

JOHN BANKS LIMITED

Financial Statements

For the Year Ended 31st December 2002

Company Registration Number 1831725



WHITING & PARTNERS

Chartered Accountants & Registered Auditors

**Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ**

JOHN BANKS LIMITED

Financial Statements

Year Ended 31st December 2002

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JOHN BANKS LIMITED

Officers and Professional Advisers

The Board of Directors

Mr J.E. Banks
Mrs M.C.L. Banks
Mr M.J. Banks
Mr J.C. Banks
Mrs M.K.H. Banks-Browne

Company Secretary

Mrs M.C.L. Banks

Registered Office

Kempson Way
Moreton Hall
Bury St Edmunds
Suffolk

Auditors

Whiting & Partners
Chartered Accountants
& Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ

Bankers

National Westminster Bank Plc
7 Cornhill
Bury St Edmunds
Suffolk

Solicitors

Ashton Graham
81 Guildhall Street
Bury St Edmunds
Suffolk
IP33 1PZ

JOHN BANKS LIMITED

The Directors' Report

Year Ended 31st December 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2002.

Principal Activities and Business Review

The principal activity of the company and its trading subsidiary, John Banks (Ipswich) Limited, during the year was that of motor car dealers.

The directors are satisfied with the results reported by the parent and subsidiary companies for the year and the year end position is considered to be satisfactory.

The directors are confident of the group's ability to maintain profitability in the forthcoming year.

Results and Dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The Directors and their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
Mr J.E. Banks	227,440	227,440
Mrs M.C.L. Banks	96,662	96,662
Mr M.J. Banks	14,215	14,215
Mr J.C. Banks	14,215	14,215
Mrs M.K.H. Banks-Browne	14,215	14,215

The interests of J.E. Banks and Mrs M.C.L. Banks include joint interest in 82,447 shares.

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 10 to 11, 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.
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JOHN BANKS LIMITED

The Directors' Report *(continued)*

Year Ended 31st December 2002

Directors' Responsibilities *(continued)*

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. The directors 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.

Donations

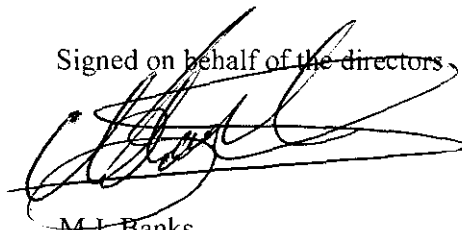
Payments of a charitable nature made during the year amounted to £375.

Auditors

A resolution to re-appoint Whiting & Partners as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Kempson Way
Moreton Hall
Bury St Edmunds
Suffolk

Signed on behalf of the directors



M.J. Banks
Director

Approved by the directors on 30th October 2003

JOHN BANKS LIMITED

Independent Auditors' Report to the Shareholders

Year Ended 31st December 2002

We have audited the financial statements on pages 6 to 19 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 10 to 11.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and the 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 on pages 2 to 3.

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. Our responsibilities do not extend to any other information.

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.

JOHN BANKS LIMITED

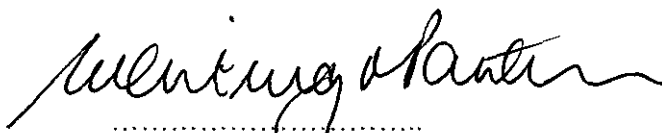
Independent Auditors' Report to the Shareholders *(continued)*

Year Ended 31st December 2002

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Dated: 30th October 2003



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WHITING & PARTNERS
Chartered Accountants
& Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk
IP33 1EZ

JOHN BANKS LIMITED

Profit and Loss Account

Year Ended 31st December 2002

	Note	2002 £	2001 £
Turnover	2	12,876,886	11,355,754
Cost of sales		12,084,763	10,555,895
Gross Profit		792,123	799,859
Administrative expenses		634,506	656,165
Operating Profit	3	157,617	143,694
Interest payable and similar charges	6	92,183	107,057
Profit on Ordinary Activities Before Taxation		65,434	36,637
Tax on profit on ordinary activities	7	14,187	13,657
Retained Profit for the Financial Year		51,247	22,980

All of the activities of the company are classed as continuing.

