



COMPANY NUMBER : 995045

EDDIE STOBART LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 NOVEMBER 1993

EDDIE STOBART LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 1993

Company Registration Number:

995045

Registered Office:

**Brunthill Road
Kingstown Industrial Estate
Carlisle
CA3 0EH**

Directors:

**Mr E Stobart
Mr W Stobart
Mr E P Stobart
Mr I B Thomas
Mr R P Dix**

Secretary:

Mr I B Thomas

Bankers:

**Midland Bank plc
29 English Street
Carlisle
CA3 8JT**

Solicitors:

**Burnetts
6 Victoria Place
Carlisle
CA1 1ES**

Auditors:

**Grant Thornton
Chartered Accountants
Heron House
Albert Square
Manchester
M2 5HD**

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Company performance

Trading conditions continued to be difficult throughout the year, gains on interest rate reductions being offset in part by increases in the duty payable on fuel. Costs in general were under review continuously, and this, together with the increase in turnover we were able to achieve, enabled us to return an improved margin on previous years. Turnover increased in all three areas of the company, in haulage, in warehousing and in warehouse management. In addition, a new division was formed during the year, offering a complete contract packing service to customers, i.e. contract packing, warehousing and onward distribution. The turnover for the company increased by 18% to £34.8m and profitability at pre-tax level increased by 40% to £1.2m.

Management changes

During the year the contracts of two of the non-executive directors expired. These were short term contracts designed to bring particular expertise into the company during the reorganisation process of early 1993. I am indebted to both for the support and contribution they gave during their time in office. In December 1993, the Board was further strengthened through the appointment of a Finance Director. I am confident that the management team is now established and capable of taking this business on to even greater levels. Once again I must record my sincere appreciation to all of our employees for the professional way they have carried out their duties.

Property

As I indicated in my report last year the property at Warrington has been the focus of our attention during the year. Phase two of the development was completed on schedule in July 1993, and phase three began in December 1993 with an expected completion date of June 1994. The development was professionally valued in October 1993, the result of which has been a valuation of £1.1m above cost; this upward revaluation has been reflected in the financial statements at 30 November 1993.

Future property developments will be concentrated on the establishment of a depot in the London area.

Investment and gearing

Investment in fixed assets during the year amounted to £1.9m; however, in the same period gearing was reduced from 325% as at 30 November 1992 to 206% as at 30 November 1993. The projections for the coming year indicate a further significant reduction to a level below 200%. These calculations use the shareholders' funds as the base figure. However, it would be more accurate to use the market value of the company which, given the P/E ratios currently on offer in the market place would reduce significantly the gearing ratio to a level below 100%.

Our balance sheet has continued to improve over the last twelve months, and our attention to sound financial management will remain at the forefront of our thinking during 1994.

Company profile

During the year we have seen our profile rise considerably through press and television articles. It is our intention during the coming year to continue the policies which have given rise to this publicity, not in an attempt to secure more, but simply because we believe in them as essential parts of our business philosophy. They include vehicle and driver appearance, staff attitudes at all levels, contributing to society and the welfare of our staff.

Outlook

As a Board we have a clear and well focused strategy for growth; the thrust of our efforts will be concentrated on the transport division and developing a service level in the shared user sector that is second to none. Transport management is at the core of our business and we believe it to be our single greatest asset. The development of a combined distribution service which will continue to offer customers the complete range of services from transport to warehousing, warehouse management, and logistics management. A concentrated development in our IT department will provide a level of reporting that will enable us to increase our efficiencies and provide a comprehensive service to our customers.

E Stobart
Chairman

8 February 1994

EDDIE STOBART LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 NOVEMBER 1993

The directors present their report together with financial statements for the year ended 30 November 1993.

Principal activities

The principal activities of the company during the year were haulage and storage.

Business review

The growth in turnover in the year has resulted from further investment in new vehicles and expansion of the customer base. The directors expect the company's turnover to continue to grow in the current year.

The profit for the year after taxation amounted to £873,000 (1992 : £708,000). The directors do not recommend the payment of a dividend leaving £873,000 (1992 : £708,000) profit to be retained.

Fixed assets

Movements in fixed assets are detailed in note 5. The major changes during the year have been the development and revaluation of the Warrington property and the transfer of the Burton property to current assets.

