

A A Clark Limited
REPORT AND FINANCIAL STATEMENTS

31 December 2003



A A Clark Limited

DIRECTORS AND OFFICERS

DIRECTORS

P Newton
RJ Clark
GI Nicholson
DA Grayson FCA
TW Kirby
P Fagg
PA Smith FCCA

SECRETARY

DA Grayson

REGISTERED OFFICE

17/19 Alma Road
Windsor
Berkshire

AUDITORS

Baker Tilly
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

A A Clark Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of A A Clark Limited for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were those of garage proprietors, motor car distributors and motor car hirers.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Turnover has increased but the company made a small loss in the year.

At 31 December 2003 the company was holding significant stocks in order to fulfil a contract in early January 2004.

The directors intend to continue to pursue established policies and anticipate a return to profitability in future years.

DIVIDENDS

The directors do not recommend the payment of a dividend.

MARKET VALUE OF LAND AND BUILDINGS

The directors consider that the existing use market values of the company's interests in land and buildings are not less than their net book values included in the financial statements.

DIRECTORS

The directors of the company at 31 December 2003 were as follows:

P Newton
RJ Clark
GI Nicholson
DA Grayson FCA
TW Kirby
P Fagg
PA Smith FCCA
AC Owen (resigned 31 December 2003)

No director had any interest in the shares of the company.

P Newton, RJ Clark, GI Nicholson, DA Grayson and PA Smith are directors of the ultimate parent company, Aureole Windsor Limited, and their interests in the shares of that company are disclosed in that company's financial statements.

ENVIRONMENTAL POLICY

It is the policy of the company that, in its operation, due regard and care be taken of the effects on the environment of its working processes, practices and procedures.

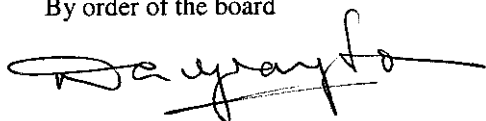
A A Clark Limited

DIRECTORS' REPORT

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'DA Grayson', written over a horizontal line.

DA Grayson
Secretary

7 May 2004

A A Clark Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- d. 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 requirements of the Companies Act 1985. They 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AA CLARK LIMITED

We have audited the financial statements on pages 5 to 21.

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 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 members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

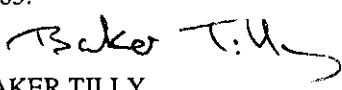
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

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 at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BAKER TILLY

Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

7 May 2004

A A Clark Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2003

	<i>Notes</i>	2003 £	2002 £
TURNOVER	1	26,039,923	23,312,495
Cost of sales	2	(22,869,512)	(20,209,002)
Gross profit		<u>3,170,411</u>	<u>3,103,493</u>
Distribution costs		(450,306)	(370,278)
Administrative expenses	3	(3,079,465)	(2,987,207)
		<u>(359,360)</u>	<u>(253,992)</u>
Other operating income	4	446,615	460,150
OPERATING PROFIT		<u>87,255</u>	<u>206,158</u>
Income from fixed asset investments		-	300,000
Interest receivable		20,000	-
Interest payable	5	(158,577)	(139,587)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(51,322)</u>	<u>366,571</u>
Tax on (loss)/profit on ordinary activities	7	4,600	(15,392)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(46,722)</u>	<u>351,179</u>
Dividends	8	-	(300,000)
(LOSS)/RETAINED PROFIT FOR THE YEAR	20	<u>(46,722)</u>	<u>51,179</u>

