

**WHITPORT PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE TWELVE MONTHS ENDED**  
**31ST JANUARY 2006**



# WHITPORT PLC

## REPORT OF THE DIRECTORS

### FOR THE YEAR ENDED 31ST JANUARY 2006

The directors have pleasure in presenting their Report and Financial Statements for the year ended 31st January 2006.

#### Profit and business review

|   |                |
|---|----------------|
|   | £              |
| The Group profits for the year totalled | 1,466,087      |
| Corporation tax                         | <u>551,165</u> |
| Group profit after tax                  | <u>914,922</u> |

The directors here record their appreciation of the hard work and skill of the management and operatives which enabled the Group to achieve a satisfactory trading year. Our continued success depends on the domestic housing market and on contracts obtained in the corporate sectors.

The group is well placed to compete in these areas and the board looks forward to the future with confidence.

#### Activities

The activities of the Group are the operation of depots and vehicles for export packing, overseas shipping, industrial storage, warehousing, household, office and industrial removals and haulage.

#### Dividend

The directors recommend a dividend of 12.1% absorbing £242,000. This is an increase of 10% over the previous year.

#### Tangible fixed assets

Changes in tangible fixed assets are set out in note 8 of the financial statements.

#### Charitable donations

During the year donations totalling £5,145 were made for charitable purposes.

#### Directors

Mr M Howson-Green and Mr D A Hoare retire under the regulations of the Company and offer themselves for re-election.

#### Directors' interests in ordinary shares

|                                 | <u>At 31.1.2006</u> |                    | <u>At 1.2.2005</u> |                    |
|---------------------------------|---------------------|--------------------|--------------------|--------------------|
|                                 | <u>Beneficial</u>   | <u>As Trustees</u> | <u>Beneficial</u>  | <u>As Trustees</u> |
| C S Elliott (Deceased 04.03.05) |                     |                    | 119,035            | 45,880             |
| M Howson-Green                  | 186,892             | 45,880             | 186,892            | 45,880             |
| R J Nicklinson                  | 50,344              | 45,880             | 50,344             | 45,880             |
| R H Jeans                       | 246,640             | -                  | 246,640            | -                  |
| R W White                       | 144,079             | -                  | 135,338            | -                  |
| D A Hoare                       | 21,539              | 45,880             | 21,539             | -                  |

#### Directors' responsibilities in respect of the financial statements

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 Group and of the profit or loss for that period. In preparing the Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group 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 which enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# WHITPORT PLC

## REPORT OF THE DIRECTORS (Continued)

### FOR THE YEAR ENDED 31ST JANUARY 2006

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#### Statement of the directors

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangements in accordance with generally accepted accounting principles or practice.

(a) so far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

(b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### Personnel

Group companies are committed to the training and development of all employees and to a policy of internal promotion.

In considering applications for employment from disabled people the Group seeks to ensure that fair consideration is given to the abilities and aptitudes of the applicant while having regard to the requirements of the job for which he or she has applied.

Employees who become unable to carry out the job for which they are employed are given individual consideration and depending on the nature, severity and duration of the disability may be considered for alternative work.

Health and Safety precautions are kept under constant review with the aim of maintaining the highest standards.

The Group is committed to a policy of developing employee involvement and awareness on matters of concern to all employees throughout the Group. Staff involvement will continue to be carried out at a local level both on a formal and informal basis.

#### Auditors

The auditors have indicated their willingness to continue in office and a resolution will be proposed at the Annual General Meeting re-appointing them, and fixing their remuneration.

#### Creditor's payment policy

Payment terms are agreed with each supplier and every endeavour is made to adhere to them. During the year ended 31st January 2006 the Group's average credit age was 22 days.

#### Company status

The Company is a Close Company.

By order of the Board



D A Hoare  
Secretary

Date: 16th May 2006

# INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF

## WHITPORT PLC

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We have audited the financial statements of Whitport Plc for the year ended 31st January 2006 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 International Standards on Auditing (UK and Ireland) 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

- 1) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 31st January 2006, and of its profit of the group for the year then ended and
- 2) the financial statements have been properly prepared in accordance with the Companies Act 1985.