Directors

The directors in office at the end of the year are listed below, together with their interests in the shares of the company at 1 December 1992 and at 30 November 1993 :

	Ordinary shares	
	1993	1992
E Stobart	400,000	20,000
W Stobart	300,000	15,000
E P Stobart	300,000	15,000
I B Thomas	-	-

Mr E Stobart and Mr W Stobart have served on the Board throughout the year. Mr E P Stobart resigned as chairman and executive director on 14 December 1992, and was appointed as a non-executive director on 8 January 1993. Mr I B Thomas was appointed as a director on 26 February 1993.

Mr D Vardy and Mr C B K Danby were appointed as non-executive directors on 8 January 1993, and resigned as directors on 7 September 1993.

Mr R P Dix was appointed as a director on 7 December 1993.

EDDIE STOBART LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

Directors' responsibilities for 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 profit or loss of the company for that period. In preparing those financial statements, the directors are required to :

- i select suitable accounting policies and then apply them consistently ;
- ii make judgements and estimates that are reasonable and prudent;
- iii state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Donations

Charitable donations totalling £94,000 (1992 : £73,000) were made during the year. There were no political donations during the year.

Disabled persons

The company's policy is that any vacancy which arises is open to disabled persons, provided that they are able to fulfil the functions required by that job. Employees who have been injured or become disabled in the course of their employment are considered for other suitable vacancies.

Employee involvement

Employees are kept informed about the progress and position of the company by means of regular departmental meetings and newsletters.

Close company status

The directors consider that the company is a close company for the purpose of the Income and Corporation Taxes Act 1988.

Auditors

Grant Thornton offer themselves for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

I B Thomas
Secretary



8 February 1994

**REPORT OF THE AUDITORS TO THE MEMBERS OF
EDDIE STOBART LIMITED**

We have audited the financial statements on pages 6 to 19 which have been prepared under the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 November 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
MANCHESTER**

8 February 1994

The financial statements have been prepared under the historical cost convention (modified by the revaluation of land and buildings) and in accordance with applicable accounting standards.

The principal accounting policies of the company have remained unchanged from the previous year, and are set out below.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated using the reducing balance and straight line methods and aims to write off the cost or valuation less estimated residual value of all tangible fixed assets over their expected useful economic life.

The rates and methods generally applicable are :

Motor vehicles and tractor units	15% straight line or 25% reducing balance
Trailers	15% reducing balance
Fixtures and office equipment	20% straight line
Leasehold property	1% straight line, or period of lease if shorter
Freehold property	1% straight line
Cars	20% straight line
Computer equipment	20% straight line
Plant and equipment	15% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred tax

Deferred tax is the taxation attributable to timing differences between profits or losses as computed for tax purposes and results as stated in the financial statements.

Deferred tax is computed under the liability method using the tax rates estimated to arise when the timing differences reverse, and is provided to the extent that it is probable that a liability or asset will crystallise in the foreseeable future. Unprovided deferred tax is disclosed as a contingent liability.

Contributions to pension schemes

Defined contribution scheme

The company operates a non-contributory defined contribution pension scheme. The pension costs charged against profits represents the amount of the contributions payable to the scheme in respect of the accounting period.

Leased assets

Where assets are financed by leasing agreements which give risks and rewards approximating to ownership ('finance leases') they are treated as if they had been purchased outright on credit. They are therefore initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset. Leasing payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability and an interest charge.

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

EDDIE STOBART LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 NOVEMBER 1993**

	Note	1993 £'000	1992 £'000
Turnover	1	34,812	29,512
Cost of sales		27,146	23,585
Gross profit		7,666	5,927
Administrative expenses		4,888	3,507
Operating profit		2,778	2,420
Interest payable	2	1,558	1,547
Profit on ordinary activities before taxation	1	1,220	873
Tax on profit on ordinary activities	4	347	165
Profit retained and transferred to reserves	13	873	708
Statement of total recognised gains and losses			
		1993 £000	1992 £000
Profit for the financial year		873	708
Unrealised surplus on revaluation of land and buildings	13	1,089	552
Reversal of revaluation reserve	6	(244)	-
Total gains and losses recognised since last financial statements		1,718	1,260

The accompanying accounting policies and notes form an integral part of these financial statements.

