

Company Registration No. 382553

LTI Limited

Report and Financial Statements

for the year ended 31 July 2004



35

LTI Limited

Report and financial statements 2004

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

LTI Limited

Report and financial statements 2004

Officers and professional advisers

Directors

M Fryer

I Pickering

P Shillcock

J Thorpe (RESIGNED 12 NOVEMBER 2004)

Company Secretary

T White

Registered Office

Holyhead Road

Coventry

West Midlands

CV5 8JJ

Bankers

HSBC Bank PLC

Poultry & Princes Street

London

EC2P 2BX

Auditors

Deloitte & Touche LLP

Chartered Accountants

London

LTI Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2004.

Principal activities, business review and future developments

The principal activities of the Company are the design, manufacture, sale and servicing of taxi cabs.

The directors consider the result for the year to be satisfactory and expect the Company to continue to trade profitably in the future.

Results and dividends

The profit for the year after taxation amounted to £1,928,120 (2003: £19,323 loss). The directors do not propose a dividend for the year (2003: £nil).

Directors and their interests

The directors of the Company who served throughout the year were as follows:

M Fryer
I Pickering
P Shillcock
J Thorpe

The directors of the Company held options over the shares of Manganese Bronze Holdings PLC, the ultimate parent undertaking as follows:

	Held at 1 August 2003	Issued during year	Held at 31 July 2004	Exercise price (pence)	Date from which first exercisable	Expiry date
J Thorpe	5,000		5,000	360.5	11 October 1999	11 October 2006
	40,080		40,080	412.0	30 March 2001	30 March 2008
	30,000		30,000	229.0	23 September 2002	23 September 2009
	28,481		28,481	73.5	7 May 2006	7 May 2013
		17,286	17,286	134.5	5 November 2006	5 November 2013
P Shillcock	30,000		30,000	66.5	5 November 2004	5 November 2011
	28,481		28,481	73.5	7 May 2006	7 May 2013
		18,587	18,587	134.5	5 November 2006	5 November 2013

The market price of Manganese Bronze Holdings PLC's shares at 31 July 2004 was 156p and the range during the year ended 31 July 2004 was 106p to 275p.

I Pickering and M Fryer are directors of Manganese Bronze Holdings PLC, and their interests in that Company are disclosed in its report and financial statements.

No other director had any notifiable interest in the share capital of the Company or any of the subsidiaries of its ultimate parent Company.

Employee participation

The Company has continued its policy of providing its employees and their representatives with regular information on matters of concern to them as employees and members of the pension schemes.

LTI Limited

Directors' report

Employment of disabled persons

The Company always gives sympathetic consideration to applications for employment from disabled persons and if existing employees become disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged.

Supplier payment policy

It is the Company's policy to agree payment terms with its suppliers at the outset of a transaction, and to abide by these terms, subject to satisfactory performance by the supplier and the timely presentation of an accurate invoice. Amounts owed to suppliers are generally settled by the end of the month following the receipt of invoice. At the year-end, the amount owed to trade suppliers was equivalent to 58 days credit (2003: 49 days).

Donations

The Company made donations for charitable purposes during the year ended 31 July 2004 of £4,916 (2003: £11,567). These donations have been made to local charities serving the communities in which the company operates. No political donations were made during the year (2003: £nil).

Elective regime

The Companies Act 1989 introduced into the Companies Act 1985 the elective regime in order to simplify the conduct of private companies. On 25 April 1991 the Company passed elective resolutions to dispense with:

1. the holding of Annual General Meetings; and
2. the laying of financial statements and reports before the Company in general meetings.

Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors.

Approved by the Board of Directors
and signed on behalf of the Board



T White
Company Secretary

13 May 2005

LTI Limited

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are required to prepare financial statements and to provide the auditors with every opportunity to take whatever steps and undertake whatever inspections they consider to be appropriate for the purposes of enabling them to give their audit report.

The directors consider that they have pursued the actions necessary to meet their responsibilities as set out in this statement.