*Westlake Clark*

Westlake Clark  
Chartered Accountants and  
Registered Auditor

Nat West Bank Chambers  
55 Station Road  
New Milton  
Hampshire  
BH25 6JA

Date: 25th May 2006

# WHITPORT PLC

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 2006

| <u>Note</u> |  | 2006<br>£         | Restated<br>2005<br>£ |
|-------------|--|-------------------|-----------------------|
| 1           | <b>Turnover</b>                                      | 23,042,682        | 20,885,374            |
|             | Cost of sales  | <u>20,979,179</u> | <u>19,029,346</u>     |
|             | <b>Gross profit</b>                                  | 2,063,503         | 1,856,028             |
|             | Administrative expenses                              | <u>356,154</u>    | <u>438,444</u>        |
|             |  | 1,707,349         | 1,417,584             |
|             | Rents receivable                                     | <u>24,794</u>     | <u>17,977</u>         |
|             | <b>Operating profit</b>                              | 1,732,143         | 1,435,561             |
|             | Investment income                                    | 30,958            | 14,181                |
|             | Surplus on sale of property                          | <u>-</u>          | <u>205,584</u>        |
|             |  | 1,763,101         | 1,655,326             |
| 2           | Interest payable                                     | <u>297,014</u>    | <u>327,266</u>        |
| 3           | <b>Profit on ordinary activities before taxation</b> | 1,466,087         | 1,328,060             |
| 5           | Taxation   | <u>551,165</u>    | <u>397,975</u>        |
| 16          | <b>Retained profit for year</b>                      | <u>914,922</u>    | <u>930,085</u>        |

The Group's operations are classed as continuing.

The Group had no recognised gains or losses other than the results for the year.

### NOTE OF HISTORICAL PROFITS AND LOSSES

|  | £                | £                |
|--|------------------|------------------|
| Profit on ordinary activities before taxation  | 1,466,087        | 1,328,060        |
| Difference between previous years historical cost depreciation charge and actual depreciation charge for the year on the revalued amount | <u>3,669</u>     | <u>3,669</u>     |
|  | <u>1,469,756</u> | <u>1,331,729</u> |
| Historical cost profit after taxation  | <u>918,591</u>   | <u>933,754</u>   |

# WHITPORT PLC

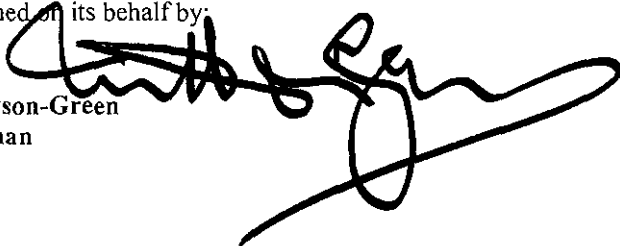
## BALANCE SHEET AND GROUP BALANCE SHEET

AS AT 31ST JANUARY 2006

| Note |  | <u>Group</u>         |                      | <u>Whitport Plc</u>  |                      |
|------|--|----------------------|----------------------|----------------------|----------------------|
|      |  | 2006                 | Restated<br>2005     | 2006                 | Restated<br>2005     |
|      |  | £                    | £                    | £                    | £                    |
|      | <b>Fixed assets</b>                            |                      |                      |                      |                      |
| 7    | Intangible assets                              | 255,879              | 270,029              | -                    | -                    |
| 8    | Tangible assets                                | 12,562,197           | 13,188,496           | 5,782,224            | 6,020,757            |
| 10   | Investments                                    | -                    | -                    | 1,719,103            | 1,019,103            |
|      |  | <u>12,818,076</u>    | <u>13,458,525</u>    | <u>7,501,327</u>     | <u>7,039,860</u>     |
|      | <b>Current assets</b>                          |                      |                      |                      |                      |
| 11   | Debtors receivable within one year             | 2,682,958            | 2,341,355            | 13,261               | 7,548                |
| 11   | Debtors receivable after one year              | 8,000                | 8,000                | 3,808,077            | 4,508,077            |
|      | Cash at bank and in hand                       | <u>1,147,245</u>     | <u>50,264</u>        | <u>269,447</u>       | <u>14,342</u>        |
|      |  | 3,838,203            | 2,399,619            | 4,090,785            | 4,529,967            |
|      | <b>Current liabilities</b>                     |                      |                      |                      |                      |
| 12   | Creditors due within one year                  | <u>3,935,209</u>     | <u>3,605,840</u>     | <u>1,085,196</u>     | <u>1,534,681</u>     |
|      | <b>Net current (liabilities)/assets</b>        | ( <u>97,006</u> )    | ( <u>1,206,221</u> ) | <u>3,005,589</u>     | <u>2,995,286</u>     |
|      | <b>Total assets less current liabilities</b>   | 12,721,070           | 12,252,304           | 10,506,916           | 10,035,146           |
| 12   | <b>Creditors: due after more than one year</b> | ( <u>3,811,751</u> ) | ( <u>4,058,207</u> ) | ( <u>3,789,962</u> ) | ( <u>3,789,963</u> ) |
| 14   | <b>Provisions for liabilities and charges</b>  | ( <u>307,271</u> )   | ( <u>286,971</u> )   | ( <u>307,271</u> )   | ( <u>286,971</u> )   |
|      | <b>Net assets</b>                              | <u>8,602,048</u>     | <u>7,907,126</u>     | <u>6,409,683</u>     | <u>5,958,212</u>     |
|      | <b>Capital and reserves</b>                    |                      |                      |                      |                      |
| 15   | Called up share capital                        | 2,000,000            | 2,000,000            | 2,000,000            | 2,000,000            |
| 16   | Revaluation reserve                            | 143,891              | 147,560              | -                    | -                    |
| 16   | Other reserves                                 | 225,000              | 225,000              | -                    | -                    |
| 16   | Profit and loss account                        | <u>6,233,157</u>     | <u>5,534,566</u>     | <u>4,409,683</u>     | <u>3,958,212</u>     |
| 17   | <b>Equity shareholders' funds</b>              | <u>8,602,048</u>     | <u>7,907,126</u>     | <u>6,409,683</u>     | <u>5,958,212</u>     |

