003**	2002
		£000	£000
Turnover	*1,2*	**49,586**	57,115
Cost of sales		**(39,169)**	(44,267)
Gross profit		**10,417**	12,848
Administrative expenses		**(11,004)**	(12,911)
Operating loss		**(587)**	(63)
Interest receivable and similar income	*6*	**271**	114
Interest payable and similar charges	*7*	**(170)**	(288)
Loss on ordinary activities before taxation	*3-5*	**(486)**	(237)
Tax on (loss) on ordinary activities	*8*	**(173)**	5,506
(Loss) profit for the financial year		**(659)**	5,269

The profit and loss account shows all the gains and losses recognised in the current and preceding years.

Balance sheet
At 31 December 2003

	Note	2003		2002	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	*9*		**14,696**		15,593
Current assets					
Stocks	*10*	**2,374**		3,800	
Debtors	*11*	**6,170**		9,749	
		8,544		13,549	
Creditors: amounts falling due within one year	*12*	**(8,881)**		(13,599)	
Net current liabilities			**(337)**		(50)
Total assets less current liabilities			**14,359**		15,543
Creditors: amounts falling due after more than one year	*13*		**(14)**		(613)
Provisions for liabilities and charges	*14*		**(1,111)**		(1,037)
Net assets			**13,234**		13,893
Capital and reserves					
Called up share capital	*15*		**10**		10
Profit and loss account			**13,224**		13,883
Equity shareholders' funds	*17*		**13,234**		13,893

These financial statements were approved by the board of directors on 15 MARCH 2004 and were signed on its behalf by:

EP Jordan
Director

Cash flow statement
for the year ended 31 December 2003

	Note	**2003**	2002
		£000	£000
Net cash (outflow)/inflow from operating activities	*18*	**(1,011)**	3,986
Returns on investments and servicing of finance	*18*	**128**	(291)
Tax received/(paid)		**2,503**	(1,047)
Capital expenditure	*18*	**(643)**	(765)
Financing	*18*	**(140)**	(127)
Increase in cash		**837**	1,756

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

As the company is a wholly owned subsidiary of Jordan Grand Prix Holdings Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Jordan Grand Prix Holdings Limited, within which this company is included, can be obtained from the address given in note 20.

Going concern

The financial statements are prepared on a going concern basis which assumes that the company will continue to operate for the foreseeable future, which the directors believe to be appropriate. The company is dependent for its working capital on a bank overdraft which is repayable on demand. The appropriateness of the going concern basis is dependent upon the company securing sufficient levels of sponsorship to allow it to continue to operate and on the company's bankers continuing to provide facilities in line with existing requirements.

The directors of the company have prepared cash flow information for the group for the period ending 12 months from the date of approval of these financial statements which show that, on the basis that the company secures sufficient additional sponsorship and that the bank continues to support the company, it will be able to continue to trade and to meet its liabilities as they fall due. During 2003 the company operated within its overdraft facility, having achieved sufficient levels of sponsorship income in addition to other income amounting to £15.5m before tax. The bank overdraft facility is due for review in March 2004. £34.1m of sponsorship and sundry income for the 2004 season has been agreed in principle, of which £13.4m has been contracted. Negotiations are continuing with a number of other prospective sponsorship contacts. Preliminary discussions with prospective sponsors for the 2005 season are underway, and the directors are satisfied that these are progressing as far as is usual at this time of the year.

Whilst there can be no certainty in relation to the securing of sufficient additional sponsorship, or of the bank continuing to provide sufficient facilities beyond March 2004, the directors have, at present, no reason to believe that the negotiations currently in progress will result in less than the required level of funding or that the bank will cease to provide adequate facilities, and therefore they consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from this going concern basis of preparation being inappropriate.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	2% per annum
Leasehold land and buildings	-	life of lease
Leasehold Improvements	-	4-20% per annum reducing balance
Plant and equipment	-	10-30% per annum reducing balance
Road vehicles	-	20% per annum reducing balance
Computer equipment	-	4 years

Freehold land is not depreciated.