The operating profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

A A Clark Limited

BALANCE SHEET

31 December 2003

	Notes	2003 £	2002 £
TANGIBLE FIXED ASSETS			
Vehicles on short term hire	9	744,799	525,608
Other tangible assets	10	3,192,651	2,993,848
Investments	11	3,000,000	3,000,000
		<u>6,937,450</u>	<u>6,519,456</u>
CURRENT ASSETS			
Stocks	12	4,924,897	1,603,376
Debtors - amounts due within one year	13	2,357,504	1,798,092
Debtors - amounts due after more than one year	13	2,718,921	2,718,921
Cash at bank and in hand		8,705	13,276
		<u>10,010,027</u>	<u>6,133,665</u>
CREDITORS: Amounts falling due within one year	14	(9,242,299)	(4,911,655)
NET CURRENT ASSETS		<u>767,728</u>	<u>1,222,010</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,705,178	7,741,466
CREDITORS: Amounts falling due after more than one year	15	(2,274,937)	(2,274,503)
PROVISIONS FOR LIABILITIES AND CHARGES	16	(65,000)	(55,000)
		<u>5,365,241</u>	<u>5,411,963</u>
CAPITAL AND RESERVES			
Called up share capital	17	3,003,550	3,003,550
Revaluation reserve	18	1,536,736	1,536,736
Profit and loss account	19	824,955	871,677
SHAREHOLDERS' FUNDS (including Non-Equity interests)	20	<u>5,365,241</u>	<u>5,411,963</u>

Approved by the board on 7 May 2004



P Newton - Director

A A Clark Limited

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

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

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold and leasehold properties.

VEHICLES ON SHORT TERM HIRE

Vehicles held for hire are included in the balance sheet as tangible fixed assets at cost less accumulated depreciation.

Depreciation on vehicles held for hire is provided on a straight line basis over an average of 2 years.

OTHER TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:-

Freehold buildings	over 50 years
Leasehold properties	over the remaining terms of the lease
Plant and machinery	20% reducing balance
Motor vehicles	on a straight line basis over an average of 2 years.

Certain of the company's freehold land and buildings were revalued either by the directors in 1992 or by professional consultants in 1986. In accordance with the transitional provisions set out in Financial Reporting Standard No. 15 these valuations have been left unchanged in the balance sheet as at 31 December 2003.

In accordance with Statement of Standard Accounting Practice No. 19 investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investment properties. This treatment may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

INVESTMENTS

Fixed asset investments are stated at cost, less any provision for diminution in value.

STOCKS

Stocks are valued on a first in, first out basis at the lower of cost and net realisable value.

Cost includes all expenditure incurred in the normal course of business in bringing stocks to their present location and condition.

Net realisable value is based on the estimated selling price less further costs expected to be incurred up to subsequent disposal.

HIRE PURCHASE OBLIGATIONS

Assets held under hire purchase agreements and the related obligations are recorded in the balance sheet at the fair value of the assets at the inception of the agreements. The excess of the payments over the recorded obligations are treated as finance charges. The finance charges are allocated to accounting periods to give a constant rate of charge on the remaining balance of the obligation.

A A Clark Limited

ACCOUNTING POLICIES

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

PENSIONS CONTRIBUTIONS

The company participates in two defined contribution pension schemes operated on a group basis covering the majority of the permanent employees. Pension costs charged against profits represent amounts payable to the scheme in respect of the year.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

1 TURNOVER

All turnover of the company during the year covered by these financial statements was made in the United Kingdom.

The turnover derives from the same class of business which is more particularly described in the directors' report.

	2003 £	2002 £
2 COST OF SALES		
Cost of sales includes:-		
Depreciation - own assets	196,944	144,994
- assets held under hire purchase contracts	45,250	41,245
Loss/(profit) on sale of fixed assets and hire vehicles	1,163	(4,505)

	2003 £	2002 £
3 ADMINISTRATIVE EXPENSES		
Administrative expenses include:-		
Depreciation - own assets	109,035	93,090
- assets held under hire purchase contracts	45,565	43,250
Profit on sale of fixed assets and hire vehicles	(4,458)	(3,299)
Auditors' remuneration	16,800	20,800
Rentals under operating leases	156,157	147,697

	2003 £	2002 £
4 OTHER OPERATING INCOME		
Management fees receivable	370,800	365,200
Rent receivable	55,550	52,950

	2003 £	2002 £
5 INTEREST PAYABLE		
Interest payable comprises:		
Interest on bank loans and overdrafts	23,688	20,941
Finance charges on hire purchase obligations	53,868	42,557
Interest on other loans	81,021	76,089