Approved by the Board of Directors on 16th May 2006  
and signed on its behalf by:

M Howson-Green  
Chairman



# WHITPORT PLC

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST JANUARY 2006

| <u>Note</u> |  | 2006<br>£        | 2005<br>£        |
|-------------|--|------------------|------------------|
| 21          | Cash flow from operating activities                    | 3,022,487        | 2,722,936        |
| 22 (a)      | Returns on investment and servicing of finance         | ( 265,757)       | ( 373,823)       |
|             | Taxation   | ( 331,264)       | ( 327,785)       |
| 22 (b)      | Capital expenditure and financial investment           | ( 735,825)       | ( 247,434)       |
| 22 (c)      | Acquisitions and disposals                             | -                | ( 1,259,480)     |
|             | Equity dividend paid                                   | ( 220,000)       | ( 196,543)       |
|             | Cash inflow before use of liquid resources and finance | 1,469,641        | 317,871          |
| 22 (d)      | Financing  | ( 331,654)       | ( 355,179)       |
| 23          | Increase/(decrease) in cash in year                    | <u>1,137,987</u> | <u>( 37,308)</u> |

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

|  | £                   | Restated<br>£       |
|--|---------------------|---------------------|
| Increase/(decrease) in cash in year            | 1,137,987           | ( 37,308)           |
| Cash outflow from decrease in debt             | <u>331,654</u>      | <u>379,467</u>      |
| Changes in net debt resulting from cash flows  | 1,469,641           | 342,159             |
| Movement re disposal of engineering subsidiary | -                   | 18,871              |
| Inception of hire purchase contracts           | <u>-</u>            | <u>( 587,844)</u>   |
| Movement in net debt                           | 1,469,641           | ( 226,814)          |
| Net debt at 1st February 2005                  | ( 4,193,425)        | ( 3,966,611)        |
| 23 Net debt at 31st January 2006               | <u>( 2,723,784)</u> | <u>( 4,193,425)</u> |

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

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#### 1 Accounting policies

##### **Basis of preparation and consolidation**

The Financial Statements have been prepared under the historical cost convention modified to include the revaluation of a property in 1982 and in accordance with applicable Accounting Standards.

The Group accounts include the results of the Company and its subsidiaries. The results of subsidiary undertakings acquired during the year are included in the consolidated Profit and Loss Account from the date of their acquisition. Intra-Group items have been eliminated.

No Profit and Loss Account is presented for the Company as permitted by section 230 of the Companies Act 1985.

##### **Changes in accounting policy**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

FRS 21 Events after the Balance Sheet date;

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

##### **Turnover**

The turnover of the Group comprises the gross revenue, exclusive of value added tax.

##### **Depreciation and amortisation**

Depreciation is provided on all tangible fixed assets with the exception of land and the cost of 999 year leases. The depreciation is on a consistent basis, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

|                    |                                |
|--------------------|--------------------------------|
| Freehold buildings | - over 50 years                |
| Long leaseholds    | - over 50 years                |
| Short leaseholds   | - over the period of the lease |
| Motor vehicles     | - over 3 to 9 years            |
| Plant              | - over 3 to 12 years           |

##### **Goodwill**

Goodwill arising on the acquisition of businesses since 1st October 1998 is amortised through the profit and loss account on a straight line basis over its estimated useful economic life of 20 years.

Goodwill arising on acquisitions prior to 1st October 1998 was written off in the year of acquisition against reserves. This goodwill will be charged to the profit and loss account as appropriate on the subsequent disposal of the business to which it relates in accordance with FRS10.

##### **Deferred taxation**

Provision is made, on the liability method, for taxation deferred by capital allowances and other timing differences between the incidence of income and expenditure for tax and accounting purposes.

##### **Leasing and hire purchase commitments**

- (i) Rentals payable under operating leases are charged to income as incurred.
- (ii) The asset and related liability in respect of hire purchase commitments are recorded in the balance sheet at the inception of the agreement. Instalments are apportioned between finance charges and reductions of the appropriate liability.

##### **Pensions**

The Group operates defined contribution pension schemes. Payments are charged to revenue as incurred.