Notes *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profit represents the contributions payable to the scheme in respect of the accounting year.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Research and development expenditure

Development costs, other than any which are treated as work in progress, are written off against profits in the year in which they are incurred.

Stocks

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

Spares and parts represent components held to complete construction of the race cars for the coming season and to service and maintain the race cars during the season.

Work in progress represents labour costs incurred in the design and build of race cars for the coming season, together with components assembled within finished or partly finished race cars.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover represents the amounts (excluding value added tax) derived from sponsorship and promotional income, prize money and bonus payments. Turnover is included on an invoiced basis apportioned to the relevant race season.

Barter transactions

Where sponsorship is paid for by the provision of goods or services, turnover and costs are recognised in the financial statements where the market value of the goods or services may be readily ascertained. Where a value cannot be readily ascertained, neither turnover nor costs are recognised.

Notes *(continued)*

2 Analysis of turnover and loss on ordinary activities before taxation

Turnover and loss on ordinary activities were derived from the principal activity of the company. All turnover arose in the U.K and relates to continuing activities.

Turnover includes barter transactions amounting to £2.7m *(2002: £2.7m).*

3 Loss on ordinary activities before taxation

	2003	2002
	£000	£000
Loss on ordinary activities before taxation is stated after charging/(crediting)		
Auditors' remuneration:		
Audit	**40**	34
Other services	**268**	112
Depreciation of tangible fixed assets:	**1,540**	1,809
Exchange (gain)/loss	**(155)**	701
Hire of plant and machinery	**225**	146
Hire of plant and machinery - operating lease	**273**	148
Loss on disposal of tangible fixed assets	**-**	2
Research and development expenditure	**10,885**	16,481

4 Remuneration of directors

	2003	2002
	£000	£000
Directors' emoluments		
Salary and benefits	**765**	765
	765	765

The emoluments of the chairman and highest paid director were £690,000 *(2002: £690,000).* No pension contributions were made on behalf of directors *(2002: £nil).*

Retirement benefits are accruing to two directors under a money purchase scheme *(2002: 2).*

Notes *(continued)*

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2003	2002
Production	**72**	81
Design	**62**	70
Race team and testing	**36**	42
Administration	**29**	33
	199	226

The aggregate payroll costs of these persons were as follows:

	2003	2002
	£000	£000
Wages and salaries	**8,455**	9,912
Social security costs	**945**	1,025
Pension costs	**290**	232
	9,690	11,169

6 Interest receivable and similar income

	2003	2002
	£000	£000
Bank interest	**5**	6
Interest due on corporation tax recoverable	**88**	108
Other interest	**178**	-
	271	114

7 Interest payable and similar charges

	2003	2002
	£000	£000
Bank loans and overdrafts	**140**	250
Finance lease charges	**25**	38
Other	**5**	-
	170	288

Notes *(continued)*

8 Taxation

	2003		2002	
	£000	**£000**	£000	£000
Current tax				
UK corporation tax at 30% *(2002: 30%)*	**240**		(2,408)	
Adjustments in respect of previous periods	**-**		(2,850)	
		240		(5,258)
Deferred tax				
Origination and reversal of timing differences	**(67)**		(80)	
Adjustments in respect of previous periods	**-**		(168)	
		(67)		(248)
		173		(5,506)

Factors affecting the tax charge for the current period

The current tax for the period is lower (2002: lower) than the standard rate of corporation tax in the UK of 30% (2002: 30%). The differences are explained below.