A A Clark Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2003

6	EMPLOYEES	2003 No.	2002 No.
	The average monthly number of persons (including directors) employed by the company during the year was:		
	Office and management	39	40
	Sales	7	7
	Other	74	77
		<u>120</u>	<u>124</u>
		2003 £	2002 £
	Staff costs for the above persons:		
	Wages and salaries	2,627,571	2,582,777
	Social security costs	257,881	239,191
	Other pension costs	127,589	127,368
		<u>3,013,041</u>	<u>2,949,336</u>
		2003 £	2002 £
	Directors' emoluments		
	Remuneration	435,891	436,332
	Amounts paid to money purchase pension schemes	31,580	34,646
	Compensation for loss of office	10,850	-
		<u>478,321</u>	<u>470,978</u>
		Number	Number
	The number of directors to whom retirement benefits are accruing in respect of qualifying services to the company is	<u>7</u>	<u>8</u>
	Emoluments in respect of the highest paid director amounted to:	2003 £	2002 £
	Remuneration	133,500	132,600
	Contributions to money purchase pension schemes	10,680	10,608
		<u>144,180</u>	<u>143,208</u>

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

7	TAXATION	2003 £	2002 £
	Current tax:		
	UK corporation tax (credit)/charge on profits of the period	(14,555)	14,600
	Adjustment in respect of previous periods	(45)	(208)
	Total current tax	(14,600)	14,392
	Deferred taxation:		
	Origination and reversal of timing differences	10,000	1,000
	Tax on profit on ordinary activities	(4,600)	15,392
	Factors affecting tax charge for period:	2003 £000	2002 £000
	The tax charge for the year differs from a charge based on the standard rate of corporation tax in the UK (30%). The differences are explained below:		
	(Loss)/profit on ordinary activities before tax	(51)	367
	(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(15)	110
	Effects of:		
	Expenses not deductible/(income not taxable) for tax purposes	3	(88)
	Capital allowances for the period (in excess of)/less than depreciation	(17)	1
	Marginal small companies rate relief	7	(8)
	Unrelieved losses carried forward	7	-
	Current tax (credit)/charge for period	(15)	15
	Factors that may affect future tax charges:		
	No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would only become payable if the property were sold without it being possible to claim rollover relief. The total amount unprovided is £45,000 (2002: £46,000). At present it is not envisaged that any tax will become payable in the foreseeable future.		

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

		2003	2002
		£	£
8	DIVIDENDS		
	Paid	-	300,000
9	VEHICLES ON SHORT TERM HIRE		£
	Cost		
	1 January 2003		582,933
	Additions		1,680,005
	Disposals		(1,463,984)
	31 December 2003		798,954
	Depreciation		
	1 January 2003		57,325
	Charge for the year		181,095
	Disposals		(184,265)
	31 December 2003		54,155
	Net book value		
	31 December 2003		744,799
	31 December 2002		525,608

The net book value of vehicles held for hire includes £592,146 (2002 : £492,136) in respect of assets held under hire purchase contracts.

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

10	TANGIBLE FIXED ASSETS	<i>Investment properties</i> £	<i>Land and buildings</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
	Cost or valuation					
	1 January 2003	210,212	2,377,877	708,152	387,070	3,683,311
	Additions	-	-	41,475	1,176,546	1,218,021
	Disposals	-	-	-	(980,069)	(980,069)
	31 December 2003	210,212	2,377,877	749,627	583,547	3,921,263
	Depreciation					
	1 January 2003	-	78,015	534,148	77,300	689,463
	Charged in the year	-	18,003	43,096	154,600	215,699
	Disposals	-	-	-	(176,550)	(176,550)
	31 December 2003	-	96,018	577,244	55,350	728,612
	Net book value					
	31 December 2003	210,212	2,281,859	172,383	528,197	3,192,651
	31 December 2002	210,212	2,299,862	174,004	309,770	2,993,848

The net book value of the company's fixed assets includes £472,690 (2002 : £248,884) in respect of assets held under hire purchase contracts.

Included in land and buildings is land valued at £1,838,000 (2002 : £1,838,000) which is not depreciated.

Cost or valuation at 31 December 2003 is represented by:

	<i>Investment properties</i> £	<i>Land and buildings</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Valuation in 2003	210,212	-	-	-	210,212
Valuation in 1992	-	1,250,000	-	-	1,250,000
Valuation in 1986	-	525,000	-	-	525,000
Cost	-	602,877	749,627	583,547	1,936,051
	210,212	2,377,877	749,627	583,547	3,921,263

The company's investment properties were revalued at open market values at 31 December 2003 by the directors.