Independent auditors' report to the members of LTI Limited

We have audited the financial statements of LTI Limited for the year ended 31 July 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

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 opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

20 May 2005

LTI Limited

Profit and loss account for the year ended 31 July 2004

	Note	2004 £	2003 £
Turnover	2	83,747,721	83,407,782
Cost of sales		(72,530,893)	(73,131,859)
Gross profit		11,216,828	10,275,923
Distribution costs		(3,538,340)	(3,371,947)
Administrative expenses		(6,245,560)	(7,503,914)
Operating profit/(loss)	3	1,432,928	(599,938)
Finance charges – net	4	(329,283)	(502,497)
Profit/(loss) on ordinary activities before taxation		1,103,645	(1,102,435)
Tax credit on profit/(loss) on ordinary activities	6	824,475	1,083,112
Profit/(loss) on ordinary activities after taxation for the financial year		1,928,120	(19,323)
Retained profit/(loss) for the financial year	16	1,928,120	(19,323)

All of the Company's results are derived from continuing operations.

There are no recognised gains or losses other than those reported in the profit and loss account above.

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

LTI Limited

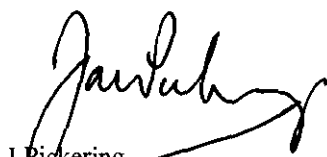
Balance sheet at 31 July 2004

	Note	2004 £	2003 £
Fixed assets			
Intangible assets – development costs	7	1,136,884	-
Tangible assets	8	10,050,861	11,343,030
		<u>11,187,745</u>	<u>11,343,030</u>
Current assets			
Stocks	9	15,986,648	15,419,321
Debtors	10	5,117,326	4,301,835
Cash at bank and in hand		4,210,313	732,713
		<u>25,314,287</u>	<u>20,453,869</u>
Creditors: amounts falling due within one year	11	(28,660,850)	(26,752,768)
Net current liabilities		<u>(3,346,563)</u>	<u>(6,298,899)</u>
Total assets less current liabilities		7,841,182	5,044,131
Creditors: amounts falling due after more than one year	12	(199,352)	(42,335)
Provisions for liabilities and charges	13	(3,399,481)	(2,687,567)
Net assets		<u>4,242,349</u>	<u>2,314,229</u>
Capital and reserves			
Called up share capital	15	1,200,000	1,200,000
Share premium account	16	2,412,671	2,412,671
Profit and loss account	16	629,678	(1,298,442)
Equity shareholders' funds	17	<u>4,242,349</u>	<u>2,314,229</u>

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

These financial statements were approved by the Board of Directors on 13 May 2005

Signed on behalf of the Board of Directors



I Pickering
Director

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

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

The Company has taken advantage of the exemption from preparing a cash flow statement afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Manganese Bronze Holdings PLC which prepares consolidated financial statements which are publicly available.

Intangible assets – research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is deferred and amortised over the period during which the Company is expected to benefit, to a maximum of 5 years. Provision is made for any impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are depreciated on a straight line basis at rates calculated to write down the cost to residual value over the estimated useful life of the asset. The estimated useful lives are:

Plant and machinery – four to ten years.

Stocks

Stocks are valued consistently at the lower of cost and net realisable value on a first-in-first-out basis. Finished goods and work in progress are valued at cost of raw material content plus labour and applicable overheads. Appropriate provisions are made for slow moving and obsolete items.

Financing of Stocks

Stocks of taxis held by Company and non Company dealers and financed through stocking loans are included in the balance sheet as finished goods together with the related borrowing.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 group'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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

1. Accounting policies (continued)

financial statements. Neither is deferred tax recognised when fixed assets are sold and it 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Turnover

Turnover represents amounts receivable for goods or services provided in the normal course of business, net of trade discounts, intra-Company transactions, VAT, and other sales-related taxes. Revenue is recognised when persuasive evidence of an arrangement with a customer exists, delivery has occurred or all significant performance obligations have been completed, the price is fixed or determinable, and the collection of the amount due is reasonably assured.

