

Registered Number 1123082

RoadChef Motorways Limited
Annual report and financial statements
for the 52 weeks ended 28 September 2003



RoadChef Motorways Limited

Annual report and financial statements for the 52 weeks ended 28 September 2003

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RoadChef Motorways Limited

Directors and advisers

Directors

C Bramall

M Grant

J R Greenwood

Secretary

C Bramall

Registered Office

RoadChef House

Gloucester Green

Barnett Way

Barnwood

Gloucester

GL4 3GG

Auditors

PricewaterhouseCoopers LLP

31 Great George Street

Bristol

BS1 5QD

Bankers

Barclays Bank

Pall Mall

London

SW1A 1QA

RoadChef Motorways Limited

Directors' report for the 52 weeks ended 28 September 2003

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditors' report, for the 52 weeks ended 28 September 2003.

Principal activity and business review

The principal activity of the company is the provision of services to the travelling public.

Results and dividends

A summary of the results is given on page 6. The directors do not recommend payment of a dividend.

Directors and their interests

Details of the directors of the company who served during the period under review and their interests in the share capital of an intermediate parent are as follows:

C Bramall	Appointed 7 June 2004
N D W Broughton	Resigned 10 June 2004
M R Clarke	Resigned 26 June 2003
A L Cooper	Resigned 31 December 2002
M Grant	Appointed 19 April 2004
J R Greenwood	

N D W Broughton and J R Greenwood were also directors of the immediate parent company, RoadChef Limited, at the year end, and their interests are disclosed in the financial statements of that company.

None of the directors hold beneficial interests in the ultimate parent company, MSA Holdings Limited.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee involvement

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on various factors affecting the performance of the RoadChef group.

Charitable and political contributions

During the year the company made charitable donations of £4,000 (2002: £4,000), principally to local charities serving the communities in which the group operates. There were no contributions made to political parties.

RoadChef Motorways Limited

Directors' report for the 52 weeks ended 28 September 2003 (continued)

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:

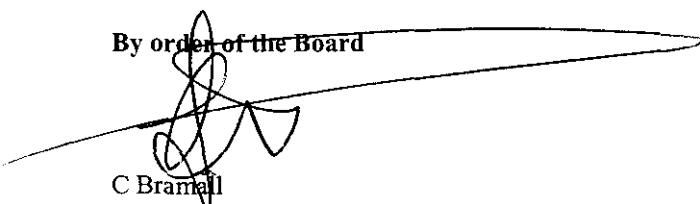
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 enable them to ensure that the financial statements comply with 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.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors, and a resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board



C Bramall
Company Secretary
2 July 2004

RoadChef Motorways Limited

Independent auditors' report to the members of RoadChef Motorways Limited

We have audited the financial statements which comprise the profit and loss account, statement of total recognised gains and losses, the note on historical cost profits and losses, 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 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.

RoadChef Motorways Limited

Independent auditors' report to the members of RoadChef Motorways Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 28 September 2003 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Bristol
2 July 2004

RoadChef Motorways Limited

Profit and loss account for the 52 weeks ended 28 September 2003

	Note	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Turnover		174,062	164,234
Cost of sales		(133,225)	(126,414)
Gross profit		40,837	37,820
Administrative expenses		(32,485)	(30,026)
Operating profit		8,352	7,794
Interest receivable and similar income	1	12,860	13,265
Interest payable and similar charges	2	(10,281)	(10,109)
Profit on ordinary activities before taxation	3	10,931	10,950
Tax on profit on ordinary activities	4	(5,085)	(5,011)
Profit for the financial period	14,15	5,846	5,939

All operations of the company continued throughout the period.

The accompanying notes are an integral part of this profit and loss account.

RoadChef Motorways Limited

Statement of total recognised gains and losses for the 52 weeks ended 28 September 2003

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Profit for the financial period	5,846	5,939
Unrealised surplus on revaluation of freehold and leasehold properties	4,236	-
Total recognised gains for the period	10,082	5,939

The accompanying notes are an integral part of this statement of recognised gains and losses.