Certain of the company's land and buildings were revalued at their open market values at 31 December 1992 by the directors.

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

10 TANGIBLE FIXED ASSETS (*continued*)

Investment properties and land and buildings at net book value comprise:-

	Investment Properties		Land and Buildings	
	2003	2002	2003	2002
	£	£	£	£
Freehold	-	-	2,113,813	2,119,813
Long leasehold	210,212	210,212	168,046	180,049
	<u>210,212</u>	<u>210,212</u>	<u>2,281,859</u>	<u>2,299,862</u>

For investment properties and land and buildings at valuation:

	Investment Properties 2003 £	Land and Buildings 2003 £
Historical cost:		
1 January 2003	210,212	841,141
Additions	-	-
31 December 2003	<u>210,212</u>	<u>841,141</u>
Depreciation based on cost:		
1 January 2003	-	78,015
Charged in the year	-	18,003
31 December 2003	<u>-</u>	<u>96,018</u>
Net historical cost book value:		
31 December 2003	<u>210,212</u>	<u>745,123</u>
31 December 2002	<u>210,212</u>	<u>763,126</u>

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

11	INVESTMENTS	<i>Subsidiary undertakings £</i>
	Cost	
	1 January 2003 and 31 December 2003	3,000,000
	Provision for diminution in value	
	1 January 2003 and 31 December 2003	-
	Net book value	
	31 December 2003	3,000,000
	31 December 2002	3,000,000

The company holds 100% of the equity of Windsor Vehicle Leasing Limited, a company registered in England and Wales whose activities are those of motor vehicle lessors.

The company is exempt from the requirement to prepare group accounts since its immediate parent, Aureole Windsor Limited, is incorporated in Great Britain and registered in England and Wales.

12	STOCKS	2003 £	2002 £
	Finished goods and goods for resale	4,924,897	1,418,426
	Motability repurchase commitment vehicles	-	184,950
		<u>4,924,897</u>	<u>1,603,376</u>

The replacement value of stocks is not materially greater than the balance sheet value.

Where vehicles on consignment are deemed in substance to be assets of the company they have been included in stocks. The company has included £Nil (2002 : £69,002) of consignment stock in finished goods and a corresponding amount in trade creditors.

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

		2003 £	2002 £
13	DEBTORS		
	Due within one year:		
	Trade debtors	1,464,362	1,476,243
	Other debtors	661,742	121,161
	Prepayments	231,400	200,688
		<u>2,357,504</u>	<u>1,798,092</u>
	Due after more than one year		
	Amounts owed by group undertakings	2,718,921	2,718,921
		<u>5,076,425</u>	<u>4,517,013</u>
14	CREDITORS: Amounts falling due within one year	2003 £	2002 £
	Bank loans and overdrafts	1,302,520	1,420,419
	Trade creditors	5,976,076	2,167,596
	Motability repurchase commitments	-	50,650
	Corporation tax	-	14,600
	Other taxation and social security costs	78,449	75,356
	Hire purchase loans	1,733,791	999,388
	Accruals	151,463	183,646
		<u>9,242,299</u>	<u>4,911,655</u>

Bank loans and overdrafts included above are secured by a fixed and floating charge over the company's assets.

Trade creditors include £Nil (2002 : £69,002) in respect of vehicles on consignment that are deemed in substance to be assets of the company.

Hire purchase loans are secured on certain motor vehicles.

		2003 £	2002 £
15	CREDITORS: Amounts falling due after more than one year		
	Bank loans	587,499	737,499
	Other loans	657,605	657,605
	Amounts owed to group undertakings	1,029,833	745,099
	Motability repurchase commitments	-	134,300
		<u>2,274,937</u>	<u>2,274,503</u>

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

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

Bank loans included above are secured by way of a fixed charge over the company's properties and bear interest at 1.5% above bank base rates and are repayable by monthly instalments over a five year period to March 2006.

Other loans amounting to £414,000 (2002: £414,000) are secured by a charge over the company's freehold property. These loans bear interest at commercial rates and are repayable in full in May 2005.