Pension costs

The Company is a member of the Manganese Bronze Holdings PLC defined contribution pension plan (Account Plus). Payments to this scheme are charged to the profit and loss account as incurred, except to the extent that a significant event has occurred necessitating the payment of additional contributions to the scheme which are written off as incurred. They are included as part of staff costs. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Costs associated with the Manganese Bronze Group pension scheme, a defined benefit scheme in which members have ceased to accrue additional pensionable service, are expensed at Group level.

Foreign currency

Foreign currency transactions entered into are translated into sterling at the exchange rate at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at either the rates of exchange ruling at the balance sheet date or at related forward contract rates if applicable and any resulting exchange gains and losses are taken to the profit and loss account.

Finance contracts

Finance leases and hire purchase contracts (together "finance contracts") are recorded in the balance sheet as tangible fixed assets and as an obligation to pay future rentals. Finance charges are allocated to accounting periods so as to approximate to a constant periodic rate of charge on the outstanding obligation.

Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Government grants

Government grants are recognised as to match them with the capital and revenue expenditure toward which they are intended to contribute, to the extent that the conditions for receipt have been met and there is reasonable assurance that the grant will be received.

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

2. Analysis of results

All turnover arises through sales or leasing of motor vehicles and parts from the UK.

An analysis of turnover by destination is shown below:

	2004 £	2003 £
Asia	25,285	1,550,690
North America	3,658,585	726,355
Europe	1,030,994	417,722
Total exports	4,714,864	2,694,767
United Kingdom	79,032,857	80,713,015
	<u>83,747,721</u>	<u>83,407,782</u>

3. Operating profit/(loss)

	2004 £	2003 £
The operating profit/(loss) is stated after charging/(crediting):		
Depreciation of tangible fixed assets – owned	3,204,605	3,220,445
– leased	119,339	61,317
Research and development	606,677	614,127
Auditors' remuneration – audit	42,000	39,000
Operating lease rentals – plant	385,840	383,739
– land and buildings	889,839	1,077,754
Aggregate rentals receivable in respect of operating leases of taxis	(232,974)	(195,446)
Government grants	(116,398)	-
	<u></u>	<u></u>

4. Finance charges - Net

	2004 £	2003 £
Group interest payable	60,021	157,562
Stocking loan interest payable	223,404	302,336
Finance contracts interest payable	45,858	42,599
Net interest payable	<u>329,283</u>	<u>502,497</u>

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

5. Staff numbers and costs

The average number of people employed by the Company during the year (which excludes Messrs Pickering and Fryer) was as follows:

	2004 No.	2003 No.
Management	18	17
Administration and sales	193	183
Production	260	270
	<u>471</u>	<u>470</u>
	2004 £	2003 £

The aggregate remuneration of these employees was as follows:

Wages and salaries	11,194,099	11,445,110
Social security costs	1,177,033	1,160,089
Other pension costs	369,400	405,643
Redundancy and severance payments	43,330	400,036
	<u>12,783,862</u>	<u>13,410,878</u>
	2004 £	2003 £

The remuneration of the directors of the Company was:

Aggregate remuneration	266,920	221,507
Company pension contributions to money purchase schemes	26,133	20,706
	<u>293,053</u>	<u>242,213</u>

The above mentioned pension contributions were paid into a money purchase scheme in respect of two (2003: two) of the Company's directors.

Highest paid director:	2004 £	2003 £
Aggregate remuneration	138,229	126,125
Company pension contributions to money purchase schemes	13,533	11,667
	<u>151,762</u>	<u>137,792</u>

The remuneration of I Pickering and M Fryer, who are also directors of Manganese Bronze Holdings PLC, are disclosed in that Company's financial statements. It is not practicable to allocate the remuneration of these directors by company.