RoadChef Motorways Limited

Note of historical cost profits and losses for the 52 weeks ended 28 September 2003

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Reported profit on ordinary activities before taxation	10,931	10,950
Difference between the historical cost depreciation charge and actual depreciation charge for the period	1,128	1,128
Historical cost profit on ordinary activities before taxation	12,059	12,078
Historical cost profit for the financial period retained after taxation	6,974	7,067

The accompanying notes are an integral part of this note of historical cost profits and losses.

RoadChef Motorways Limited

Balance sheet as at 28 September 2003

	Note	28 September 2003 £'000	29 September 2002 £'000
Fixed assets			
Tangible assets	6	181,385	181,058
Investments	7	1	1
		181,386	181,059
Current assets			
Stock	8	3,338	3,834
Debtors - due within one year	9	19,215	20,917
- due after one year	9	153,846	141,183
Cash at bank and in hand		12,349	12,273
Creditors - amounts falling due within one year	10	(48,290)	(42,203)
Net current assets		140,458	136,004
Total assets less current liabilities		321,844	317,063
Creditors - amounts falling due after more than one year	11	(141,993)	(145,089)
Deferred income		(13,068)	(15,273)
Net assets		166,783	156,701
Capital and reserves			
Called up share capital	13	1,045	1,045
Share premium account	14	17	17
Revaluation reserve	14	107,255	104,147
Profit and loss account	14	58,466	51,492
Equity shareholders' funds	15	166,783	156,701

The financial statements on pages 6 to 23 were approved by the board of directors on 2 July 2004 and were signed on its behalf by.


C Bramall
Director

The accompanying notes are an integral part of this balance sheet.

RoadChef Motorways Limited

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of leasehold properties, the accounting policies set out below and in accordance with applicable accounting standards.

Included within the company's net current assets at 28 September 2003 of £140,458,000 (2002: £136,004,000) are amounts of £153,846,000 (2002: £141,183,000) due after more than one year from other group companies. There is no foreseeable date for the repayment of these amounts and consequently the company, after excluding these amounts has net current liabilities of £13,388,000 (2002: £5,179,000). The directors have concluded, having regard to the most recent projections available that the company will have in place sufficient funding to enable it to continue trading and meet its liabilities to third parties as they fall due for the foreseeable future. In reaching this conclusion the foreseeable future has been assessed as a period of not less than one year from the date of approval of these financial statements.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of RoadChef Motorways Holdings Limited which prepares consolidated financial statements that are publicly available.

Turnover

Turnover consists of the amounts receivable from customers in the UK, from the company's continuing activity and after the deduction of Value Added Tax.

Tangible fixed assets

Tangible fixed assets are stated at cost (including capitalised interest) or valuation, net of depreciation and any provision for impairment.

No provision is made for depreciation of freehold land. Freehold and long leasehold buildings are depreciated on a straight line basis over 50 years. Long leasehold land is depreciated over the term of the lease on a straight line basis.

Depreciation of short leasehold properties which have leases of less than 50 years, is calculated on a straight line basis over the remaining term of the lease.

The cost of other tangible fixed assets comprises fixtures, fittings, computer equipment and motor vehicles and is written off over their expected useful lives on a straight line basis as follows:

Fixtures and fittings	5 – 25 years
Computer equipment	3 – 5 years
Motor vehicles	4 years

Assets in the course of construction are not depreciated and are transferred to their appropriate categories once completed.

RoadChef Motorways Limited

Accounting policies (continued)

Revaluation of properties

Individual freehold and leasehold properties are professionally valued every five years and internally valued in the third year following the professional valuation, with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit, which represents a clear consumption of economic benefits, is charged to the profit and loss account regardless of any such previous surplus.

Where depreciation charges are increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal or recognition of a provision for impairment of a revalued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves.

Fixed asset investments

Fixed asset investments are stated at cost or valuation, less provision for impairment.

