

JDHT Limited

Annual report and accounts

for the year ended 31 December 2002

Registered Number 2631524



JDHT Limited

Annual report and accounts

for the year ended 31 December 2002

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JDHT Limited

Directors' report for the year ended 31 December 2002

The directors present their report and audited financial statements of the Company for the year ended 31 December 2002.

Directors' responsibilities

In accordance with Company Law the directors have been responsible for the preparation of the financial statements on pages 4 to 13 which give a true and fair view of the Company's affairs at 31 December 2002 and of its result for the year then ended.

In preparing these financial statements they have adopted suitable accounting policies and applied them consistently, have made judgements and estimates that are reasonable and prudent, followed applicable accounting standards and have prepared the financial statements on a going concern basis.

They have ensured that the Company has kept proper accounting records which disclose with reasonable accuracy its financial position at any time and enable it to produce financial statements in compliance with the Companies Act 1985.

They have also ensured the safeguarding of the assets of the Company and have taken reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activities and Review of the Business & Future Developments

The principal activities of the company continue to be the manufacture of keys, the retail of archive material and hire of classic motor vehicles. In addition the sale of Jaguar and Jaguar racing merchandise has been included from this year onwards.

The directors consider the results to be satisfactory and expect similar results for the forthcoming year.

Results

The retained profit for the year was nil (2001: £Nil). A covenant of £253,310 (2001: £60,959) was paid to the Jaguar Daimler Heritage Trust in the year.

Dividends

No dividends were paid in 2002 (2001: £Nil) and no dividend is proposed in respect of the 2002 financial year.

Directors

The board of directors at 31 December 2002 were as follows:-

C N Cook
S G Dyble
R J Fernyhough
J R Maries
P O Skilliter

The following changes have occurred since the year end:

Mr. R.J. Fernyhough resigned as a Director on 28th May 2003 and Mr. L.A. Watters was appointed as a Director on 28th May 2003.

JDHT Limited

Directors' report for the year ended 31 December 2002 continued

Directors' interests

The directors have no notifiable interests in the share capital of JDHT Limited.

Auditors

On 1 January 2003 PricewaterhouseCoopers converted to a limited liability partnership (LLP) by transferring substantially all their assets to a new entity, PricewaterhouseCoopers LLP. The PricewaterhouseCoopers partnership resigned as auditors on 31 January 2003 and the new firm PricewaterhouseCoopers LLP were appointed to fill the casual vacancy.

In accordance with Section 379a of the Companies Act 1985 (as amended by the Companies Act 1989) the Company has elected to dispense with laying accounts before the general meeting, holding annual general meetings and the annual appointment of auditors. With such an election in force the Company's auditors shall be deemed to be re-appointed for each succeeding financial year in accordance with Section 386 of the Act.

By order of the board



S L Pearson
Company Secretary

20th October 2003

JDHT Limited

Independent auditors' report to the members of JDHT Limited

We have audited the financial statements which comprise profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

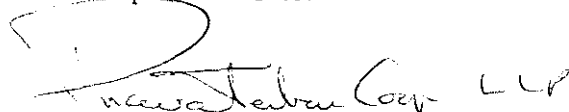
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements

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 and the auditable part of the directors' remuneration report 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 at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
20th October 2003

JDHT Limited

Profit and loss account for the year ended 31 December 2002

	Notes	2002 £	2001 £
Turnover	1	1,002,118	303,597
Cost of sales		(450,944)	(94,939)
Gross profit		551,174	208,658
Administrative expenses		(574,773)	(277,114)
Other operating income	2	274,879	125,865
Operating profit	3	251,280	57,409
Interest Receivable	5	2,030	3,550
Profit on ordinary activities before covenant		253,310	60,959
Gross Covenant		(253,310)	(60,959)
Profit on ordinary activities before and after taxation	11	-	-

The results above derive from continuing operations.

The company has no recognised gains or losses other than the profit for the year.

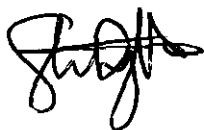
There is no difference between the reported profit on ordinary activities before taxation and profit for the financial year and the historical cost profit on ordinary activities before taxation and the historical profit for the financial year.