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# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

|   |  |                  |                  |
|---|--|------------------|------------------|
| 2 | <b>Interest payable</b>  | <b>2006</b>      | <b>2005</b>      |
|   |  | £                | £                |
|   | Bank overdrafts, and other loans:  |                  |                  |
|   | Repayable within 5 years, not by instalments                               | 247,324          | 23,238           |
|   | Hire purchase repayable within 5 years by instalments                      | 49,690           | 70,134           |
|   |  | <u>297,014</u>   | <u>93,372</u>    |
|   | Other loans repayable wholly or partly in more than 5 years                | -                | 233,894          |
|   |  | <u>297,014</u>   | <u>327,266</u>   |
| 3 | <b>Profit on ordinary activities before taxation</b>                       |                  | Restated         |
|   |  | £                | £                |
|   | is calculated after charging:  |                  |                  |
|   | Depreciation of tangible fixed assets                                      | 1,350,093        | 1,287,124        |
|   | Amortisation of intangible fixed assets                                    | 14,150           | 12,971           |
|   | Disposal of engineering subsidiary (including goodwill reinstated £79,082) | -                | 106,358          |
|   | Operating lease rentals - land and buildings                               | 525,092          | 467,299          |
|   | Auditors remuneration - statutory audit                                    | 34,467           | 32,552           |
|   | - other services   | 3,500            | 2,900            |
|   |  | <u>1,927,302</u> | <u>1,909,204</u> |
| 4 | <b>Employees</b>   | £                | £                |
|   | Staff costs during the year:   |                  |                  |
|   | Wages and salaries   | 7,765,410        | 7,351,778        |
|   | Social security costs  | 700,839          | 648,467          |
|   | Other pension costs  | 146,518          | 149,646          |
|   | Pension reserve fund   | 20,000           | 20,000           |
|   |  | <u>8,632,767</u> | <u>8,169,891</u> |
|   | The average number of persons employed by the Group during the year was    | <u>463</u>       | <u>447</u>       |
|   | <b>Directors' remuneration (including performance related bonuses)</b>     | £                | £                |
|   | Staff costs include the following remuneration in respect of directors:    |                  |                  |
|   | Fees   | 52,500           | 42,500           |
|   | Remuneration currently payable   | 100,082          | 89,250           |
|   | Pension paid   | 1,100            | 6,600            |
|   |  | <u>153,682</u>   | <u>138,350</u>   |

At 31st January 2006 no retirement benefits accrued for any of the directors.

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

|   |   |                  |                  |
|---|---|------------------|------------------|
| 5 | <b>Taxation</b>   | <b>2006</b>      | <b>2005</b>      |
|   |   | <b>£</b>         | <b>£</b>         |
|   | UK corporation tax at 30% (2005: 30%)                     |                  |                  |
|   | Current   | 554,400          | 396,450          |
|   | Over provision in prior year                              | ( 9,035 )        | ( 7,475 )        |
|   |   | 545,365          | 388,975          |
|   | Deferred  | 5,800            | 9,000            |
|   |   | <u>551,165</u>   | <u>397,975</u>   |
|   | <b>Current tax reconciliation</b>                         | <b>£</b>         | <b>£</b>         |
|   | Profit on ordinary activities before taxation             | <u>1,466,087</u> | <u>1,328,060</u> |
|   | Tax charge at UK corporation tax rate 30% (2005: 30%)     | 439,826          | 398,417          |
|   | Depreciation on properties                                | 49,528           | 49,625           |
|   | Depreciation in excess of capital allowances              | 6,136            | -                |
|   | Accelerated capital allowances                            | -                | ( 52,539 )       |
|   | Expenses not deductible for tax purposes                  | 51,468           | 32,157           |
|   | Relief on disposal of property                            | -                | ( 61,675 )       |
|   | Other   | 16,268           | 6,768            |
|   | Small companies relief                                    | ( 8,826 )        | ( 8,211 )        |
|   | Adjustments in respect of prior years                     | ( 9,035 )        | ( 7,475 )        |
|   | Disposal of subsidiary                                    | -                | 31,908           |
|   | Group current tax charge for year                         | <u>545,365</u>   | <u>388,975</u>   |
| 6 | <b>Dividend</b>   |                  | <b>Restated</b>  |
|   |   | <b>£</b>         | <b>£</b>         |
|   | Prior year dividend paid in year                          | <u>220,000</u>   | <u>196,543</u>   |
|   | For proposed current year dividend see directors' report. |                  |                  |
| 7 | <b>Intangible fixed assets - Goodwill</b>                 |                  | <b>2006</b>      |
|   |   |                  | <b>£</b>         |
|   | <b>Group</b>  |                  |                  |
|   | Cost  |                  |                  |
|   | At 1st February 2005 and 31st January 2006                |                  | <u>283,000</u>   |
|   | Amortisation  |                  |                  |
|   | At 1st February 2005                                      |                  | 12,971           |
|   | Charge for year   |                  | <u>14,150</u>    |
|   | At 31st January 2006                                      |                  | <u>27,121</u>    |
|   | <b>Net Book Value</b>                                     |                  |                  |
|   | At 31st January 2006                                      |                  | <u>255,879</u>   |
|   | At 31st January 2005                                      |                  | <u>270,029</u>   |

