

Registered in England and Wales
Number 2597360

BMW (UK) TRUSTEES LIMITED
(LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2003



BMW (UK) TRUSTEES LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and accounts for the year ended 31 December 2003.

The Company

The Company is incorporated as a Company limited by guarantee without share capital. Every member of the Company undertakes to contribute a maximum of £1 to the assets in the event of the Company being wound up.

Review of Activities

The Company was engaged throughout the financial year in acting as the Trustee of the BMW (UK) Operations Pension Scheme. In performing its duties as Trustee, the Company neither incurred any expenses nor received any income in the current year or the previous year.

Directors of the Company

The Directors of the Company at 31 December 2003 were:

Mr P E Chantry (Chairman)	Mr T D Haydon	Mr S Partridge
Mr T H Baker	Mr T Jordan	Mr J Richards
Mr G J Barton	Mr D Messenger	Mr P Wagenhaeuser
Mr N P Chalk	Mr C G Mitchell	Mr N C Wharton
Mr A M Eastwood	Mr R S Neville	

All the Directors listed above served throughout the year with the exception of Mr D Messenger and Mr A M Eastwood who were appointed on 23 May 2003 and 21 November 2003 respectively. Mr J L Catney resigned on 23 April 2003 and Mr G D Evans resigned on 31 July 2003. There were no other changes during the year.

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 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; 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. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

BMW (UK) TRUSTEES LIMITED

Auditors

A resolution concerning the reappointment of KPMG LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

K L CRADDOCK

Secretary

Osprey House
PO Box 10277
Albert Street
Redditch
B97 4WA



27 February 2004

BMW (UK) TRUSTEES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BMW (UK) TRUSTEES LIMITED

We have audited the financial statements on pages 5 and 6.

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 were 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 2, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP

Chartered Accountants
Registered Auditor

2 Cornwall Street
Birmingham
B3 2DL

Date:

31/3/04

BMW (UK) TRUSTEES LIMITED

(A Company limited by guarantee and not having share capital)

BALANCE SHEET

	31.12.2003 £	31.12.2002 £
Current Assets		
Debtors		
Amount due from BMW (UK) Holdings Limited	100 —	100 —
Creditors – Amounts falling due within one year		
Amounts due to BMW (UK) Holdings Limited	100 —	100 —
	NIL —	NIL —
Capital and Reserves	NIL —	NIL —

Signed on behalf of the Board



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DIRECTORS

27 February 2004

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

1. Status of Company

The company is incorporated as a company limited by guarantee and does not have a share capital. Every member undertakes to contribute a maximum of £1 to the assets of the company in the event of the company being wound up.

2. Accounting Policies

The Accounts have been prepared in accordance with applicable accounting standards.

3. Profit and Loss Account

During the year and the preceding year, the Company did not trade and received no income and incurred no expenditure. Consequently, during these years the Company made neither a profit nor a loss, and has no recognised gains or losses.

4. Directors remuneration

The Directors received no remuneration in either year for their services to the Company.

There are no employees of the Company (2002: nil).