Interest and financing costs

Interest on loans drawn specifically for new developments, incurred up to the date of practical completion, is capitalised as part of the cost of construction. Financing costs associated with new borrowings are recognised in the profit and loss account over the term of the borrowings at a constant rate on the carrying amount. Finance costs represent the difference between the total amount of the payments that will have to be made in respect of the borrowing instrument and the fair value of the consideration received on the issue of the instrument after deduction of costs that have been incurred and which are directly associated with the issue of that instrument and which would not have arisen had the instrument not been issued.

Stocks

Stocks are stated at the lower of cost and net realisable value. There is no inclusion of overheads in stocks.

Taxation

The charge for ordinary taxation is based on the profits for the period and takes into account full provision for deferred tax, using the approach set out in FRS 19 'Deferred Tax', which requires a liability or asset to be recognised where a transaction has occurred at the balance sheet date that gives rise to an obligation to pay more or less tax in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax assets and liabilities have not been discounted.

RoadChef Motorways Limited

Accounting policies (continued)

Pension costs

The regular cost of providing retirement pensions is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Variations from regular cost, arising from the periodic actuarial valuations, are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. The difference between the charge to the profit and loss account and the contributions payable to the scheme is shown as an asset or a liability in the balance sheet.

The amount charged to the profit and loss account in respect of personal money purchase pension schemes is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Deferred income

Deferred income represents advances received from suppliers in respect of exclusive supply arrangements and is released to the profit and loss account over the period of each agreement.

Leases

Rentals paid under operating leases are charged against income on a straight line basis over each lease term.

Debt

Debt is initially stated at the amount of the net proceeds after the deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period.

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003

1 Interest receivable and similar income

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Bank deposits	197	602
Loans to intermediate parent company	12,663	12,663
	12,860	13,265

2 Interest payable and similar charges

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Bank loans and overdrafts	227	151
Loans from another group company	9,879	9,775
Finance costs of loans from another group company	175	183
	10,281	10,109

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Depreciation	5,944	5,399
Auditors' remuneration - audit services	30	30
Operating lease rentals - plant and equipment	262	271
- land and buildings	1,333	1,440

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

4 Tax on profit on ordinary activities

The charge on the profit for the period consists of:

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Current tax:		
UK corporation tax on profits of the period	5,125	4,962
Adjustment in respect of previous periods	(40)	49
Total current tax	5,085	5,011
Tax on profit on ordinary activities	5,085	5,011

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

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Profit on ordinary activities before tax	10,931	10,950
Profit on ordinary activities at standard rate of 30%	3,279	3,285
Depreciation in excess of capital allowances	1,783	1,619
Non deductible expenditure	63	58
Adjustments in respect of previous periods	(40)	49
Corporation tax charge for the period	5,085	5,011

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

5 Financial commitments

Operating leases

The company had annual commitments under non-cancellable operating leases as follows:

	28 September 2003		29 September 2002	
	Land and buildings	Plant and equipment	Land and buildings	Plant and equipment
	£'000	£'000	£'000	£'000
Expiry date				
Within one year	495	54	442	73
Between two and five years	-	209	-	169
After more than five years	535	-	535	-
	1,030	263	977	242

Security

There are fixed and floating charges over the assets of the company to secure loan notes issued by a fellow subsidiary company amounting to £203,783,000 (2002: £207,054,000).

Capital commitments

Future capital expenditure authorised by the Board as at 28 September 2003 against which contracts had been placed amounted to £Nil (2002: £45,000).

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

6 Tangible fixed assets

	Land and buildings				
	Freehold £'000	Long leasehold £'000	Short leasehold £'000	Other £'000	Total £'000
Cost or valuation					
At 29 September 2002	71,451	27,085	71,286	39,366	209,188
Additions	-	2	-	2,033	2,035
Revaluation	(2,035)	(6,190)	6,826	-	(1,399)
Reallocation between categories	(23)	-	(19)	42	-
Disposals	-	-	-	(18)	(18)
At 28 September 2003	69,393	20,897	78,093	41,423	209,806
Depreciation					
At 29 September 2002	551	340	1,919	25,320	28,130
Charge for the period	563	339	1,923	3,119	5,944
Adjustments on revaluation	(1,114)	(679)	(3,842)	-	(5,635)
Disposals	-	-	-	(18)	(18)
At 28 September 2003	-	-	-	28,421	28,421
Net book amount					
At 28 September 2003	69,393	20,897	78,093	13,002	181,385
At 29 September 2002	70,900	26,745	69,367	14,046	181,058

Freehold land amounting to £42,536,000 (2002: £43,457,000) has not been depreciated.