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

6. Tax credit on profit/(loss) on ordinary activities

The taxation credit which is based on the profit/(loss) for the year comprises:

	2004 £	2003 £
UK corporation tax	-	(44,744)
Adjustments relating to prior years – current taxation	65,827	22,501
	<u>65,827</u>	<u>(22,243)</u>
Deferred taxation	715,404	1,020,265
Adjustments relating to prior years – deferred taxation	43,244	85,090
	<u>758,648</u>	<u>1,105,355</u>
Total taxation credit	<u>824,475</u>	<u>1,083,112</u>

The deferred tax credit arises from the origination and reversal of timing differences.

The difference between total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before taxation is:

	2004 £	2003 £
(Profit)/loss on ordinary activities before taxation	<u>(1,103,645)</u>	<u>1,102,435</u>
Corporation tax thereon at 30% (2003: 30%)	(331,093)	330,731
Non-taxable income	157	-
Sundry disallowed expenses	(23,951)	68,600
Timing differences	(715,404)	(1,020,265)
Group relief not paid for	1,070,291	576,190
Adjustments to prior years	65,827	22,501
	<u>65,827</u>	<u>(22,243)</u>
Taxation credit/(charge) for current year	<u>65,827</u>	<u>(22,243)</u>

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

7. Intangible assets – development costs

	Development costs £
Cost	
At 1 August 2003	-
Additions	1,136,884
	<hr/>
At 31 July 2004	1,136,884
	<hr/>
Amortisation	
At 1 August 2003 and 31 July 2004	-
Net book value	
At 31 July 2004	-
	<hr/>
At 31 July 2003	1,136,884
	<hr/>

Development costs have been capitalised in line with SSAP 13 and are therefore not treated, for dividend purposes, as a realised loss. The costs relate to the development of a low-emission inner-city utility vehicle. Grants of £592,000 have been received from the Energy Savings Trust towards the cost of this project, £506,000 of which is shown within creditors as deferred income.

Subsequent to year-end this project has been sold for a small profit to net book value.

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

8. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 August 2003	33,010,786
Additions	2,492,749
Disposals	(1,120,345)
At 31 July 2004	<u>34,383,190</u>
Depreciation	
At 1 August 2003	21,667,756
Charge for the year	3,323,944
Disposals	(659,371)
At 31 July 2004	<u>24,332,329</u>
Net book value	
At 31 July 2004	<u>10,050,861</u>
At 31 July 2003	<u>11,343,030</u>

The net book value of fixed assets held under finance leases or hire purchase is £706,602 (2003: £399,629).
The gross amount of assets held for use in operating leases is £816,657 (2003: £435,909); the related accumulated depreciation is £110,055 (2003: £36,280).

9. Stocks

	2004 £	2003 £
Raw materials and bought-out items	2,331,157	2,387,104
Work in progress	1,284,080	1,262,877
Finished stocks	<u>12,371,411</u>	<u>11,769,340</u>
	<u>15,986,648</u>	<u>15,419,321</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

10. Debtors

	2004 £	2003 £
Trade debtors	3,557,870	3,486,753
Amounts owed by Group undertakings	77,331	2,110
Corporation tax recoverable	22,033	-
Other debtors	481,090	491,970
Deferred tax asset (note 14)	583,269	-
Prepayments	395,733	321,002
	<u>5,117,326</u>	<u>4,301,835</u>

No amounts fall due after more than one year from the balance sheet date.

11. Creditors: amounts falling due within one year

	2004 £	2003 £
Stocking loan	7,431,924	6,671,095
Finance contracts	502,494	319,033
Trade creditors	9,693,897	8,422,374
Amounts owed to Group undertakings	7,757,364	7,810,949
Deferred income	505,609	-
Corporation tax	-	43,794
Social security, payroll and other taxes	404,054	1,181,245
Other creditors	304,833	664,950
Accruals	2,060,675	1,639,328
	<u>28,660,850</u>	<u>26,752,768</u>

The stocking loan facilities are secured on the finished goods stock to which the loan relates.

12. Creditors: amounts falling due after more than one year

	2004 £	2003 £
Finance contracts	<u>199,352</u>	<u>42,335</u>

All obligations fall due within one to two years.

