

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Report and Financial Statements

3 JULY 2004

1026271



AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Financial statements

CONTENTS

PAGE

Officers and professional advisers

1

Directors' report

2

Independent auditors' report

4

Profit and loss account

6

Balance sheet

7

Notes to the financial statements

8

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Registered No: 1036291

Directors

M S A Ballinger

I P Butcher

C Moyes

R J Hunt

A Dodgson

Secretary

I P Butcher

Auditors

Ernst & Young LLP

Citygate

St James Boulevard

Newcastle upon Tyne

NE1 4JD

Bankers

The Royal Bank of Scotland

135 Bishopgate

London

EC2M 3UR

Solicitors

Dickinson Dees

St Ann's Wharf

112 Quayside

Newcastle upon Tyne

NE99 3UR

Registered office

3rd Floor

41 - 51 Grey Street

Newcastle upon Tyne

NE1 6EE

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)**Directors' report**

The directors present their report and financial statements for the year ended 3 July 2004.

RESULTS AND DIVIDENDS

The loss for the year amounted to £34,886,000 (2003 £16,141,000). The directors do not recommend the payment of any dividends.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activity is airport traffic handling; in addition the company is an intermediate holding company.

The results of the company included for the first time the trade of Midland Airport Service Limited, Gatwick Handling Limited, GH Manchester Limited, GH Stansted Limited, GH Heathrow Limited and the ground handling business of Reed Aviation Limited

As described in note 11 of these accounts, goodwill included in the balance sheet of the business has been written down by £32 million as a result of an impairment test carried out by the directors at the year end, this compares to a £20 million adjustment in the previous financial year.

On 27 August 2004, the company acquired full ownership of Plane Handling Limited, through acquisition of the remaining 50% of its share capital. The total consideration for the 50% interest was £20 million payable in cash.

DISABLED EMPLOYEES

It is the company's policy to give full consideration to suitable applications for employment by disabled persons. Disabled employees are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees who become disabled to continue in their employment or to be trained for other positions in the company.

EMPLOYEE INVOLVEMENT

The company is committed to involve all employees in its performance and development. Employees are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the company. Discussions take place regularly with trade unions representing the employees on a wide range of issues.

DIRECTORS

The directors who served the company during the year were as follows:

M S A Ballinger
I P Butcher
C Moyes
R J Hunt
A Dodgson

Messrs Ballinger, Butcher and Moyes are directors of the ultimate parent company, The Go-Ahead Group plc, and as such their interests in the shares are disclosed in the financial statements of that company.

No director has had a material interest in any contract that has subsisted during the year or at the year end.

CREDITOR PAYMENT POLICY AND PRACTICE

The company agrees terms and conditions for its business transactions with suppliers. Payment is then made on these terms, subject to the terms and conditions being met by the suppliers.

At 3 July 2004, the company had an average of 50 days purchases outstanding in trade creditors (2003:39 days).

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Directors' report**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 year. 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; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution in accordance with Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually was passed on 22 February 2000 and accordingly Ernst & Young LLP shall be deemed reappointed as auditors.

Registered office:
3rd Floor
41 - 51 Grey Street
Newcastle upon Tyne
NE1 6EE

By order of the board



I P Butcher
Secretary

30 December 2004

Independent auditors' report

to the members of Aviance UK Limited (previously GHI Limited)

We have audited the company's financial statements for the year ended 3 July 2004 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 22. These financial statements have been prepared on the basis of 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 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT 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.

Independent auditors' report

to the members of Aviance UK Limited (previously GHI Limited) (continued)

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 3 July 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Ernst & Young', is written over a faint, stylized logo of the same name.