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

The notes on pages 10 to 19 form part of these financial statements.

JOHN BANKS LIMITED

Balance Sheet

31st December 2002

	Note	2002	2001
		£	£
Fixed Assets			
Tangible assets	8	1,499,542	1,520,813
Investments	9	200,000	200,000
		<u>1,699,542</u>	<u>1,720,813</u>
Current Assets			
Stocks	10	1,369,252	1,424,282
Debtors	11	744,420	383,086
Cash at bank and in hand		1,900	19,131
		<u>2,115,572</u>	<u>1,826,499</u>
Creditors: Amounts Falling due Within One Year	12	<u>2,005,209</u>	<u>1,740,905</u>
Net Current Assets		<u>110,363</u>	<u>85,594</u>
Total Assets Less Current Liabilities		<u>1,809,905</u>	<u>1,806,407</u>
Creditors: Amounts Falling due after More than One Year	13	<u>348,607</u>	<u>394,075</u>
		<u>1,461,298</u>	<u>1,412,332</u>
Provisions for Liabilities and Charges			
Deferred taxation	16	22,719	25,000
		<u>1,438,579</u>	<u>1,387,332</u>
Capital and Reserves			
Called-up equity share capital	19	284,300	284,300
Revaluation reserve		497,096	497,096
Profit and Loss Account	20	657,183	605,936
Shareholders' Funds	21	<u>1,438,579</u>	<u>1,387,332</u>

These financial statements were approved by the directors on the 30th October 2003 and are signed on their behalf by:

M.J. Banks
Director

J.C. Banks
Director

The notes on pages 10 to 19 form part of these financial statements.

JOHN BANKS LIMITED

Cash Flow Statement

Year Ended 31st December 2002

	2002		2001
	£	£	£
Net Cash (Outflow)/Inflow From Operating Activities		(47,276)	104,068
Returns on Investments and Servicing of Finance			
Interest paid	(86,959)		(102,049)
Interest element of hire purchase	(5,224)		(5,008)
Net Cash Outflow From Returns on Investments and Servicing of Finance		(92,183)	(107,057)
Taxation		(21,000)	(7,741)
Capital Expenditure			
Payments to acquire tangible fixed assets	(23,899)		(85,375)
Receipts from sale of fixed assets	4,000		5,500
Net Cash Outflow From Capital Expenditure		(19,899)	(79,875)
Cash Outflow Before Financing		(180,358)	(90,605)
Financing			
New bank loans	—		218,000
Repayment of bank loans	(48,898)		(235,521)
Other loans	94,869		(63,084)
Capital element of hire purchase	(29,654)		24,131
Net Cash Inflow/(Outflow) From Financing		16,317	(56,474)
Decrease in Cash		(164,041)	(147,079)

Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	2002	2001
	£	£
Operating profit	157,617	143,694
Depreciation	46,570	56,165
Loss/(Profit) on disposal of fixed assets	1,600	(1,169)
Decrease/(increase) in stocks	55,030	(126,493)
Increase in debtors	(352,431)	(4,997)
Increase in creditors	44,338	36,868
Net cash (outflow)/inflow from operating activities	(47,276)	104,068

The notes on pages 10 to 19 form part of these financial statements.