BALANCE SHEET

AT 30 NOVEMBER 1993

	Note	1993 £'000	1992 £'000
Fixed assets			
Tangible assets	5	<u>18,992</u>	<u>19,356</u>
Current assets			
Assets held for resale	6	933	-
Stocks	7	162	82
Debtors	8	7,374	6,450
Cash at bank and in hand		<u>2</u>	<u>240</u>
		8,471	6,772
Creditors due within one year	9	<u>(12,195)</u>	<u>(11,381)</u>
Net current liabilities		<u>(3,724)</u>	<u>(4,609)</u>
Total assets less current liabilities		15,268	14,747
Creditors due after more than one year	10	(8,532)	(9,729)
Provisions for liabilities and charges	11	<u>(200)</u>	<u>(200)</u>
		<u>6,536</u>	<u>4,818</u>
Capital and reserves			
Called up share capital	12	1,000	50
Revaluation reserve	13	3,003	2,136
Profit and loss account	13	<u>2,533</u>	<u>2,632</u>
		<u>6,536</u>	<u>4,818</u>

The financial statements were approved by the Board of Directors on 8 February 1994 and signed on its behalf by

E Stobart

W Stobart

Directors

The accompanying accounting policies and notes form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 1993

	Note	1993 £'000	1992 £'000
Net cash inflow from operating activities	14	<u>5,401</u>	<u>2,580</u>
Returns on investments and servicing of finance			
Interest paid		<u>1,565</u>	<u>1,704</u>
Net cash outflow from returns on investments and servicing of finance		<u>1,565</u>	<u>1,704</u>
		<u>3,836</u>	<u>876</u>
Taxation			
UK corporation tax paid		<u>304</u>	<u>100</u>
		<u>3,532</u>	<u>776</u>
Investing activities			
Purchase of tangible fixed assets		(1,757)	(2,367)
Sale of tangible fixed assets		<u>288</u>	<u>177</u>
Net cash outflow from investing activities		<u>1,469</u>	<u>2,190</u>
Net cash inflow/(outflow) before financing		<u>2,063</u>	<u>(1,414)</u>
Financing			
New loans from pension scheme		-	127
New secured loans		1,235	1,636
Loan repayments		(464)	(810)
Capital element of finance lease rentals		<u>(2,066)</u>	<u>(922)</u>
Net cash (outflow)/inflow from financing	15	<u>(1,295)</u>	<u>31</u>
Increase/(decrease) in cash and cash equivalents	16	<u>768</u>	<u>(1,383)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 1993

1 Turnover and profit on ordinary activities before taxation

All turnover and profit before taxation is attributable to the principal activities of haulage and storage carried out within the United Kingdom.

The profit on ordinary activities is stated after:

	1993 £'000	1992 £'000
Depreciation	1,876	1,230
Auditors' remuneration :		
Audit services	17	17
Non audit services	3	2
Hire of equipment	355	301
Vehicle operating leases	1,081	2,008
(Profit)/loss on sale of fixed assets	(2)	11
	<u> </u>	<u> </u>

2 Interest payable

	1993 £'000	1992 £'000
Bank overdraft	298	359
Bank loans wholly repayable within 10 years	369	454
Hire purchase and finance leases	821	672
Other loans	70	62
	<u> </u>	<u> </u>
	1,558	1,547
	<u> </u>	<u> </u>

3 Directors and employees

	1993 £'000	1992 £'000
Wages and salaries	12,504	10,350
Social security	1,038	950
Other pension costs	259	220
	<u> </u>	<u> </u>
	13,801	11,520
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

3 Directors and employees (continued)

Average number of employees :	1993 Number	1992 Number
Drivers	506	489
Stores, garage and production	218	163
Administration	136	131
	<u>860</u>	<u>783</u>

Staff costs include remuneration in respect of directors, as follows:

	1993 £'000	1992 £'000
Management remuneration	749	167
Fees	37	-
	<u>786</u>	<u>167</u>

The emoluments of the directors, excluding pension contributions, were as follows:

	1993 £'000	1992 £'000
The Chairman (1993 : and highest paid director)	<u>330</u>	<u>50</u>
The highest paid director (1992 only)	<u>N/A</u>	<u>68</u>