Ernst & Young LLP
Registered Auditor
Newcastle upon Tyne

30 December 2004

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Profit and loss account

for the year ended 3 July 2004

	<i>Notes</i>	<i>2004</i> <i>£000</i>	<i>2003</i> <i>£000</i>
TURNOVER	2	125,810	6,847
Operating costs	3	127,586	6,100
Operational exceptional items	5	34,168	20,000
OPERATING LOSS	4	(35,944)	(19,253)
Income from shares in group companies	8	–	3,381
Interest receivable	9	7	–
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(35,937)	(15,872)
Tax on loss on ordinary activities	10	(1,051)	269
LOSS FOR THE FINANCIAL YEAR	21	(34,886)	(16,141)


The company has no recognised gains or losses other than the results for the year as set out above.

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Balance sheet

at 3 July 2004

	Notes	2004 £000	2003 £000
FIXED ASSETS			
Intangible assets	11	—	32,397
Tangible assets	12	17,041	19,825
Investments	13	3,623	3,623
		<u>20,664</u>	<u>55,845</u>
CURRENT ASSETS			
Stocks		279	320
Debtors	14	24,732	28,184
Cash at bank		508	16
		<u>25,519</u>	<u>28,520</u>
CREDITORS: amounts falling due within one year	15	89,193	92,166
		<u>(63,674)</u>	<u>(63,646)</u>
NET CURRENT LIABILITIES			
		<u>(43,010)</u>	<u>(7,801)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	10	1,088	1,411
		<u>(44,098)</u>	<u>(9,212)</u>
CAPITAL AND RESERVES			
Called up share capital	20	100	100
Share premium account	21	26	26
Profit and loss account	21	(44,224)	(9,338)
		<u>(44,098)</u>	<u>(9,212)</u>
EQUITY SHAREHOLDERS' DEFICIT	21		
		<u>(44,098)</u>	<u>(9,212)</u>



I P Butcher
Director

30 December 2004

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

1. ACCOUNTING POLICIES***Basis of accounting***

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

The accounts have been prepared on the going concern basis, as management believe that the intercompany debts which result in the company having net liabilities will not be called in within 12 months of the date of these accounts.

Consolidation

The company is exempt from the requirement to prepare group accounts by virtue of Section 248 of the Companies Act 1985, and accordingly the accounts present information about the company as an individual undertaking and not about its group.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Goodwill

Positive goodwill arising on acquisitions since 28 June 1998 is capitalised and carried as an asset on the balance sheet. Each acquisition is assessed individually to determine if the estimated life of the goodwill is considered to be indefinite. No amortisation is provided where the board is of the opinion that to do so would not show a true and fair view of the profit for the year or financial position of the group at the year end. This overrides the requirement of the Companies Act 1985 to amortise goodwill and it is in compliance with FRS 10.

Where the useful life is not considered indefinite, the goodwill is amortised to the profit and loss account on a straight line basis over the estimated useful life.

In either case, goodwill is reviewed for impairment at the end of the first full year following the acquisition. Where goodwill is not amortised an annual impairment review is performed. An impairment review is also carried out on goodwill being amortised if events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold Property	-	Period of the lease
Plant & machinery	-	5 to 10 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

1. ACCOUNTING POLICIES (continued)***Deferred taxation***

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided on all timing differences which have originated but not reversed at the balance sheet date. Except where otherwise required by accounting standards, no timing differences are recognised in respect of:

Property revaluation surpluses where there is no commitment to sell the asset; gains on sale of assets where those gains have been rolled over into replacement assets; and deferred tax assets except to the extent that it is more likely than not that they will be recovered.

Deferred tax is calculated at the enacted rates at which it is estimated the tax will be payable. The deferred tax provision is not discounted to net present value.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Insurance

The company limits its exposure to the cost of motor, employer and public liability claims through third party insurance policies. These provide individual claim cover subject to high excess limits and an annual aggregate stop loss for total claims within the excess limits. An accrual is made within "Creditors: amounts falling due within one year" for the estimated cost to the company to settle claims for incidents occurring prior to the balance sheet date. The estimation of the balance sheet insurance accrual is made after taking appropriate professional advice and is based on an assessment of the expected settlement on known claims, together with an estimate of settlements that will be made in respect of incidents occurring prior to the balance sheet date but have not yet been reported to the company.