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

| 8 | Tangible fixed assets   | Land and<br>Buildings | Motor<br>Vehicles | Plant and<br>Equipment | Total             |
|---|-------------------------|-----------------------|-------------------|------------------------|-------------------|
|   | Group                   | £                     | £                 | £                      | £                 |
|   | Cost or valuation       |                       |                   |                        |                   |
|   | At 1st February 2005    | 9,470,629             | 8,301,170         | 3,536,686              | 21,308,485        |
|   | Additions               | 15,598                | 649,074           | 121,863                | 786,535           |
|   | Disposals               | -                     | ( 535,097)        | ( 32,396)              | ( 567,493)        |
|   | At 31st January 2006    | <u>9,486,227</u>      | <u>8,415,147</u>  | <u>3,626,153</u>       | <u>21,527,527</u> |
|   | Depreciation            |                       |                   |                        |                   |
|   | At 1st February 2005    | 1,248,107             | 4,975,241         | 1,896,641              | 8,119,989         |
|   | Charge for year         | 165,788               | 929,584           | 254,721                | 1,350,093         |
|   | Adjustment on disposals | -                     | ( 472,441)        | ( 32,311)              | ( 504,752)        |
|   | At 31st January 2006    | <u>1,413,895</u>      | <u>5,432,384</u>  | <u>2,119,051</u>       | <u>8,965,330</u>  |
|   | Net book value          |                       |                   |                        |                   |
|   | At 31st January 2006    | <u>8,072,332</u>      | <u>2,982,763</u>  | <u>1,507,102</u>       | <u>12,562,197</u> |
|   | At 31st January 2005    | <u>8,222,522</u>      | <u>3,325,929</u>  | <u>1,640,045</u>       | <u>13,188,496</u> |

Included in land and buildings is the cost of land amounting to £1,434,981.

Cost or valuation at 31st January 2006 comprises: £

|                |                  |
|----------------|------------------|
| Valuation 1982 | 325,000          |
| Cost           | <u>9,161,227</u> |
|                | <u>9,486,227</u> |

The net book value of motor vehicles includes £1,164,283 (2005: £1,363,688) in respect of vehicles being acquired under hire purchase contracts and depreciation thereon for the year amounted to £242,282 (2005: £208,856).

|                 | Land and Buildings |                  |
|-----------------|--------------------|------------------|
|                 | 2006               | 2005             |
|                 | £                  | £                |
| Net book value  |                    |                  |
| Freehold        | 6,903,369          | 7,030,535        |
| Long leasehold  | 1,163,551          | 1,185,029        |
| Short leasehold | <u>5,412</u>       | <u>6,958</u>     |
|                 | <u>8,072,332</u>   | <u>8,222,522</u> |

If certain land and buildings had not been revalued, the cost and aggregate depreciation would have been:

|                        | £                | £                |
|------------------------|------------------|------------------|
| Cost                   | 9,302,770        | 9,287,172        |
| Aggregate depreciation | <u>1,362,529</u> | <u>1,200,410</u> |

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

| 8 | Tangible fixed assets (continued) | Land and<br>Buildings<br>£ | Plant and<br>Equipment<br>£ | Total<br>£       |
|---|-----------------------------------|----------------------------|-----------------------------|------------------|
|   | Whitport Plc                      |                            |                             |                  |
|   | Cost                              |                            |                             |                  |
|   | At 1st February 2005              | 5,691,693                  | 2,520,075                   | 8,211,768        |
|   | Additions                         | 15,598                     | 20,800                      | 36,398           |
|   | Disposals                         | -                          | (16,396)                    | (16,396)         |
|   | At 31st January 2006              | <u>5,707,291</u>           | <u>2,524,479</u>            | <u>8,231,770</u> |
|   | Depreciation                      |                            |                             |                  |
|   | At 1st February 2005              | 967,734                    | 1,223,277                   | 2,191,011        |
|   | Charge for year                   | 102,051                    | 172,880                     | 274,931          |
|   | Disposals                         | -                          | (16,396)                    | (16,396)         |
|   | At 31st January 2006              | <u>1,069,785</u>           | <u>1,379,761</u>            | <u>2,449,546</u> |
|   | Net book value                    |                            |                             |                  |
|   | At 31st January 2006              | <u>4,637,506</u>           | <u>1,144,718</u>            | <u>5,782,224</u> |
|   | At 31st January 2005              | <u>4,723,959</u>           | <u>1,296,798</u>            | <u>6,020,757</u> |

Included in land and buildings is the cost of land amounting to £708,044.

|                | <u>Land and Buildings</u> |                  |
|----------------|---------------------------|------------------|
| Net book value | 2006<br>£                 | 2005<br>£        |
| Freehold       | 3,473,955                 | 3,538,930        |
| Long leasehold | <u>1,163,551</u>          | <u>1,185,029</u> |
|                | <u>4,637,506</u>          | <u>4,723,959</u> |

| 9 | Capital commitments           | <u>Group</u>   |                | <u>Whitport Plc</u> |           |
|---|-------------------------------|----------------|----------------|---------------------|-----------|
|   |                               | 2006<br>£      | 2005<br>£      | 2006<br>£           | 2005<br>£ |
|   | Authorised and contracted for | <u>169,000</u> | <u>201,000</u> | <u>-</u>            | <u>-</u>  |