	2003	2002
	£000	£000
Current tax reconciliation		
(Loss) on ordinary activities before tax	**(486)**	(237)
Current tax at 30% (2002: 30%)	**(146)**	(71)
Effects of:		
Expenses not deductible for tax purposes	**55**	55
Depreciation in excess of capital allowances	**25**	13
Other short term timing differences	**42**	67
R&D tax credit	**(1,633)**	(2,472)
Reduced tax rate for R&D repayment claim	**1,897**	-
Adjustments to tax charge in respect of previous period	**-**	(2,850)
Total current tax (see above)	**240**	(5,258)

Notes *(continued)*

9 Tangible fixed assets

	Land and buildings £000	Plant, equipment, fixtures and road vehicles £000	Computer equipment £000	Total £000
Cost				
At beginning of year	9,904	9,935	4,459	24,298
Additions	4	62	582	648
Disposals	-	(10)	-	(10)
At end of year	9,908	9,987	5,041	24,936
Depreciation				
At beginning of year	575	5,472	2,658	8,705
Charge for year	149	877	514	1,540
Disposals	-	(5)	-	(5)
At end of year	724	6,344	3,172	10,240
Net book value				
At 31 December 2003	**9,184**	**3,643**	**1,869**	**14,696**
At 31 December 2002	9,329	4,463	1,801	15,593

The costs of land and buildings included £4,142,000 *(2002: £4,138,000)* of depreciable assets. Included in the total net book value of plant, equipment, fixtures and road vehicles is £284,000 *(2002: £355,000)* in respect of assets held under finance leases. Depreciation on these assets amounted to £71,000 *(2002: £89,000)*.

Notes *(continued)*

10 Stocks

	2003	2002
	£000	£000
Spares and parts	**329**	745
Work in progress	**2,045**	3,055
	2,374	3,800

11 Debtors due within one year

	2003	2002
	£000	£000
Trade debtors	**980**	1,172
Other debtors	**1,736**	797
Corporation tax (including interest due)	**2,517**	5,366
Prepayments and accrued income	**937**	2,414
	6,170	9,749

Included within prepayments and accrued income are amounts of £nil *(2002: £447,000)* falling due after more than one year.

Notes *(continued)*

12 Creditors: amounts falling due within one year

	2003		2002	
	£000	**£000**	£000	£000
Bank overdraft		**2,848**		3,685
Trade creditors		**3,519**		6,265
Obligations under finance leases		**152**		140
Other creditors including taxation and social security:				
Other creditors	**420**		125	
Other taxation and social security	**312**		290	
		732		415
Accruals and deferred income		**1,630**		3,094
		8,881		13,599

The bank overdraft is secured by a debenture against the assets of the company.

13 Creditors: amounts falling due after more than one year

	2003	2002
	£000	£000
Obligations under finance leases	**14**	166
Deferred income	**-**	447
	14	613

No finance lease obligations extend past 5 years.

Notes *(continued)*

14 Provisions for liabilities and charges

	Loan guarantee for related party £000	Deferred Taxation £000	Total £000
At beginning of year	625	412	1,037
Credit to the profit and loss for the year	-	(67)	(67)
New provisions	141	-	141
At end of year	766	345	1,111

As guarantor for a loan made to E-Jordan Limited the company has made full provision for the loan and accrued interest as E-Jordan Limited is not currently in a position to be able to repay the loan.

The elements of deferred taxation are as follows:

	2003 £000	2002 £000
Difference between accumulated depreciation and amortisation and capital allowances	**742**	767
Other timing differences	**(397)**	(355)
Deferred tax liability	**345**	412

15 Called up share capital

	2003 £000	2002 £000
Authorised		
Ordinary shares of £1 each	**10**	10
Allotted, called up and fully paid		
Ordinary shares of £1 each	**10**	10

Notes *(continued)*

16 Commitments

a) Annual commitments under non-cancellable operating leases are as follows:

	2003		2002	
	Land and buildings £000	**Other £000**	Land and Buildings £000	Other £000
Operating leases which expire:				
In the second to fifth years inclusive	**-**	**34**	-	62
Over five years	**-**	**-**	-	-
	-	**34**	-	62

b) There are no capital commitments at the year end *(2002: £nil).*

17 Reconciliation of movements in shareholders' funds

	2003 £000	2002 £000
(Loss)/profit for the financial year	**(659)**	5,269
Shareholders' funds at beginning of year	**13,893**	8,624
Shareholders' funds at end of year	**13,234**	13,893