JDHT Limited

Balance sheet as at 31 December 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	6	60,660	23,824
Current assets			
Stock	7	29,952	-
Debtors	8	232,306	72,056
Cash at bank and in hand		336,003	133,514
		<hr/> 598,261	<hr/> 205,570
Creditors: amounts falling due within one year	9	<hr/> (658,821)	<hr/> (229,294)
Net current (liabilities)		<hr/> (60,560)	<hr/> (23,724)
Net Assets		<hr/> 100	<hr/> 100
Capital and reserves			
Share capital	10	100	100
Profit and loss account	11	-	-
Equity shareholders' Funds	12	<hr/> 100	<hr/> 100

The accounts on pages 4 to 13 were approved by the board of directors on 20th October 2003 and were signed on its behalf by:



S G Dyble
Director

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

1 Principal Accounting policies

The accounts have been prepared under the historical cost convention and have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is summarised below.

FRS 18 - Accounting Policies

During 2001, the Company adopted Financial Reporting Standard No. 18 ("FRS 18") Accounting Policies, which required a full review of the Company's accounting policies and estimation techniques (the latter being methods by which accounting policies are implemented). This review was conducted in accordance with FRS 18, which requires that where a choice of treatment is available, the "most appropriate" accounting policies and estimation techniques shall be used. Implementation of the FRS has not resulted in any material changes to accounting policies and estimation techniques.

Going concern

The directors have a reasonable expectation that the Company has the adequate resources within its position in the Group to continue in operational existence for the foreseeable future. For this reason they adopt the going concern basis in preparing the accounts.

Turnover

Turnover represents retail sales of archive material, Jaguar and Jaguar Racing merchandising, key manufacture and car hire made directly to dealers and distributors and excludes VAT, car tax and other sales taxes.

Tangible fixed assets

Depreciation of the cost of tangible fixed assets is provided at the following annual rates on a straight-line basis to write off the net assets over their estimated useful lives from the date they are brought into use, on a straight line basis over the following number of years:-

Plant and machinery	12
Computer equipment	8
Office machinery	13

Pensions

The Company operates a defined benefit pension scheme which is contracted out of the state scheme. The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary review the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the Company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of the members of the scheme.

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

1 Principal Accounting policies (continued)

Stocks

Stocks represent the balance of goods, which are sold in the normal course of operations and are stated at the lower of cost and net realisable value.

Related party transactions

The Company has taken advantage of the exemption under Financial Reporting Standard 8 – Related Party Disclosures (FRS8) not to disclose related party transactions between wholly owned Group undertakings.

Taxation

In December 2000, the Accounting Standards Board issued FRS 19 "Deferred Tax". The Company has adopted FRS 19 in the financial statements. The adoption of this new accounting standard represents a change in accounting policy but due to the Company giving all profits to Jaguar Daimler Heritage Trust every year by way of a covenant there is no tax charge in the year or any deferred tax assets to be recognised therefore no adjustment to comparatives either.

2 Other Operating Income

Other operating income represents:

	2002 £	2001 £
Royalties received	-	5,000
Other receipts	274,879	120,865
	<u>274,879</u>	<u>125,865</u>

3 Operating profit

	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation of Tangible Fixed Assets	<u>4,929</u>	<u>2,929</u>

The audit fee is estimated to be £5,000 and is included in the total audit fee payable by Jaguar Cars Limited.

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

4 Employees

Number of employees during the year was 6 (2001: 6).

	2002	2001
	£	£
Wages and Salaries	225,597	205,506
Social Security Costs	19,605	20,511
Other Pension Costs	23,987	16,144
	<u>269,189</u>	<u>242,161</u>

No directors received any emoluments in respect of their services to the company (2001: Nil).