Other directors

	1993 Number	1992 Number
£0 - £5,000	1	-
£35,001 - £40,000	1	-
£40,001 - £45,000	-	1
£80,001 - £85,000	1	-
£85,001 - £90,000	1	-
£245,001 - £250,000	<u>1</u>	<u>-</u>

FOR THE YEAR ENDED 30 NOVEMBER 1993

4 Tax on profit on ordinary activities

The taxation charge is based on the profit for the year and represents:

	1993 £'000	1992 £'000
UK Corporation tax at 33% (1992 : 33%)	325	137
Adjustments in respect of prior years :		
Corporation tax	22	28
	<u>347</u>	<u>165</u>

5 Tangible fixed assets

Cost or valuation	Land and buildings £'000	Vehicles and trailers £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
At 1 December 1992	9,046	12,116	578	570	22,310
Additions	1,202	497	153	34	1,886
Disposals	-	(314)	(121)	-	(435)
Revaluation	1,089	-	-	-	1,089
Transfer to current assets	(1,204)	-	-	-	(1,204)
At 30 November 1993	<u>10,133</u>	<u>12,299</u>	<u>610</u>	<u>604</u>	<u>23,646</u>
Depreciation					
At 1 December 1992	25	2,458	250	221	2,954
Provided in the year	99	1,588	77	112	1,876
Disposals	-	(56)	(93)	-	(149)
Transfer to current assets	(27)	-	-	-	(27)
At 30 November 1993	<u>97</u>	<u>3,990</u>	<u>234</u>	<u>333</u>	<u>4,654</u>
Net book value					
At 30 November 1993	<u>10,036</u>	<u>8,309</u>	<u>376</u>	<u>271</u>	<u>18,992</u>
Net book value					
At 30 November 1992	<u>9,021</u>	<u>9,658</u>	<u>328</u>	<u>349</u>	<u>19,356</u>

Included in vehicles and trailers above are assets held under finance lease and hire purchase agreements with a net book value of £7,243,000 (1992 : £8,417,000). The charge for depreciation for the year on these assets was £1,279,000.

5 Tangible fixed assets (continued)

	Freehold £'000	Long leasehold £'000	Total £'000
Cost or valuation			
At 1 December 1992	2,460	6,586	9,046
Additions	176	1,026	1,202
Revaluation	-	1,089	1,089
Transfer to current assets	(1,204)	-	(1,204)
At 30 November 1993	1,432	8,701	10,133
Depreciation			
At 1 December 1992	21	4	25
Provided in the year	32	67	99
Transfer to current assets	(27)	-	(27)
At 30 November 1993	26	71	97
Net book value			
At 30 November 1993	1,406	8,630	10,036
Net book value			
At 30 November 1992	2,439	6,582	9,021

Certain long leasehold property was revalued at 26 March 1992 on an open market basis by Carigiet Cowen, Chartered Surveyors and at 27 October 1993 on an open market basis by Grimley J R Eve, Chartered Surveyors.

If valued at historical cost land and buildings would appear in the balance sheet as follows :

	Freehold £'000	Long Leasehold £'000
Historical cost	1,432	5,866
Depreciation	26	219
	1,406	5,647

6 Assets held for resale

	1993 £000	1992 £000
Freehold land and buildings	933	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

6 Assets held for resale (continued)

Certain land and buildings are held for sale and are expected to be sold within the next 12 months. The property has been transferred to current assets at 30 November 1993, and is stated at cost less depreciation. A revaluation reserve of £244,000 previously recognised within tangible fixed assets was reversed at 30 November 1993.

7 Stocks

	1993 £'000	1992 £'000
Parts	30	8
Fuel and lubricants	120	61
Sundries	12	13
	<u>162</u>	<u>82</u>

8 Debtors

	1993 £'000	1992 £'000
Trade debtors	6,630	5,272
Other debtors	14	328
Prepayments	730	850
	<u>7,374</u>	<u>6,450</u>

Included within other debtors is an amount of £1,000 (1992 : £99,000) due from Drawbar Engineering Limited, a company in which two of the directors have an interest.

9 Creditors due within one year

	1993 £'000	1992 £'000
Bank overdraft	1,967	2,973
Bank loans	799	203
Trade creditors	2,183	1,695
Current taxation	339	296
Social security and other taxes	1,848	1,474
Other creditors	168	205
Accruals	1,895	1,375
Pension fund loan	60	26
Amounts due under finance leases	2,342	3,013
Directors' loan accounts	594	121
	<u>12,195</u>	<u>11,381</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

9 Creditors due within one year (continued)

The bank loans and overdraft are secured by a fixed charge over book debts and a floating charge over all other assets. The bank also holds a legal charge over the freehold and leasehold property.