The cost of long leasehold land and buildings includes capitalised interest of £41,000 (2002: £41,000). The cost of short leasehold land and buildings includes capitalised interest of £772,000 (2002: £772,000).

Certain properties are included within the amounts above on the basis that the company has beneficial interest in them under various trust deeds entered into with subsidiary companies, which hold the legal titles.

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

6 Tangible fixed assets (continued)

The freehold, long leasehold and short leasehold properties were professionally valued by external valuers Drivers Jonas, Chartered Surveyors, as at 28 September 2003, on an open market for existing use basis, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation manual, and are analysed as follows:

	28 September 2003			29 September 2002		
	Freehold £'000	Long leasehold £'000	Short leasehold £'000	Freehold £'000	Long leasehold £'000	Short leasehold £'000
Valuation – 2003	69,394	20,896	78,093	-	-	-
Valuation – 2001	-	-	-	70,547	27,041	71,063
Cost	-	-	-	904	44	223
	69,394	20,896	78,093	71,451	27,085	71,286

If land and buildings had not been revalued they would have been included at the following amounts:

	28 September 2003			29 September 2002		
	Freehold £'000	Long leasehold £'000	Short leasehold £'000	Freehold £'000	Long leasehold £'000	Short leasehold £'000
Cost	20,969	12,328	46,093	20,992	12,326	46,112
Depreciation	(1,150)	(729)	(5,692)	(812)	(525)	(4,537)
Net book amount	19,819	11,599	40,401	20,180	11,801	41,575

7 Fixed asset investments

	Shares in Subsidiary company £'000
Cost	
At 28 September 2003 and at 29 September 2002	1

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

7 Fixed asset investments (continued)

Principal group investments

The company's subsidiaries, which are wholly owned and non-trading, are listed below. All the companies are registered in England and Wales, and the shareholdings are in ordinary shares.

RoadChef (Chester) Limited	RoadChef (Rownhams) Limited
RoadChef (Clacket Lane) Limited	RoadChef (Sandbach) Limited
RoadChef (Durham) Limited	RoadChef (Sedgemoor) Limited
RoadChef (Killington) Limited	RoadChef (Taunton) Limited
RoadChef (Maidstone) Limited	
RoadChef (Pont Abraham) Limited	

8 Stocks

	28 September 2003 £'000	29 September 2002 £'000
Raw materials and consumables	390	308
Goods for resale	2,948	3,526
	3,338	3,834

The replacement value of stock is not materially different than cost.

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

9 Debtors

	28 September 2003 £'000	29 September 2002 £'000
Amounts falling due within one year:		
Trade debtors	4,447	4,187
Corporation tax recoverable	-	929
Amounts owed by group companies	11,736	12,556
Other taxes and social security	1,757	2,263
Other debtors	768	767
Prepayments	507	215
	19,215	20,917
Amounts falling due after more than one year:		
Amounts owed by group companies	153,846	141,183
	173,061	162,100

10 Creditors – amounts falling due within one year

	28 September 2003 £'000	29 September 2002 £'000
Trade creditors	9,367	7,896
Amounts owed to group companies	34,733	29,550
Other creditors	652	1,376
Corporation tax	102	-
Accruals	3,436	3,381
	48,290	42,203

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

11 Creditors – amounts falling due after more than one year

	28 September 2003 £'000	29 September 2002 £'000
Amounts owed to a group company	118,993	122,089
Amounts owed to immediate parent company	23,000	23,000
	141,993	145,089

The amounts owed to a group company are secured over the assets of the company, bear interest at varying interest rates and are repayable in varying amounts between October 2001 and October 2026.