JOHN BANKS LIMITED

Cash Flow Statement *(continued)*

Year Ended 31st December 2002

Reconciliation of Net Cash Flow to Movement in Net Debt

	2002		2001	
	£	£	£	£
Decrease in cash in the period	(164,041)		(147,079)	
Net cash outflow from bank loans	48,898		17,521	
Other loans	(94,869)		63,084	
Cash outflow in respect of hire purchase	29,654		(24,131)	
		(180,358)		(90,605)
Change in net debt resulting from cashflows		(180,358)		(90,605)
New finance leases		(7,000)		(15,000)
Movement in net debt for the year		(187,358)		(105,605)
Net debt at 1 January 2002		(1,016,802)		(911,197)
Net debt at 31 December 2002		(1,204,160)		(1,016,802)

Analysis of Changes in Net Debt

	At 1 Jan 2002 £	Cash flows £	Other changes £	At 31 Dec 2002 £
Net cash:				
Cash in hand and at bank	19,131	(17,231)	—	1,900
Overdrafts	(225,979)	(146,810)	—	(372,789)
	(206,848)	(164,041)	—	(370,889)
Debt:				
Debt due within 1 year	(386,225)	(64,686)	—	(450,911)
Debt due after 1 year	(338,297)	18,715	—	(319,582)
Hire purchase agreements	(85,432)	29,654	(7,000)	(62,778)
	(809,954)	(16,317)	(7,000)	(833,271)
Net debt	(1,016,802)	(180,358)	(7,000)	(1,204,160)

The notes on pages 10 to 19 form part of these financial statements.

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprised a medium-sized group in the preceding year. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts for the current year.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% on cost
Plant & Machinery	-	10% on cost
Fixtures & Fittings	-	20% on cost
Motor Vehicles	-	25% on cost

No depreciation is charged on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on selling price less the estimated cost of disposal.

Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Pension Costs

The company operates defined contribution schemes. The assets of the schemes are held separately from those of the company in independently managed funds. The pension charge represents the amounts payable by the company to the funds in respect of the year.

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

1. Accounting Policies (continued)

Deferred Taxation

Deferred taxation is provided in full on timing differences which represent a liability or asset at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets and liabilities are not discounted.

2. Turnover

The turnover for the year is derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

3. Operating Profit

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation	46,570	56,165
Loss/(profit) on disposal of fixed assets	1,600	(1,169)
Auditors' remuneration		
- as auditors	7,946	7,875
Operating lease costs:		
Plant and equipment	469	1,831

4. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of management staff	8	8
Number of sales and service staff	33	32
	41	40

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	825,695	793,609
Social security costs	79,453	71,404
Other pension costs	14,099	12,935
	919,247	877,948

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

5. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	296,431	288,927
Value of company pension contributions to money purchase schemes	5,561	5,442
	<u>301,992</u>	<u>294,369</u>

Emoluments of highest paid director:

	2002	2001
	£	£
Total emoluments (excluding pension contributions)	85,992	111,831
Value of company pension contributions to money purchase schemes	1,585	1,125
	<u>87,577</u>	<u>112,956</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>5</u>	<u>5</u>

6. Interest Payable and Similar Charges

	2002	2001
	£	£
Interest payable on bank borrowing	35,632	53,563
Finance charges	5,224	5,008
Other similar charges payable	51,327	48,486
	<u>92,183</u>	<u>107,057</u>

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

7. Tax on Profit on Ordinary Activities

(a) Analysis of charge in the year

	2002	2001
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 19.25% (2001 - 20%)	17,000	9,000
Over/under provision in prior year	(532)	1,657
Total current tax	<u>16,468</u>	<u>10,657</u>
Deferred tax:		
(Decrease)/Increase in deferred tax provision (note 16)		
Capital allowances	(453)	3,000
Effect of changed tax rate on opening balance	(904)	-
Other	(924)	-
Total deferred tax (note 16)	<u>(2,281)</u>	<u>3,000</u>
Tax on profit on ordinary activities	<u>14,187</u>	<u>13,657</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19.25% (2001 - 20%).