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

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|    |  |                  |
|----|--|------------------|
| 10 | <b>Fixed asset investments - Shares in subsidiary undertakings</b> | <b>£</b>         |
|    | Cost   |                  |
|    | At 1st February 2005   | 1,019,103        |
|    | Additions  | <u>700,000</u>   |
|    | At 31st January 2006   | <u>1,719,103</u> |

The share capitals of the under mentioned subsidiary undertakings are wholly owned and comprise ordinary shares.

|  |    |  |    |
|--|----|--|----|
| White & Co Plc                           | E  | Milton Keynes Removals and Storage Limited | E  |
| White & Co of Scotland Limited           | S  | CSC Removals (UK) Limited                  | E  |
| Landguard Property Investments Plc       | E  | Chichester Removals Limited                | E  |
| Curtiss & Sons Limited                   | E  | * Lawrence & Hall Limited                  | E  |
| Argus (Freight Forwarders) Limited       | E  | * W Upton & Sons Limited                   | E  |
| Chariot Freight Services Limited         | S  | * White Van Lines Limited                  | E  |
| Grampian International Removers Limited  | S  | * Whites Moving and Storage Spain S.L.     | SP |
| Sarnia Services Limited                  | CI | Grampian Removers Limited                  | S  |
| Portsmouth Removals and Storage Limited  | E  | Record Management Limited                  | E  |
| Southampton Removals and Storage Limited | E  | Edinburgh Removals and Storage Limited     | S  |
| Leons Removals and Storage Limited       | E  | Security Self Storage Limited              | E  |
| Moving and Storage Limited               | E  | Lund-Conlon Removers & Storage Limited     | E  |

\* Sub Subsidiaries

E Incorporated in England and Wales  
S Incorporated in Scotland  
CI Incorporated in the Channel Islands  
SP Incorporated in Spain

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

| 11 | Debtors                                       | Group            |                  | Whitport Plc     |                  |
|----|---|------------------|------------------|------------------|------------------|
|    |   | 2006             | 2005             | 2006             | Restated<br>2005 |
|    |   | £                | £                | £                | £                |
|    | Amounts falling due within one year:          |                  |                  |                  |                  |
|    | Trade debtors                                 | 2,189,534        | 1,808,178        | 10,198           | 4,407            |
|    | Corporation tax                               | 2,651            | 37,216           | 1,521            | 2,099            |
|    | Prepayments and accrued income                | 490,773          | 495,961          | 1,542            | 1,042            |
|    |   | <u>2,682,958</u> | <u>2,341,355</u> | <u>13,261</u>    | <u>7,548</u>     |
|    | Amounts falling due after more than one year: |                  |                  |                  |                  |
|    | Trade debtors                                 | 8,000            | 8,000            | 8,000            | 8,000            |
|    | Amounts owed by subsidiary undertakings       | -                | -                | 3,800,077        | 4,500,077        |
|    |   | <u>8,000</u>     | <u>8,000</u>     | <u>3,808,077</u> | <u>4,508,077</u> |
| 12 | Creditors                                     | Group            |                  | Whitport Plc     |                  |
|    |   | £                | Restated<br>£    | £                | Restated<br>£    |
|    | Amounts falling due within one year:          |                  |                  |                  |                  |
|    | Current instalments due on hire purchase      | 353,580          | 331,653          | -                | -                |
|    | Bank overdrafts                               | -                | 41,006           | -                | -                |
|    | Trade creditors                               | 697,622          | 934,618          | 23,462           | 17,003           |
|    | Amounts owed to subsidiary undertakings       | -                | -                | 880,439          | 1,363,865        |
|    | Corporation tax                               | 398,636          | 221,500          | 137,000          | 136,000          |
|    | Other taxation and social security            | 1,007,779        | 892,176          | -                | -                |
|    | Other creditors                               | 7,130            | 6,668            | 7,130            | 6,668            |
|    | Accruals and deferred income                  | 1,470,462        | 1,178,219        | 37,165           | 11,145           |
|    |   | <u>3,935,209</u> | <u>3,605,840</u> | <u>1,085,196</u> | <u>1,534,681</u> |
|    | Amounts falling due after more than one year: |                  |                  |                  |                  |
|    | Amounts owed to subsidiary undertakings       | -                | -                | 539,962          | 539,963          |
|    | Mortgage loans                                | 3,250,000        | 3,250,000        | 3,250,000        | 3,250,000        |
|    | Hire purchase                                 | 267,449          | 621,030          | -                | -                |
|    | Accruals and deferred income                  | 294,302          | 187,177          | -                | -                |
|    |   | <u>3,811,751</u> | <u>4,058,207</u> | <u>3,789,962</u> | <u>3,789,963</u> |

Bank overdraft facilities are secured on certain properties and debtors of the Group.