Pension benefits

The company participates in The Go-Ahead Group retirement benefit schemes; both defined benefit and defined contribution. In respect of the defined benefit schemes, the pension benefits are funded over the employees' average period of service. The net pension cost to the company as determined from the latest triennial actuarial valuation and subsequent actuarial reviews is charged to the profit and loss account.

Contributions payable under the money purchase schemes are charged to the profit and loss account as they arise.

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

2. TURNOVER

An analysis of turnover by geographical market is given below:

	2004 £000	2003 £000
United Kingdom	<u>125,810</u>	<u>6,847</u>

3. OPERATING COSTS

	2004 £000	2003 £000
Materials and external charges	34,819	1,319
Staff costs	88,804	4,664
Depreciation of tangible fixed assets	3,963	117
	<u>127,586</u>	<u>6,100</u>

4. OPERATING LOSS

This is stated after charging/(crediting)

	2004 £000	2003 £000
Auditors' remuneration - audit fees	58	-
- non-audit services	4	-
	<u>62</u>	<u>-</u>
Depreciation of owned fixed assets	3,124	117
Depreciation of assets held under hire purchase contracts	838	-
	<u>3,962</u>	<u>117</u>
Operating Lease rentals property	5,080	139
Operating Lease rentals - other	25	-
Profit on Disposal of Tangible Fixed Assets	41	3

5. OPERATIONAL EXCEPTIONAL ITEMS

	2004 £000	2003 £000
Cost of restructuring	1,771	-
Impairment of goodwill (note 11)	32,397	20,000
	<u>34,168</u>	<u>20,000</u>

The restructuring costs represent the cost of settling announced redundancies and other employee claims.

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

6. PARTICULARS OF EMPLOYEES

	2004	2003
	£000	£000
Wages and salaries	79,382	4,199
Social security costs	7,366	445
Other pension costs (note 17)	2,056	20
	<u>88,804</u>	<u>4,664</u>

The monthly average number of employees during the year was as follows:

	2004	2003
	No	No
Administration and supervision	212	10
Maintenance and engineering	115	—
Operations	3,509	192
	<u>3,836</u>	<u>202</u>

7. DIRECTORS' EMOLUMENTS

	2004	2003
	£000	£000
Emoluments	391	—

The amounts in respect of the highest paid director are as follows:

	2004	2003
	£000	£000
Emoluments	230	—

8. INCOME FROM SHARES IN GROUP COMPANIES

	2004	2003
	£000	£000
Dividends receivable from group undertakings	—	3,381

9. INTEREST RECEIVABLE

	2004	2003
	£000	£000
Other interest	7	—

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

10. TAX

(a) Tax on loss on ordinary activities

The tax (credit)/charge is made up as follows:

	2004 £000	2003 £000
<i>Current tax:</i>		
UK corporation tax	(222)	237
Tax (over)/under provided in previous years	(506)	—
Total current tax (note 10(b))	<u>(728)</u>	<u>237</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	(323)	32
Tax on loss on ordinary activities	<u>(1,051)</u>	<u>269</u>

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2003 - 30%).

	2004 £000	2003 £000
Loss on ordinary activities before taxation	<u>(35,937)</u>	<u>(15,872)</u>
Profit on ordinary activities at 30%	(10,781)	(4,762)
Deferred tax movement	768	(32)
Expenses not deductible for tax purposes	72	5,031
Prior year corporation tax	(506)	—
Goodwill charges	<u>9,719</u>	<u>—</u>
Total current tax (note 10(a))	<u>(728)</u>	<u>237</u>

(c) Deferred tax

	2004 £000	2003 £000
Capital allowances in advance of depreciation	(1,894)	(1,800)
Other timing differences	806	389
Provision for deferred taxation	<u>(1,088)</u>	<u>(1,411)</u>