	2002	2001
	£	£
Profit on ordinary activities before taxation	<u>65,434</u>	<u>36,637</u>
Profit/(loss) on ordinary activities by rate of tax	12,596	7,327
Expenses not deductible for tax purposes	3,778	3,097
Capital allowances in excess of depreciation	(419)	(1,956)
Other timing differences	924	-
Adjustments in respect of previous periods	(532)	1,657
Sundry tax adjusting items	121	532
Total current tax (note 7(a))	<u>16,468</u>	<u>10,657</u>

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

8. Tangible Fixed Assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or Valuation					
At 1 January 2002	1,391,112	144,302	140,133	102,762	1,778,309
Additions	–	11,611	19,288	–	30,899
Disposals	–	(7,000)	–	–	(7,000)
At 31 December 2002	1,391,112	148,913	159,421	102,762	1,802,208
Depreciation					
At 1 January 2002	63,281	97,987	70,677	25,551	257,496
Charge for the year	11,691	13,044	18,551	3,284	46,570
On disposals	–	(1,400)	–	–	(1,400)
At 31 December 2002	74,972	109,631	89,228	28,835	302,666
Net Book Value					
At 31 December 2002	1,316,140	39,282	70,193	73,927	1,499,542
At 31 December 2001	1,327,831	46,315	69,456	77,211	1,520,813

If stated under historical cost principles, the comparable amounts for the total cost of land and buildings included above would be £894,015, (2001 - £894,015) and accumulated depreciation would be £74,972 (2001 - £63,281).

If the land and buildings were sold at their net book amount a corporation tax liability of £140,000 would arise which is not provided for within these financial statements.

The freehold land and buildings were valued at £900,000 on 31st December 1995 on the basis of current asset value by Messrs Barker Storey Hart, Chartered Surveyors, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. The directors revalued the land and buildings at £1,300,000 on 31st December 1998 based on their estimate of current asset value and this valuation was incorporated in the financial statements. The directors are satisfied that the value of the land and buildings at 31st December 2002 was not materially different to its net book amount at that date.

Hire purchase agreements

Included within the net book value of £1,499,542 is £72,218 (2001 - £69,300) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £4,081 (2001 - £13,467).

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

9. Investments

	Shares in Group Undertakings £
Cost	
At 1st January 2002 and 31st December 2002	<u>200,000</u>
Net Book Value	
At 31st December 2002	<u>200,000</u>
At 31st December 2001	<u>200,000</u>

The company owns 100% of the issued share capital of John Banks (Ipswich) Limited, a company incorporated in England.

At the balance sheet date the capital and reserves and result of the subsidiary company were as follows:-

	£
Aggregate capital and reserves	<u>500,366</u>
Profit for the year	<u>29,340</u>

10. Stocks

	2002 £	2001 £
Finished goods	<u>1,369,252</u>	<u>1,424,282</u>

Included in stocks at the balance sheet date is £256,987 (2001 - £304,805) which represents vehicles held as consignment stock. The corresponding liability is included in trade creditors.

11. Debtors

	2002 £	2001 £
Trade debtors	419,120	248,855
VAT recoverable	1,661	21,935
Amounts owed by group undertakings	192,004	-
Directors overdrawn current accounts	80,342	59,799
Other taxation recoverable	10,304	1,401
Prepayments and accrued income	40,989	51,096
	<u>744,420</u>	<u>383,086</u>

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

12. Creditors: Amounts Falling due Within One Year

	2002	2001
	£	£
Other loans	398,911	337,225
Bank loans and overdrafts	424,789	274,979
Trade creditors	1,010,440	957,410
Corporation tax	13,371	9,000
PAYE and social security	20,822	19,066
Hire purchase agreements	33,753	29,654
Amounts owed by group undertakings	—	19,789
Accruals and deferred income	103,123	93,782
	<u>2,005,209</u>	<u>1,740,905</u>

Included in trade creditors is an amount of £873,102 (2001 - £821,525) in connection with vehicle funding which is secured. The bank loans and overdraft are secured by a legal mortgage over the company's freehold property. The other loan relates to stocking plan finance provided by Honda Finance Limited which is secured by a fixed and floating charge over the assets and undertakings of the company. Hire purchase contracts are secured on the assets concerned.