| 13 | Information regarding loans             | Group          |                  | Whitport Plc       |           |
|----|---|----------------|------------------|--------------------|-----------|
|    |   | 2006           | 2005             | 2006               | 2005      |
|    |   | £              | £                | £                  | £         |
|    | Mortgage loan - within 5 years          | 3,250,000      | 3,250,000        | 3,250,000          | 3,250,000 |
|    | Hire purchase - repayable within 1 year | 353,580        | 331,653          | -                  | -         |
|    | between 2 and 5 years                   | 267,449        | 621,030          | -                  | -         |
|    |   | <u>621,029</u> | <u>952,683</u>   | <u>-</u>           | <u>-</u>  |
|    |   | Amount         | Rate of interest | Terms of repayment |           |
|    |   | £              |                  |                    |           |
|    | Mortgage loan                           | 2,500,000      | 7.25%            | Repayable in 2010  |           |
|    |   | 750,000        | 7.00%            | Repayable in 2010  |           |

The above loans are secured by means of a first legal charge over various Group properties and floating charges over certain Group assets.

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

#### 14 Provisions for liabilities and charges

|                               | <u>Group</u>   |                | <u>Whitport Plc</u> |                |
|-------------------------------|----------------|----------------|---------------------|----------------|
|                               | 2006           | 2005           | 2006                | 2005           |
|                               | £              | £              | £                   | £              |
| Pensions                      |                |                |                     |                |
| Balance 1st February 2005     | 139,271        | 123,819        | 139,271             | 123,819        |
| Net receipts                  | <u>14,500</u>  | <u>15,452</u>  | <u>14,500</u>       | <u>15,452</u>  |
| Balance 31st January 2006     | <u>153,771</u> | <u>139,271</u> | <u>153,771</u>      | <u>139,271</u> |
| Deferred taxation             |                |                |                     |                |
| Excess capital allowances     | 267,200        | 274,700        | 267,200             | 201,700        |
| Short term timing differences | ( 113,700)     | ( 127,000)     | ( 113,700)          | ( 54,000)      |
|                               | <u>153,500</u> | <u>147,700</u> | <u>153,500</u>      | <u>147,700</u> |
| Total provisions              | <u>307,271</u> | <u>286,971</u> | <u>307,271</u>      | <u>286,971</u> |

#### 15 Called up share capital

|   | £                |                  |
|---|------------------|------------------|
| Authorised - ordinary shares of £1 each | <u>4,000,000</u> | <u>4,000,000</u> |
| Allotted, called up and fully paid      | <u>2,000,000</u> | <u>2,000,000</u> |

#### 16 Reserves

|   | <u>Revaluation Reserve</u> | <u>Asset Replacement Reserve</u> | <u>Restated Profit and Loss</u> |
|---|----------------------------|----------------------------------|---------------------------------|
|   | £                          | £                                | £                               |
| <b>Group</b>  |                            |                                  |                                 |
| At 1st February as originally stated                  | 147,560                    | 225,000                          | 5,314,566                       |
| Adjustment re proposed dividend                       | -                          | -                                | <u>220,000</u>                  |
| At 1st February 2005 restated                         |                            |                                  | 5,534,566                       |
| Transfer  | ( 3,669)                   | -                                | 3,669                           |
| Profit for year                                       | -                          | -                                | 914,922                         |
| Dividend paid in respect of previous financial year   | -                          | -                                | ( 220,000)                      |
| At 31st January 2006                                  | <u>143,891</u>             | <u>225,000</u>                   | <u>6,233,157</u>                |
| <b>Whitport Plc</b>                                   |                            |                                  |                                 |
| At 1st February as originally stated                  | -                          | -                                | 3,888,212                       |
| Adjustment for dividends receivable from subsidiaries | -                          | -                                | ( 150,000)                      |
| Adjustment re proposed dividend                       | -                          | -                                | <u>220,000</u>                  |
| At 1st February 2005 restated                         |                            |                                  | 3,958,212                       |
| Profit for year                                       | -                          | -                                | 521,471                         |
| Dividends in respect of previous financial year:      |                            |                                  |                                 |
| Received from subsidiaries                            | -                          | -                                | 150,000                         |
| Paid to shareholders                                  | -                          | -                                | ( 220,000)                      |
| At 31st January 2006                                  | <u>-</u>                   | <u>-</u>                         | <u>4,409,683</u>                |

The cumulative amount of goodwill written off against reserves at 31 January 2006 amounted to £101,065 (Company £101,065).

# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

|    |  |                  |                  |
|----|--|------------------|------------------|
| 17 | <b>Reconciliation of movement of shareholders' funds</b>             |                  | Restated         |
|    |  | 2006<br>£        | 2005<br>£        |
|    | Profit for the year  | 914,922          | 930,085          |
|    | Dividend paid in year  | <u>220,000</u>   | <u>196,543</u>   |
|    |  | 694,922          | 733,542          |
|    | Share capital issued   | -                | 24,288           |
|    | Goodwill reinstated  | -                | 79,082           |
|    | Adjustment re proposed dividend                                      | <u>-</u>         | <u>196,543</u>   |
|    | Increase in shareholders' funds                                      | 694,922          | 1,033,455        |
|    | Opening shareholders' funds  | <u>7,907,126</u> | <u>6,873,671</u> |
|    | Closing shareholders' funds  | <u>8,602,048</u> | <u>7,907,126</u> |
| 18 | <b>Leasing and hire purchase commitments</b>                         | 2006             | 2005             |
|    |  | £                | £                |
|    | At 31st January Group obligations were as follows:                   |                  |                  |
|    | Hire purchase:   |                  |                  |
|    | Payable within one year  | 353,580          | 331,653          |
|    | Payable between two and five years                                   | <u>267,449</u>   | <u>621,030</u>   |
|    |  | <u>621,029</u>   | <u>952,683</u>   |
|    | Obligations under hire purchase are secured on the assets concerned. |                  |                  |
|    | Operating leases - Land and buildings:                               |                  |                  |
|    | Annual rental on leases expiring within one year                     | -                | 7,917            |
|    | Annual rental on leases expiring between two and five years          | 281,030          | 259,230          |
|    | Annual rental on leases expiring after five years                    | <u>231,185</u>   | <u>220,743</u>   |
| 19 | <b>Contingent liabilities</b>  | 2006             | 2005             |
|    |  | £                | £                |
|    | At 31st January  |                  |                  |
|    | Whitport Plc guarantees:   |                  |                  |
|    | Certain subsidiary overdrafts  | -                | 54,848           |
|    | Subsidiaries property leases   | <u>206,375</u>   | <u>176,375</u>   |
| 20 | <b>Pension commitments</b>   |                  |                  |

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £144,810 (2005: £142,438).

The Group also pays voluntary pensions. The Company has a pension reserve fund for this purpose. Voluntary pensions currently paid amount to £9,350 of which £8,700 is paid from the fund.



# WHITPORT PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST JANUARY 2006

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| Reconciliation of operating profit to net cash inflow from operating activities |            | 2006             | 2005             |
|---|------------|------------------|------------------|
|   |            | £                | £                |
| Operating profit  |            | 1,732,143        | 1,435,561        |
| Depreciation  |            | 1,350,093        | 1,287,124        |
| Amortisation of intangible fixed assets   |            | 14,150           | 12,971           |
| Decrease in stock   |            | -                | 37,519           |
| (Increase)/decrease in debtors  | ( 370,401) |                  | 167,963          |
| Increase/(decrease) in creditors  | 284,402    | ( 231,704)       |                  |
| Net increase in pension reserve   | 12,100     | 13,502           |                  |
|   |            | <u>3,022,487</u> | <u>2,722,936</u> |

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| Analysis of cash flow for headings netted in the cash flow statement |  | 2006              | 2005                |
|--|--|-------------------|---------------------|
|  |  | £                 | £                   |
| (a)  | Returns on investments and servicing of finance          |                   |                     |
|  | Interest received  | 31,215            | 12,068              |
|  | Interest paid  | ( 247,282)        | ( 315,757)          |
|  | Interest element of hire purchase payments               | ( 49,690)         | ( 70,134)           |
|  |  | <u>( 265,757)</u> | <u>( 373,823)</u>   |
| (b)  | Capital expenditure and financial investment             |                   |                     |
|  | Sale of tangible fixed assets                            | 61,735            | 786,077             |
|  | Purchase of tangible fixed assets                        | ( 797,560)        | ( 1,033,511)        |
|  |  | <u>( 735,825)</u> | <u>( 247,434)</u>   |
| (c)  | Acquisitions and disposals                               |                   |                     |
|  | Disposal of investments in subsidiary undertakings       | -                 | 61,616              |
|  | Purchase of business                                     | -                 | ( 1,321,096)        |
|  |  | <u>-</u>          | <u>( 1,259,480)</u> |
| (d)  | Financing  |                   |                     |
|  | Cash from issue of share capital                         | -                 | 24,288              |
|  | Repayment of capital element of hire purchase agreements | ( 331,654)        | ( 379,467)          |
|  |  | <u>( 331,654)</u> | <u>( 355,179)</u>   |

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| Analysis of net debt     |  | At 1.2.2005  | Cash flow | At 31.1.2006 |
|--------------------------|--|--------------|-----------|--------------|
|                          |  | £            | £         | £            |
| Cash at bank and in hand |  | 50,264       | 1,096,981 | 1,147,245    |
| Overdrafts               |  | ( 41,006)    | 41,006    | -            |
| Net cash                 |  | 9,258        | 1,137,987 | 1,147,245    |
| Mortgage and bank loans  |  | ( 3,250,000) | -         | ( 3,250,000) |
| Hire purchase            |  | ( 952,683)   | 331,654   | ( 621,029)   |
|                          |  | ( 4,193,425) | 1,469,641 | ( 2,723,784) |