	£000
At 29 June 2003	(1,411)
Profit and loss account movement arising during the year	323
At 3 July 2004	<u>(1,088)</u>

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

11. INTANGIBLE FIXED ASSETS

	<i>Goodwill</i> <i>£000</i>
COST:	
At 29 June 2003 and 3 July 2004	<u>52,397</u>
AMORTISATION:	
At 29 June 2003	20,000
Impairment	<u>32,397</u>
At 3 July 2004	<u>52,397</u>
NET BOOK VALUE:	
At 3 July 2004	<u>-</u>
At 29 June 2003	<u>32,397</u>

Amounts brought forward represent goodwill which arose on the acquisition of Gatwick Handling and Midland Airport Services and on the acquisition of the trade and assets of the ground handling operating of British Midland, which was acquired in 2001 as part of a larger acquisition by The Go-Ahead Group.

The annual impairment test of the carrying value of goodwill associated with aviance was undertaken in accordance with FRS11. In performing this impairment test at 3 July 2004 future cash flows were forecast applying a long-term growth rate of 2.25% and a pre tax discount rate of 14%. This represents a 3.6% premium (2003 - 2.8%) on the group's estimated pre tax weighted average cost of capital. As a result of the impairment test, the goodwill of £52.4m has been fully written down in these financial statements.

Had the goodwill been amortised in accordance with the Companies Act 1985 over the FRS 10 rebuttable assumption period of 20 years, £2,620,000 would have been charged to the profit and loss account in the year to 3 July 2004 (2003 - £185,000).

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

12. TANGIBLE FIXED ASSETS

	<i>Leasehold Property £000</i>	<i>Plant & Machinery £000</i>	<i>Total £000</i>
COST:			
At 29 June 2003	450	45,520	45,970
Additions	-	1,311	1,311
Disposals	-	(617)	(617)
Transfers (to) / from other group undertakings	(450)	917	467
At 3 July 2004	-	47,131	47,131
DEPRECIATION:			
At 29 June 2003	370	25,775	26,145
Provided during the year	-	3,963	3,963
Disposals	-	(485)	(485)
Transfers (to) / from other group undertakings	(370)	837	467
At 3 July 2004	-	30,090	30,090
NET BOOK VALUE:			
At 3 July 2004	-	17,041	17,041
At 29 June 2003	80	19,745	19,825

The net book value of assets above includes an amount of £3,905,000 (2003 - £4,712,000) in respect of assets held under hire purchase contracts.

13. INVESTMENTS

	<i>Shares in group undertakings £000</i>	<i>Interests in associated undertakings & joint ventures £000</i>	<i>Total £000</i>
Cost:			
At 29 June 2003 & 3 July 2004	251	3,372	3,623

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

13. INVESTMENTS (continued)

Shares in group undertakings comprise 100% of the share capital of:

- Gatwick Handling Limited incorporated in England (Airport traffic handling agent)
- GH Stansted Limited incorporated in England (Airport traffic handling agent)
- GH Heathrow Limited incorporated in England (Airport traffic handling agent and Holding company)
- Gatwick Handling (Overseas) Limited incorporated in the Isle of Man (Holding company)
- Hung Kai Holdings Limited incorporated in Hong Kong (Dormant)
- GH Manchester Limited incorporated in England (Airport traffic handling agent)

Interest in joint venture is 50% of the issued share capital of Plane Handling Limited, a cargo handling company registered in the UK.

The company's share of the results and net assets of Plane Handling Limited are accounted for in the group accounts of the company's ultimate holding company, The Go-Ahead Group plc.

On 27 August 2004, the company acquired full ownership of Plane Handling Limited, through acquisition of the remaining 50% of its share capital.