Included within trade creditors is an amount of £124,000 (1992 : £194,000) due to ESL Limited, a company in which two of the directors have an interest.

10 Creditors due after more than one year	1993 £'000	1992 £'000
Bank loans	4,101	3,866
Pension fund loan	166	260
Amounts due under finance leases	4,055	5,321
Directors' loan accounts	210	282
	<u>8,532</u>	<u>9,729</u>

Amounts due under finance leases are payable between one and five years from the balance sheet date.

Bank loans are repayable by instalments at an interest rate of base plus 2% per annum and repayable as follows:

	1993 £'000	1992 £'000
In less than one year	799	203
Between one and two years	357	407
Between two and five years	1,249	1,220
In five years or more	2,495	2,239
	<u>4,900</u>	<u>4,069</u>

The bank loans are secured by a fixed charge over book debts and a floating charge over all other assets. The bank also holds a legal charge over the freehold and leasehold property.

11 Provisions for liabilities and charges

	1993 £'000
Deferred taxation	
At 1 December 1992 and 30 November 1993	<u>200</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

11 Provisions for liabilities and charges (continued)

Deferred taxation provided for, and not provided for, in the financial statements is set out below. The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 33%.

	Amount Provided		Amount Unprovided	
	1993 £'000	1992 £'000	1993 £'000	1992 £'000
Accelerated capital allowances	235	228	497	659
Short term timing differences	(35)	(28)	-	-
Capital gains	-	-	895	517
	<u>200</u>	<u>200</u>	<u>1,356</u>	<u>1,176</u>

12 Share capital

	1993 £'000	1992 £'000
Authorised 5,000,000 (1992 : 50,000) ordinary shares of £1 each	<u>5,000</u>	<u>50</u>
Allotted, called up and fully paid 1,000,000 (1992 : 50,000) ordinary shares of £1 each	<u>1,000</u>	<u>50</u>

On 8 January 1993 the authorised share capital was increased to £5,000,000. Issued share capital was increased to £1,000,000 by a bonus issue of £950,000 in order to increase the fixed capital base of the company.

13 Reconciliation of movement in shareholders' funds

	Ordinary share capital £000	Revaluation reserve £000	Profit and loss account £000	Shareholders' funds £000
At 1 October 1992	50	2,136	2,632	4,818
Retained profit for the year	-	-	873	873
Bonus issue (note 12)	950	-	(950)	-
Revaluation in the year	-	1,089	-	1,089
Release of revaluation reserve on transfer of fixed assets to current assets (note 6)	-	(244)	-	(244)
Release of revaluation reserve previously credited to profit and loss account	-	22	(22)	-
	<u>1,000</u>	<u>3,003</u>	<u>2,533</u>	<u>6,536</u>

EDDIE STOBART LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

14 Net cash inflow from operating activities

	1993	1992
	£'000	£'000
Operating profit	2,778	2,420
Depreciation	1,876	1,230
(Profit)/loss on sale of fixed assets	(2)	11
Increase in stocks	(80)	(12)
Increase in debtors	(924)	(776)
Increase/(decrease) in creditors	1,753	(293)
Net cash inflow from operating activities	<u>5,401</u>	<u>2,580</u>

15 Changes in financing during the year

	Share capital		Loans and finance lease obligations	
	1993	1992	1993	1992
	£'000	£'000	£'000	£'000
Balance at 1 December 1992	50	50	12,689	5,929
Net cash (outflow)/inflow from financing	-	-	(1,295)	31
Inception of finance leases	-	-	129	6,729
Bonus issue	950	-	-	-
Balance at 30 November 1993	<u>1,000</u>	<u>50</u>	<u>11,523</u>	<u>12,689</u>

16 Analysis of the changes in cash and cash equivalents

	1993	1992	1991	Change in 1993	Change in 1992
	£'000	£'000	£'000	£'000	£'000
Cash at bank	2	240	255	(238)	(15)
Bank overdraft	(1,967)	(2,973)	(1,605)	1,006	(1,368)
	<u>(1,965)</u>	<u>(2,733)</u>	<u>(1,350)</u>	<u>768</u>	<u>(1,383)</u>