5 Interest Receivable

	2002	2001
	£	£
Bank Interest Received	2,030	3,550
	<u>2,030</u>	<u>3,550</u>

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

6 Tangible assets

	Plant and Machinery	Computers & Office	Total
	£	£	£
Cost			
At 1 January 2002	24,001	15,358	39,359
Additions	16,300	25,465	41,765
At 31 December 2002	40,301	40,823	81,124
Depreciation			
At 1 January 2002	10,138	5,397	15,535
Charge for the year	3,121	1,808	4,929
At 31 December 2002	13,259	7,205	20,464
Net book value			
At 31 December 2002	27,042	33,618	60,660
At 1 January 2002	13,863	9,961	23,824

7 Stock

	2002	2001
	£	£
Finished Goods	29,952	-
	29,952	-

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

8 Debtors

	2002 £	2001 £
Trade debtors	146,199	49,856
Other debtors	6,041	200
Amounts owed by group companies	77,131	22,000
Prepayments	2,935	-
	<u>232,306</u>	<u>72,056</u>

9 Creditors

	2002 £	2001 £
Amounts falling due within one year:		
Trade creditors	230,583	3,054
Amounts owed to Group Companies	408,454	226,240
Accruals	19,784	-
	<u>658,821</u>	<u>229,294</u>

10 Share capital

	2002 £	2001 £
Authorised, issued and called-up, 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

11 Profit and loss account

	£
At 1 January 2002	-
At 31 December 2002	<u>-</u>

12 Reconciliation of movement in shareholders funds

	2002 £	2001 £
Opening shareholders funds	100	100
Profit for the financial year	253,510	60,959
Less covenant	(253,510)	(60,959)
Closing shareholders funds	<u>100</u>	<u>100</u>

13 Contingent liabilities

As a result of group registration for VAT purposes, the company is contingently liable for VAT liabilities arising in other companies in the Jaguar Group.

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

14 Pensions

JDHT Limited participates in the contracted-out externally funded defined benefit group pension arrangements of Jaguar Limited, the Jaguar Pension Plan and the Jaguar Executive Pension Plan ("the plans"). The assets of the plans are held in a trust and kept separately from those of the Company.

The pension cost is assessed over the Jaguar Group as a whole and is charged to the profit and loss account so as to spread the cost of the pension over employees' working lives with the Company. The pension charge for the year was £ 23,987 (2001: £16,144).

The costs of the plans are assessed in accordance with the advice of the consulting actuaries to the plan, Hewitt Bacon & Woodrow, using the Projected Unit Method. The latest actuarial assessment of the Jaguar Pension Plans was at 5 April 2002, which assumed a 7% per annum rate of return on investments before retirement and a 5.5% per annum rate of return on investments after retirement, a 4.3% per annum rate of increase in pensionable earnings, a 2.7% per annum rate of increase in pensions in payment in excess of Guaranteed Minimum Pensions (GMPs), and a 2.8% per annum rate of increase in pensions in deferment in excess of GMPs, and 0% and 2.1% per annum rates of increase in payment on GMPs accrued before and after April 1988 respectively, and GMP increases in deferment at fixed rates (currently 4.5% per annum for members leaving after 5 April 2002).

At the date of the last actuarial assessment of the Plans, the market value of the assets was £734 million and the actuarial value of the assets was equivalent to 92% of the actuarial value of the past service liabilities. This deficit has arisen primarily from investment returns being lower than assumed and salary growth being higher than expected.

The figures incorporated within the accounts of Jaguar Cars Limited are under SSAP 24 but in addition an actuarial valuation was carried out as at 31 December 2002 for FRS 17 disclosure purposes. With regard to the group defined benefit scheme it is not possible to determine the Trust's share of the underlying assets and liabilities. The Jaguar group schemes have a total deficit of £373m. The schemes are fully disclosed in the accounts of Jaguar Cars Limited.

15 Cash flow statement

JDHT Ltd qualifies as a small entity and as a consequence, it is exempt from the requirement to publish a cash flow statement under Financial Reporting Standard 1 (revised) 'Cash Flow Statements'.

16 Related Party Transactions

Transactions which are disclosable as are with a Charity are as follows:

The company made a gift by means of deed of covenant of £253,310 (2001: £60,959) to Jaguar Daimler Heritage Trust (the "Trust") during the year and owed the Trust £253,310 (2001: £60,959) at the year end.

JDHT Limited

Notes to the financial statements for the year ended 31 December 2002

17 Ultimate Parent Company

According to the register kept by the Company, Jaguar Daimler Heritage Trust, a company and charity registered in England and Wales, has a 100% interest in the equity capital of JDHT Limited at 31 December 2002. The smallest group to consolidate these financial statements is Jaguar Daimler Heritage Trust. Copies of the financial statements of Jaguar Daimler Heritage Trust may be obtained from Companies House.