12 Provisions for liabilities and charges

	28 September 2003		29 September 2002	
	Amount provided £'000	Potential £'000	Amount provided £'000	Potential £'000
Deferred taxation:				
Accelerated capital allowances	-	-	-	-
Property revaluations	-	14,200	-	14,103
	-	14,200	-	14,103

13 Called up share capital

	28 September 2003 £'000	29 September 2002 £'000
Authorised		
2,500,000 ordinary shares of £1 each	2,500	2,500
Allotted and fully paid		
1,045,000 ordinary shares of £1 each	1,045	1,045

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

14 Reserves

	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
At 29 September 2002	17	104,147	51,492	155,656
Profit for the financial period	-	-	5,846	5,846
Realisation of revaluation surplus	-	(1,128)	1,128	-
Revaluation surplus	-	4,236	-	4,236
At 28 September 2003	17	107,255	58,466	165,738

15 Reconciliation of movements in shareholders' funds

	28 September 2003 £'000	29 September 2002 £'000
Profit for the financial period	5,846	5,939
Revaluation surplus	4,236	-
Total recognised gains for the financial period	10,082	5,939
Opening shareholders' funds	156,701	150,762
Closing shareholders' funds	166,783	156,701

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

16 Employee costs

The average monthly number of employees (including executive directors) was:

	52 weeks ended 28 September 2003 Number	52 weeks ended 29 September 2002 Number
Operational	1,176	1,080
Management and administration	116	114
	1,292	1,194

Their aggregate payroll costs comprised:

	52 weeks ended 28 September 2003 £'000	52 weeks ended 29 September 2002 £'000
Wages and salaries	13,220	12,623
Social security costs	903	836
Pensions costs	353	381
	14,476	13,840

17 Directors' emoluments

No emoluments were paid to the directors during the period (2002: £nil). Messrs Broughton and Greenwood are directors of RoadChef Limited, a fellow group company and their remuneration, in respect of their services to the group as a whole, is disclosed in the financial statements of that company. No management recharge is made by RoadChef Limited in respect of their services to the company.

Mr M R Clarke received no emoluments for his services to the company.

RoadChef Motorways Limited

Notes to the financial statements for the 52 weeks ended 28 September 2003 (continued)

18 Cashflow statement and related party disclosures

The company is a wholly owned subsidiary of MSA Acquisitions Co Limited and is included in the consolidated financial statements of MSA Acquisitions Co Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the group or investees of MSA Acquisitions Co Limited group.

19 Pension scheme

With respect to the defined benefit scheme, contributions are based upon pension costs across the RoadChef Limited group of companies as a whole. The company is unable to separately identify its share of the underlying assets and liabilities on either a consistent or reasonable basis. The overall pension funding deficit and its implications are shown in the financial statements of RoadChef Limited.

The company also operates a number of defined contribution pension schemes in respect of senior executives. The assets of these schemes are held separately from those of the company in independently administered funds. The pension charge for the period for these schemes amounted to £42,000 (2002: £71,000).

The amount charged to the profit and loss account in respect of personal money purchase pension schemes is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

20 Ultimate parent undertaking

The immediate parent company is RoadChef Motorways Holdings Limited, a company registered in England and Wales. The largest UK group in which the results of the company are consolidated is that headed by MSA Acquisitions Co Limited, and the smallest is that headed by RoadChef Motorways Holdings Limited. Copies of these financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

MSA Holdings Limited, whose shares are wholly owned by SPV Management Limited, holds 51% of the shares in the intermediate parent company, MSA Acquisitions Co Limited. Nikko Cordial Corporation, a company incorporated in Japan holds warrants via a UK subsidiary company, Nikko Securities Global Holdings Limited, to subscribe for shares in MSA Acquisitions Co. Limited, which if exercised in full, would result in them acquiring 51% equity ownership. However, in view of the rights granted to a minority shareholder, the directors do not consider that any one shareholder has ultimate control.