

# Aston Rothbury Group Plc

## FINANCIAL STATEMENTS

for the year ended

31 March 2004



Company Registration No. 2807862

# Aston Rothbury Group Plc

## DIRECTORS AND OFFICERS

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### DIRECTORS

B C Nalborough  
I J Clark

### SECRETARY

I J Clark

### COMPANY NUMBER

2807862 (England and Wales)

### REGISTERED OFFICE

Second Floor, Romy House  
159-167 Kings Road  
Brentwood, Essex  
CM14 4EG

### AUDITORS

Baker Tilly  
446 Midsummer Boulevard  
Central Milton Keynes  
Bucks  
MK9 2EA

### BANKERS

Barclays Bank plc  
PO Box 160  
Bromley  
Kent  
BR1 1UE

# Aston Rothbury Group Plc

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Aston Rothbury Group Plc for the year ended 31 March 2004.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of management services.

### REVIEW OF THE BUSINESS

The results for the period and the financial position at the period end were considered disappointnig by the directors.

### RESULTS AND DIVIDENDS

The trading loss for the year was £33,887.

The directors do not recommend payment of an ordinary dividend.

The directors do not recommend payment of a preference or an ordinary dividend.

### CREDITOR PAYMENT POLICY AND PRACTISE

The company's current policy concerning the payment of it's trade creditors is to settle according to the terms of the credit period given.

The average creditor payment period in relation to amounts invoiced by suppliers was 93 days (2003: 28 days).

### DIRECTORS

The following directors have held office since 1 April 2003:

B C Nalborough

I J Clark

N Sellars

(Resigned 31 October 2003)

### DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary shares (50p called up) of £ 1 each</i>	
	31.3.04	1.4.03
B C Nalborough	-	-
I J Clark	-	-
	<i>Ordinary shares of £ 1 each</i>	
	31.3.04	1.4.03
B C Nalborough	-	-
I J Clark	1	1
	<i>Redeemable nil% preference shares of £ 1 each</i>	
	31.3.04	1.4.03
B C Nalborough	-	-
I J Clark	-	-

# Aston Rothbury Group Plc

## DIRECTORS' REPORT (CONTINUED)

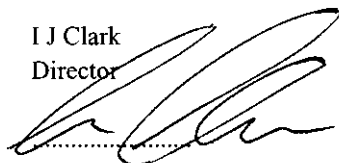
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### AUDITORS

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

On behalf of the board

I J Clark  
Director

A handwritten signature in black ink, appearing to be 'I J Clark', written over a dotted line.

# Aston Rothbury Group Plc

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 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 AUDITOR'S REPORT TO THE MEMBERS OF ASTON ROTHBURY GROUP PLC

We have audited the financial statements on pages 6 to 16.

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' 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 the other information 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 within 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.

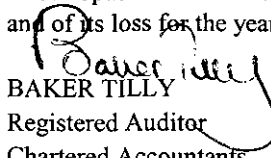
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Fundamental uncertainties**

In forming our opinion, we have considered the adequacy of the disclosures made in notes 8 and 9 of the financial statements concerning the carrying value of the investment in Aston Rothbury & Co Limited and the debtor due from it. In view of the significance of these uncertainties, we consider that they should be drawn to your attention but our opinion is not qualified in these respects.

## **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 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  
446 Midsummer Boulevard  
Central Milton Keynes  
Bucks  
MK9 2EA  
25 April 2005

# Aston Rothbury Group Plc

## PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2004

	<i>Notes</i>	2004 £	2003 £
TURNOVER	1	112,613	130,672
Other operating expenses	2	170,498	127,498
OPERATING (LOSS)/PROFIT		(57,885)	3,174
Investment income	3	24,000	24,000
		(33,885)	27,174
Interest payable	4	2	71
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(33,887)	27,103
Taxation	7	-	262
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	(33,887)	26,841

The operating (loss)/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.