14. DEBTORS

	2004	2003
	£000	£000
Trade debtors	20,664	22,666
Other debtors	1,180	2,536
Prepayments and accrued income	2,888	2,982
	<u>24,732</u>	<u>28,184</u>

15. CREDITORS: amounts falling due within one year

	2004	2003
	£000	£000
Bank overdrafts	—	2,648
Obligations under hire purchase contracts (note 16)	—	111
Trade creditors	4,419	4,535
Amounts owed to group undertakings	71,832	73,677
Other taxation and social security	2,386	3,115
Other creditors	2,420	1,160
Accruals and deferred income	8,136	6,920
	<u>89,193</u>	<u>92,166</u>

AVIANCE UK LIMITED (PREVIOUSLY GHI LIMITED)

Notes to the financial statements

at 3 July 2004

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

The maturity of these amounts is as follows:

	2004 £000	2003 £000
Amounts payable:		
Within one year	—	111
	<u>—</u>	<u>111</u>

17. PENSIONS

The company participates in a scheme which is part of The Go-Ahead Group Pension Plan. The assets of the scheme are held separately from those of the company in an independently administered fund.

The most recent actuarial valuation of the scheme was at 5 April 2003. At that date the market value of the assets amounted to £168m, which represented 85% of the value of the accrued liabilities. The contributions paid to the scheme are paid in line with the schedule of contributions, being 11% and 10% of pensionable salaries paid to upper and lower tier sections respectively.

The defined benefit scheme is effectively closed to new entrants. As a result it can be expected that the service cost will increase in future, as a percentage of payroll. However, this higher percentage is likely to be applied to a reducing total pensionable payroll.

Under the transitional provision of FRS 17 'Retirement benefits' additional disclosures regarding the group defined pension scheme are required. In accordance with FRS 17, when adopted, the company will account for its contributions to the scheme as if it were a defined contribution scheme because it is not possible to identify the company's share of the net assets and liabilities in the scheme on a consistent and reasonable basis. The latest actuarial valuation of the scheme, prepared for the purposes of making the transitional disclosures in accordance with FRS 17 in the consolidated financial statements of the parent company, shows a deficit of £76.1m. Further details of this valuation can be found in the consolidated financial statements of the parent company.

18. COMMITMENTS UNDER OPERATING LEASES

At 3 July 2004 the company had annual commitments under non-cancellable operating leases as set out below.

	2004		2003	
	<i>Land and buildings</i> £000	<i>Other</i> £000	<i>Land and buildings</i> £000	<i>Other</i> £000
Operating leases which expire:				
Within one year	5,080	—	139	—
In two to five years	—	26	—	—
	<u>5,080</u>	<u>26</u>	<u>139</u>	<u>—</u>

19. RELATED PARTY TRANSACTIONS

The company is a 100% subsidiary of The Go Ahead Group plc. Advantage has been taken of the exemptions in paragraph 3 of Financial Reporting Standard 8 and transactions with entities that are part of the group have not been disclosed.

at 3 July 2004

	<i>2004</i>	<i>2003</i>
	<i>£000</i>	<i>£000</i>
100,000 Ordinary shares of £1 each	100	<i>100</i>

		<i>Allotted, called up and fully paid</i>	
		<i>2004</i>	<i>2003</i>
	<i>No</i>	<i>£000</i>	<i>No</i>
			<i>£000</i>
Ordinary shares of £1 each	100,000	100	<i>100,000</i>
			<i>100</i>

	<i>Share capital</i>	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total shareholders' funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 30 June 2002	100	26	6,810	6,936
Loss for the year	—	—	(16,141)	(16,141)
Foreign exchange differences	—	—	(7)	(7)
At 28 June 2003	100	26	(9,338)	(9,212)
Loss for the year	—	—	(34,886)	(34,886)
At 3 July 2004	100	26	(44,224)	(44,098)

In the directors' opinion the company's ultimate parent company and controlling party is The Go-Ahead Group plc which is also the parent undertaking of the group of undertakings for which group financial statements are drawn up. The Go-Ahead Group plc is registered in England and Wales and copies of its financial statements can be obtained from Companies House, Cardiff.