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

13. Provisions for liabilities and charges

	Deferred taxation £	Warranty costs £	Total £
At 1 August 2003	175,379	2,512,188	2,687,567
(Credit)/charge to profit and loss account	(758,648)	4,192,693	4,017,314
Utilised in year	-	3,305,400	3,305,400
At 31 July 2004 (note 10)	<u>(583,269)</u>	<u>3,399,481</u>	<u>3,399,481</u>

14. Deferred taxation

	2004 £	2003 £
The elements of deferred taxation included within other debtors (2003: provision for liabilities) are as follows		
Accelerated capital allowances	(535,255)	198,312
Other	(48,014)	(22,933)
Deferred tax (asset)/liability	<u>(583,269)</u>	<u>175,379</u>

A deferred tax asset of £583,269 (2003: liability of £175,379) has been recognised as sufficient taxable profits are forecast for the year ending 31 July 2005.

15. Called up share capital

	2004 £	2003 £
Authorised, allotted, called up and fully paid:		
1,100,000 ordinary shares of £1 each (2003: 1,100,000 ordinary shares of £1 each)	1,100,000	1,100,000
100,000 deferred shares of £1 each (2003: 1,100,000 ordinary shares of £1 each)	100,000	100,000
	<u>1,200,000</u>	<u>1,200,000</u>

16. Reserves

	Share premium account £	Profit and loss account £
At 1 August 2003	2,412,671	(1,298,442)
Retained profit for the year	-	1,928,120
At 31 July 2004	<u>2,412,671</u>	<u>629,678</u>

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

17. Shareholders' funds

	2004 £	2003 £
Reconciliation of movements in shareholders' funds		
Profit/(loss) for the financial year	1,928,120	(19,323)
Opening shareholders' funds	2,314,229	2,333,552
Closing shareholders' funds	<u>4,242,349</u>	<u>2,314,229</u>

18. Capital commitments

	2004 £	2003 £
The following expenditure has been authorised and contracted at 31 July	<u>525,240</u>	<u>131,405</u>

19. Financial commitments

At 31 July 2004 the Company had annual commitments under non-cancellable operating leases that expire:

	2004		2003	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	-	75,018	34,750	29,292
In the second to fifth years inclusive	410,500	90,521	375,000	203,164
Over five years	88,265	144,000	88,291	132,000
	<u>498,765</u>	<u>309,539</u>	<u>498,041</u>	<u>364,456</u>

20. Pensions

The Company is a member of the Manganese Bronze Holdings PLC defined benefit and money purchase Group pension schemes. It is not possible to separately identify LTI Limited's share of the underlying assets and liabilities of the scheme. Accordingly the Company accounts for the pension scheme as a defined contributions scheme. The pension costs charged in the profit and loss account for the year were £369,400 (2003: £405,643).

Additional disclosures regarding the defined benefit pension scheme required under the transitional provisions of FRS 17 "Retirement benefits" are provided in the notes to the financial statements of Manganese Bronze Holdings PLC.

Full actuarial valuations were carried out at 31 July 2003 and updated to 31 July 2004 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 17. Investments have been valued at fair value. The deficit in the scheme as at 31 July 2004 was £6,370,000 (2003: £10,030,000; 2002: £9,248,000).

LTI Limited

Notes to the financial statements for the year ended 31 July 2004

21. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 for related party transactions with other group companies and with directors who are also group directors, as 100% of the voting rights are controlled within the group. The ultimate parent company, Manganese Bronze Holdings PLC, has prepared consolidated accounts which include the results of the Company for the year and are available to the public.

22. Parent undertaking

The immediate and ultimate parent undertaking of the largest and smallest group in which the Company is consolidated is Manganese Bronze Holdings PLC, a Company incorporated in Great Britain and registered in England and Wales, whose financial statements may be obtained from the Company Secretary, Third Floor, Midsummer House, Midsummer Boulevard, Milton Keynes MK9 3BN.