Other loans amounting to £243,605 (2002: £243,605) are unsecured. These loans bear interest at commercial rates and are repayable on three months notice. The lenders have given undertakings that they will neither seek nor accept repayment of these loans within a period of not less than twelve months from the balance sheet date.

Amounts repayable by instalments are as follows:

	2003 £	2002 £
In more than one, but not more than two years	150,000	150,000
In more than two, but not more than five years	437,499	587,499
	<u>587,499</u>	<u>737,499</u>

16 PROVISIONS FOR LIABILITIES AND CHARGES

	2003 £	2002 £
Deferred taxation liability		
Balance at 1 January 2003	55,000	54,000
Transfer to profit and loss account (note 7)	10,000	1,000
Balance at 31 December 2003	<u>65,000</u>	<u>55,000</u>

Provisions for deferred tax have been made as follows:

	2003 £	2002 £
Accelerated capital allowances	75,500	60,000
Other timing differences	(3,500)	(5,000)
Unrelieved trading losses	(7,000)	-
Undiscounted deferred tax provision	<u>65,000</u>	<u>55,000</u>

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

		2003 £	2002 £
17	SHARE CAPITAL		
	Authorised:		
	Ordinary shares of £1 each	3,000,050	3,000,050
	Deferred shares of 50p each	3,500	3,500
		<u>3,003,550</u>	<u>3,003,550</u>
	Allotted, issued and fully paid:		
	Ordinary shares of £1 each	3,000,050	3,000,050
	Deferred shares of 50p each	3,500	3,500
		<u>3,003,550</u>	<u>3,003,550</u>

In the event of a winding up the ordinary shares have a right to repayment of capital in priority to any repayment of the capital of the deferred shares. The deferred shares have no voting or dividend rights and do not participate in the distribution of any surplus assets on a winding up.

		2003 £	2002 £
18	REVALUATION RESERVE		
	1 January 2003 and 31 December 2003	1,536,736	1,536,736
		<u>1,536,736</u>	<u>1,536,736</u>
19	PROFIT AND LOSS ACCOUNT		
	1 January 2003	871,677	820,498
	(Loss)/profit for the financial year	(46,722)	351,179
	Dividends	-	(300,000)
	31 December 2003	<u>824,955</u>	<u>871,677</u>

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

20	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2003 £	2002 £
	(Loss)/profit for the financial year	(46,722)	351,179
	Dividends	-	(300,000)
		<u>(46,722)</u>	<u>51,179</u>
	Opening shareholders' funds	5,411,963	5,360,784
	Closing shareholders' funds	<u>5,365,241</u>	<u>5,411,963</u>
	Equity interests	5,361,741	5,408,463
	Non-equity interests	3,500	3,500
		<u>5,365,241</u>	<u>5,411,963</u>

21 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003 £	2002 £
Land and buildings expiring after more than five years	103,500	103,500

22 CONTINGENT LIABILITIES

The company is included in group guarantees of the hire purchase loans and vehicle fleet loans of its subsidiary company. At 31 December 2003 the contingent liability in respect of these guarantees was £11,577,816 (2002: £12,371,787).

The company is included in a group registration for VAT purposes with its parent company and fellow subsidiaries. All members of the VAT group are jointly and severally liable for the total amount of VAT due and at 31 December 2003 the contingent liability in respect of this group registration was £Nil (2002: £91,390).

23 DIRECTORS' INTERESTS IN TRANSACTIONS

The company has received a loan of £200,000 from Philip Newton, a director. This loan is unsecured and is repayable on three months' notice although Mr Newton has given an undertaking that he will neither seek nor accept repayment within a period of not less than twelve months from the balance sheet date. Interest payable on the loan during the year ended 31 December 2003 amounted to £19,682 (2002: £11,560).

A A Clark Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

24 RELATED PARTY TRANSACTIONS

Details of the company's ultimate parent company are given in Note 25.

The company has taken advantage of the exemptions from disclosure of transactions with group companies available to subsidiary undertakings under Financial Reporting Standard No. 8.

25 ULTIMATE PARENT COMPANY

The company's ultimate parent company is Aureole Windsor Limited.

Copies of the parent company's financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.