18 Notes to the cash flow statement

i) Reconciliation of operating profit to net cash flow from operating activities

	2003 £000	2002 £000
Operating loss	**(587)**	(63)
Write off of debentures	**-**	29
Depreciation charge	**1,540**	1,809
(Loss)/Profit on disposal of tangible fixed assets	**-**	2
Decrease/(increase) in stocks	**1,426**	2,324
Decrease/(increase) in debtors	**791**	13,539
(Decrease) in creditors	**(4,322)**	(12,860)
(Decrease)/increase in provisions	**141**	(688)
Barter transactions relating to supply of fixed assets	**-**	(106)
Net cash (outflow)/inflow from operating activities	**(1,011)**	3,986

Notes *(continued)*

18 Notes to the cash flow statement *(continued)*

ii) Reconciliation of net cash flow to movement in net debt

	2003	2002
	£000	£000
Increase in cash in the year	**837**	1,756
Cash outflow from financing lease	**140**	127
	977	1,883
Net debt at beginning of year	**(3,991)**	(5,874)
Net debt at end of year	**(3,014)**	(3,991)

iii) Gross cash flows

	2003	2002
	£000	£000
Returns on investments and servicing of finance		
Interest received	**316**	6
Interest paid	**(163)**	(259)
Interest element of finance lease paid	**(25)**	(38)
	128	(291)
Capital expenditure		
Payments to acquire tangible fixed assets	**(648)**	(810)
Sale proceeds of disposals of tangible fixed assets	**5**	45
	(643)	(765)
Financing		
Capital element of finance lease repaid	**(140)**	(127)

iv) Analysis of changes in net debt

	At beginning of year £000	Cash flows £000	Non cash flows £000	**At end of year £000**
Bank overdraft	(3,685)	837	-	**(2,848)**
Finance lease due within one year	(140)	140	(152)	**(152)**
Finance lease due after one year	(166)	-	152	**(14)**
	(3,991)	977	-	**(3,014)**

Notes *(continued)*

19 Related party disclosures

The company's website was operated by E-Jordan Limited until the activities were transferred into Jordan Brand Limited on 1 January 2003. The development of the Jordan Brand is also pursued by Jordan Brand Limited. Both companies have the same shareholders as Jordan Grand Prix Holdings Limited.

The Directors, Mr E Jordan and Mr D Shorthouse, were recharged costs incurred by Jordan Grand Prix Limited on their behalf.

A shareholder of Jordan Grand Prix Holdings Limited, EM Warburg Pincus, was also recharged costs during the year that were incurred by Jordan Grand Prix Limited on its behalf. EM Warburg Pincus ceased to be a shareholders in Jordan Grand Prix Holdings Limited on 26 September 2003.

Transactions during the year and balances at the end of the year with these companies are shown below.

	Sales £000	Purchases £000	Debtor/(creditor) at year end £000	Provisions at year end £000
E-Jordan Limited	-	-	554	554
Jordan Brand Limited	44	1	535	-
Mr E Jordan	67	-	7	-
Mr D Shorthouse	12	-	-	-
EM Warburg Pincus	32	-	-	-

Interest receivable from Black Bear Limited of £83,000 was accrued 31 December 2003. Black Bear Limited is controlled by The Anna Livia No 4 Settlement.

A contingent liability exists in respect of a guarantee of a loan from a shareholder of the group to Jordan Brand Limited. The loan amounts to £625,000 plus accrued interest of £141,000 and is repayable in 2006.

20 Immediate and ultimate parent company

The company is a wholly owned subsidiary undertaking of Jordan Grand Prix Holdings Limited, a private limited company registered in England and Wales. The consolidated accounts of the group headed by Jordan Grand Prix Holdings Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, Wales, CF4 3UZ.

The Anna Livia No. 4 Settlement is the ultimate controlling party. This trust fund is settled in Guernsey.