13. Creditors: Amounts Falling due after More than One Year

	2002	2001
	£	£
Bank loans and overdrafts	286,399	338,297
Hire purchase agreements	29,025	55,778
Other loans	33,183	—
	<u>348,607</u>	<u>394,075</u>

14. Creditors: Bank Loans

Creditors include finance capital which is due for repayment as follows:

	2002	2001
	£	£
In one year or less, or on demand	52,000	49,000
Between one and two years	54,911	53,143
Between two and five years	174,185	175,460
In five years or more	57,303	109,694
	<u>338,399</u>	<u>387,297</u>

Bank loans consist of two variable rate business loans repayable by instalments with interest rates of 5.5% at the year end. The loans are repayable over 9 years and 15 years both expiring in 2010.

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

15. Commitments under Hire Purchase Agreements

Included in creditors are future commitments under hire purchase agreements as follows:

	2002 £	2001 £
Amounts payable within 1 year	33,753	29,654
Amounts payable between 2 to 5 years	29,025	55,778
	<u>62,778</u>	<u>85,432</u>

16. Deferred Taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	25,000	22,000
Profit and Loss Account movement arising during the year	(2,281)	3,000
Provision carried forward	<u>22,719</u>	<u>25,000</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002		2001	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	23,643	-	25,000	-
Other timing differences	(924)	140,797	-	147,639
	<u>22,719</u>	<u>140,797</u>	<u>25,000</u>	<u>147,639</u>

Unprovided other timing differences include £44,510 (2001 - £44,510) in respect of capital gains rolled over, with the balance arising on revaluation of freehold property (note 8).

Deferred taxation provided for is based on a corporation tax rate of 19.25%. Potential deferred tax is based on a corporation tax rate of 30% (2001 - 30%)

17. Contingencies

A contingent liability exists under a guarantee given in support of the subsidiary company's overdraft and loans which amounted to £944,463 at the balance sheet date.

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

18. Related Party Transactions

Control

The company is under the control of the directors who are the principal shareholders.

Directors Loans

During the year there were overdrawn directors' account balances as follows:-

	M.C. Banks £	J.E. Banks £	M.J. Banks £	J.C. Banks £
Balance at the beginning of the year	1,000	12,281	45,607	911
Balance at the end of the year	1,100	2,917	74,969	1,355
Maximum balance outstanding during the year	1,100	12,910	74,969	11,355

Other related party transactions

During the year, the company transferred stock to and from its subsidiary company, John Banks (Ipswich) Limited at normal trade price. The company made a management charge of £60,107 to the subsidiary company during the year.

At the year end an amount of £45,183 was owed by the company to the John Banks Limited Retirement Benefit Scheme in the form of a loan from the pension scheme of which certain directors are beneficiaries. The loan is repayable by instalments over a 4 year term. Interest is charged at 3% above base rate.

19. Share Capital

Authorised share capital:

	2002 £	2001 £
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid:

	2002 No	£	2001 No	£
Ordinary shares of £1 each	<u>284,300</u>	<u>284,300</u>	<u>284,300</u>	<u>284,300</u>

20. Profit and Loss Account

	2002 £	2001 £
Balance brought forward	605,936	582,956
Retained profit for the financial year	<u>51,247</u>	<u>22,980</u>
Balance carried forward	<u>657,183</u>	<u>605,936</u>

JOHN BANKS LIMITED

Notes to the Financial Statements

Year Ended 31st December 2002

21. Reconciliation of Movements in Shareholders' Funds

	2002	2001
	£	£
Profit for the financial year	51,247	22,980
Opening shareholders' equity funds	1,387,332	1,364,352
Closing shareholders' equity funds	<u>1,438,579</u>	<u>1,387,332</u>