# Aston Rothbury Group Plc

## BALANCE SHEET

31 March 2004

	Notes	2004 £	2003 £
<b>FIXED ASSETS</b>			
Investments	8	2,186,685	2,186,685
<b>CURRENT ASSETS</b>			
Debtors	9	291,900	275,567
Cash at bank and in hand		1,715	-
		<u>293,615</u>	<u>275,567</u>
CREDITORS: Amounts falling due within one year	10	1,484,035	1,432,100
		<u>(1,190,420)</u>	<u>(1,156,533)</u>
<b>NET CURRENT LIABILITIES</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>996,265</u>	<u>1,030,152</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1,025,001	1,025,001
Profit and loss account	12	(28,736)	5,151
<b>SHAREHOLDERS' FUNDS</b>			
	13	<u>996,265</u>	<u>1,030,152</u>
Equity interests		(3,735)	30,152
Non-equity interests		1,000,000	1,000,000
		<u>996,265</u>	<u>1,030,152</u>

Approved by the board on

22.4.05

I J Clark

Director



# Aston Rothbury Group Plc

## CASH FLOW STATEMENT

for the year ended 31 March 2004

	<i>Notes</i>	2004 £	2003 £
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	14	7,463	(4,673)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(2)	(71)
Net cash outflow for returns on investments and servicing of finance		(2)	(71)
TAXATION		(262)	(758)
INCREASE/(DECREASE) IN CASH IN THE YEAR		7,199	(5,502)

# Aston Rothbury Group Plc

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

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

### INVESTMENTS

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

### 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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised 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.

### LEASED ASSETS

The annual rentals on 'operating leases' are charged to the profit and loss account on a straight line basis over the lease term.

### GROUP ACCOUNTS

The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### TURNOVER

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

# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2004

### 1. TURNOVER AND (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and (loss)/profit before taxation were all derived from its principal activity wholly undertaken in the United Kingdom.

### 2. OTHER OPERATING EXPENSES

	2004 £	2003 £
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Administrative expenses	170,498	127,498
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### 3. INVESTMENT INCOME

	2004 £	2003 £
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Income from subsidiary undertakings	24,000	24,000
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### 4. INTEREST PAYABLE

	2004 £	2003 £
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On bank loans and overdrafts	2	71
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### 5. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004 £	2003 £
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(Loss)/Profit on ordinary activities before taxation  
is stated after charging/(crediting):

Operating lease rentals:

Land and buildings	78,007	73,400
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Auditors' remuneration	11,640	21,178
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### 6. EMPLOYEES

There were no employees during the year apart from the directors

	£	£
Recharged staff costs for the above persons:		
Wages and salaries	47,400	2,400

# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

7. TAXATION	2004 £	2003 £
Domestic current year tax		
U.K. corporation tax	-	262
Current tax charge	-	262
Factors affecting the tax charge for the year		
(Loss)/profit on ordinary activities before taxation	(33,887)	27,103
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 19.00% (2003: 19.00%)	(6,439)	5,150
Effects of:		
Tax losses carried forward	3,092	-
Dividends and distributions received	(4,560)	(4,560)
Group relief surrendered	7,907	-
Other tax adjustments	-	(328)
	6,439	(4,888)
Current tax charge	-	262

The company has estimated losses of £ 16,270 (2003: £ nil) available for carry forward against future trading profits.

# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

### 8. FIXED ASSET INVESTMENTS

	<i>Listed Shares in group</i>		<i>Total</i>
	<i>investments</i>	<i>undertakings</i>	
	£	£	£
Cost			
1 April 2003 and 31 March 2004	1,683	2,185,002	2,186,685

Included in shares in group undertakings is an amount of £1,050,000 in respect of Aston Rothbury & Co Limited. At the date of signing these accounts, the accounts of Aston Rothbury & Co Limited have not been approved. Accordingly there is uncertainty over the carrying value of the investment but the directors are confident that there is no need to provide for any permanent diminution in value.

	<i>Market value</i>	<i>Market value</i>
	£	£
31 March 2004	265	265
31 March 2003	405	405

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

<i>Company</i>	<i>Country of registration or incorporation</i>	<i>Shares held</i>	
		<i>Class</i>	<i>%</i>
Subsidiary undertakings			
Aston Rothbury Factors Ltd	England	Ordinary	100
Aston Rothbury & Co. Limited	England	*	100
Aston Rothbury Finance Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	<i>Capital and reserves</i>	<i>Profit/(loss) for the year</i>
	£	£
Aston Rothbury Factors Ltd	1,494,835	(25,939)
Aston Rothbury & Co. Limited	671,469	232,094
Aston Rothbury Finance Limited	(116,831)	-

\* Aston Rothbury Group Plc holds 100% of the Ordinary shares, 5% Non-cumulative redeemable preference shares and Redeemable preference shares of Aston Rothbury & Co Limited.

The figures for Aston Rothbury and Co. Limited are taken from the audited 2003 accounts.

Consolidated financial statements have not been prepared as the company is exempt from the requirement to do so by the virtue of s248 Companies Act 1985.

These accounts therefore present information about the parent company and not the group.

# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

9. DEBTORS	2004	2003
	£	£
Due within one year:		
Amounts owed by subsidiary undertakings	271,527	255,631
Prepayments and accrued income	20,373	19,936
	<u>291,900</u>	<u>275,567</u>

Included in amounts owed by subsidiary undertakings is £271,458 due from Aston Rothbury & Co Limited. As referred to in note 8, the accounts of this company have not been approved. There is therefore uncertainty regarding the recoverability of this debt. The directors are confident that this debt will be recovered.

10. CREDITORS: Amounts falling due within one year	2004	2003
	£	£
Bank loans and overdrafts	-	5,484
Trade creditors	4,882	2,343
Amounts owed to group undertakings	1,454,581	1,399,418
Corporation tax	-	262
Other taxes and social security costs	462	25
Accruals and deferred income	24,110	24,568
	<u>1,484,035</u>	<u>1,432,100</u>

11. SHARE CAPITAL	2004	2003
	£	£
Authorised:		
50,000 Ordinary shares of £1 each	50,000	50,000
1,000,000 Redeemable nil% preference shares of £1 each	1,000,000	1,000,000
	<u>1,050,000</u>	<u>1,050,000</u>
Allotted, issued and fully paid:		
49,999 Ordinary shares (50p called up) of £1 each	25,000	25,000
1 Ordinary shares of £1 each	1	1
1,000,000 Redeemable nil% preference shares of £1 each	1,000,000	1,000,000
	<u>1,025,001</u>	<u>1,025,001</u>

The redeemable preference shares are redeemable at the holder's option at any time. They have no dividend or voting rights and do not confer the right to any participation in the company's profits. In the event of winding up, the holders of the preference shares have priority to any other class of share in paying to them the capital on such shares, but no right to any surplus assets of the company.

# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 March 2004

### 12. STATEMENT OF MOVEMENT ON RESERVES

	<i>Profit and loss account</i> £
1 April 2003	5,151
Retained loss for the year	(33,887)
	<hr/>
31 March 2004	(28,736)
	<hr/>

### 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
(Loss)/Profit for the financial year	(33,887)	26,841
Opening shareholders' funds	1,030,152	1,003,311
	<hr/>	<hr/>
Closing shareholders' funds	996,265	1,030,152
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# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

14. CASH FLOWS			2004	2003
			£	£
a. Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities				
Operating (loss)/profit			(57,885)	3,174
Decrease in debtors			7,667	175,501
Increase/(decrease) in creditors within one year			57,681	(183,348)
			<u>7,463</u>	<u>(4,673)</u>
Net cash inflow/(outflow) from operating activities			<u>7,463</u>	<u>(4,673)</u>
b. Analysis of net funds/(debt)	1 April 2003	Cash flow	Other non-cash changes	31 March 2004
	£	£	£	£
Net cash:				
Cash at bank and in hand	-	1,715	-	1,715
Bank overdrafts	(5,484)	5,484	-	-
	<u>(5,484)</u>	<u>7,199</u>	<u>-</u>	<u>1,715</u>
Bank deposits	-	-	-	-
Net (debt)/funds	<u>(5,484)</u>	<u>7,199</u>	<u>-</u>	<u>1,715</u>
c. Reconciliation of net cash flow to movement in net debt			2004	2003
			£	£
Increase/(decrease) in cash in the year			7,199	(5,502)
Movement in net funds/(debt) in the year			7,199	(5,502)
Opening net (debt)/funds			(5,484)	18
Closing net funds/(debt)			<u>1,715</u>	<u>(5,484)</u>

## 15. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004	2003
	£	£
Land and buildings expiring in the second to fifth year	<u>66,160</u>	<u>66,160</u>

## 16. CONTROL

The company considers Red Star Investments Limited, a company registered in Nevis, to be its ultimate holding company.



# Aston Rothbury Group Plc

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

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### 17. RELATED PARTY TRANSACTIONS

The company recharged expenses of £21,403 (2003 - £21,403) to Aston Rothbury & Co Limited during the year. At the year end, the company was owed £271,458 (2003 - £253,981) by Aston Rothbury & Co Limited.

The company recharged £105,443 (2003 - £109,269) of expenses and was charged £47,400 (2003 - £9,000) for recharged salaries and expenses from Aston Rothbury Factors Limited. At the year end, the company was owed £nil (2003 - £-) by Aston Rothbury Factors Limited. At the year end, the company owed £55,543 (2003 - £4,004) to Aston Rothbury & Co Limited. A loan of £96,138 (2003 - £96,069) is due from Aston Rothbury Finance Limited. At 31 March 2004 this balance was fully provided against.