17 Changes in cash and cash equivalents

	1993	1992
	£'000	£'000
Balance at 1 December 1992	(2,733)	(1,350)
Net cash inflow/(outflow)	768	(1,383)
Balance at 30 November 1993	<u>(1,965)</u>	<u>(2,733)</u>

EDDIE STOBART LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 NOVEMBER 1993**

18 Capital commitments	1993 £'000	1992 £'000
Contracted for but not provided in these financial statements	2,372	142
Authorised by the directors but not contracted for	32	910
	<u>2,404</u>	<u>1,052</u>

19 Contingent liabilities

There were no contingent liabilities at 30 November 1993 except in respect of deferred taxation (note 11).

20 Pension costs**Defined contribution scheme**

The company operates a non-contributory defined contribution pension scheme for the benefit of directors and employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

21 Leasing commitments

At 30 November 1993, the company had annual commitments under non-cancellable operating leases, none of which relate to land and buildings, as follows :

	1993 £'000	1992 £'000
Expiring within one year	788	46
Expiring between two and five years inclusive	994	1,252
Expiring in over five years	-	34
	<u>1,782</u>	<u>1,332</u>

EDDIE STOBART LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 NOVEMBER 1993**

	1993 £'000	1992 £'000
Sales		
Haulage	26,279	23,689
Storage and handling charges	7,684	5,185
Fuel	612	458
Trailer and vehicle hire	188	102
Sundry and parts sales	49	78
	<u>34,812</u>	<u>29,512</u>
Cost of sales		
Haulage		
Drivers' wages, expenses and national insurance	7,835	7,190
Garage office salaries and national insurance	669	613
Diesel cost	6,185	5,218
Sub-haulage	1,048	814
Haulage expenses	238	140
Spares and repairs	991	755
Sailing and customs	-	11
Tyres	620	594
Vehicle licences	713	745
Insurance	644	554
Vehicle hire	1,081	2,008
Cab phone charges	185	171
Uniforms	40	60
Depreciation of vehicles and trailers	1,588	966
Loss on sale of vehicles	-	15
Depreciation of plant and machinery	77	79
Profit on sale of plant	-	(2)
	<u>21,914</u>	<u>19,931</u>
Storage		
Stores wages and national insurance	2,557	1,697
Fork lift truck expenses	143	116
Fork lift truck leasing	355	301
Storage rent and rates	2,177	1,540
	<u>5,232</u>	<u>3,654</u>
Gross profit (carried forward)	<u>7,666</u>	<u>5,927</u>

This page does not form part of the statutory financial statements.

EDDIE STOBART LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)****FOR THE YEAR ENDED 30 NOVEMBER 1993**

	1993	1992
	£'000	£'000
Gross profit (brought forward)	7,666	5,927
Administrative expenses		
Directors salaries and national insurance	779	146
Traffic office salaries and national insurance	1,119	1,127
Administration office salaries and national insurance	583	527
Directors pension scheme	-	5
Staff pension scheme	259	188
Recruitment	8	32
Rent and rates	26	29
Leased property rent	66	-
Rents receivable	-	(17)
Light and heat	136	108
Repairs and renewals	161	79
Insurance	199	88
Security charges	75	42
Uninsured loss	-	25
Interest rate cap	-	70
Telephone	190	165
Postage, stationery and advertising	208	128
Motor and travelling expenses	298	193
Sundry expenses	154	111
Cleaning	64	49
Audit and accountancy	37	26
Legal charges	118	108
Bank charges	49	41
Computer expenses	116	42
Bad debts written off	34	12
Profit on sale of fixed assets	(2)	(2)
Depreciation of fixtures and fittings	112	105
Depreciation of property	99	80
	4,888	3,507
Operating profit (carried forward)	2,778	2,420

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TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 1993

	1993 £'000	1992 £'000
Operating profit (brought forward)	2,778	2,420
Interest payable		
Overdraft interest	298	359
Bank loan interest	369	454
Hire purchase and finance lease interest	821	672
Pension fund	26	24
Other loan interest	44	38
	<u>1,558</u>	<u>1,547</u>
Net profit for the year before tax	<u>1,220</u>	<u>873</u>

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