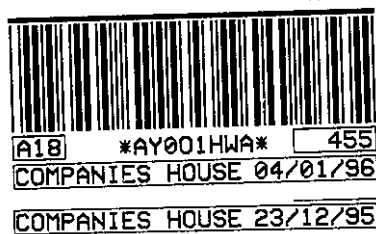


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BAXTERS INTERNATIONAL REMOVALS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1995



BAXTERS INTERNATIONAL REMOVALS LIMITED

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1995

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Statutory Accounts:

15 - 16	Detailed Trading and Profit and Loss Account
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DIRECTORS F.J. Baxter Esq
Mrs P.S.G. Baxter

AUDITORS Hillier Hopkins
CHARTERED ACCOUNTANTS,
and Registered Auditors
79 Marlowes,
Hemel Hempstead,
Herts.
HP1 1LW.

COMPANY
NUMBER 01366728

BAXTERS INTERNATIONAL REMOVALS LIMITEDREPORT OF THE DIRECTORS

The Directors present herewith the Company's Accounts for the year ended 31st May 1995, and report as follows:-

1. BUSINESS REVIEW

The Company has traded continuously during the year, the principal activity being as Removers, Hauliers and Warehousemen.

The Profit for the year before taxation was £7,351, which after the tax charge of £20,900 is transferred to general reserve.

The Directors do not recommend payment of a dividend for the current year.

The Directors expect turnover and profitability to increase in the coming year.

2. STATEMENT OF DIRECTORS RESPONSIBILITIES RELATING TO THE PREPARATION 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 profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

3. DIRECTORS AND THEIR INTERESTS

The Directors of the Company during the year and their interests in the share capital of the Company at the beginning and end of the year were as follows:

	Number of shares	
	<u>31st May 1995</u>	<u>31st May 1994</u>
F.J. Baxter Esq	90	90
Mrs P.S.G. Baxter	10	10
Mrs R Piper	Nil	Nil
(resigned 24th October 1994)		

Continued

BAXTERS INTERNATIONAL REMOVALS LIMITED

REPORT OF THE DIRECTORS
Continued

4. FIXED ASSETS

The Fixed Assets of the Company, together with any changes during the year are shown in detail in the Notes to the Accounts.

5. AUDITORS

Messrs Hillier Hopkins, Chartered Accountants, have indicated their willingness to continue in office.

Approved by the Board on:

Date. 20/12/95.....

Signed on behalf of the
Board of Directors

P.S.G. Baxter
.....
Mrs P.S.G. Baxter - Secretary

Registered Office
Smeaton Close,
Rabans Lane,
Aylesbury,
Bucks. HP19 3DU.

BAXTERS INTERNATIONAL REMOVALS LIMITEDAUDITORS' REPORT TO THE SHAREHOLDERS OF
BAXTERS INTERNATIONAL REMOVALS LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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 Company's affairs as at 31st May 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Date. 22nd December 1995
.....

Hillier Hopkins
.....
HILLIER HOPKINS
CHARTERED ACCOUNTANTS,
and Registered Auditor
79 Marlowes,
Hemel Hempstead,
Herts.
HP1 1LW.

BAXTERS INTERNATIONAL REMOVALS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 1995

	Notes	£	1995 £	£	1994 £
TURNOVER	2		2,183,767		2,361,835
Cost of Sales			1,603,795		1,752,692
GROSS PROFIT			579,972		609,143
ADMINISTRATION COSTS			517,214		540,503
OPERATING PROFIT	3		62,758		68,640
Interest Receivable	5	2,554		247	
Interest Payable	6	(57,961)		(54,573)	
			(55,407)		(54,326)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			7,351		14,314
Tax on Ordinary Activities	7		20,900		(15,442)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			(13,549)		29,756
RETAINED PROFIT FOR THE YEAR			(13,549)		29,756
Retained Profit: At 1st June 1994		115,594		85,838	
Movement on Revaluation Reserve	8	65,842		-	
			181,436		85,838
RETAINED PROFIT : At 31st May 1995			167,887		115,594

The notes on pages 6 to 14 form part of the Accounts.

All of the above amounts relate to Continuing Operations.

The Company has no recognised gains or losses other than the profit for the year as stated above.

BAXTERS INTERNATIONAL REMOVALS LIMITEDBALANCE SHEET
31ST MAY 1995

	<u>Notes</u>	£	<u>1995</u> £	£	<u>1994</u> £
FIXED ASSETS					
Tangible Assets	9		369,476		1,010,364
Investments	10		-		5,895
			<u>369,476</u>		<u>1,016,259</u>
CURRENT ASSETS					
Stocks	11	6,510		6,374	
Debtors	12	375,752		391,216	
Cash at Bank and In Hand		16,509		33,181	
			<u>398,771</u>	<u>430,771</u>	
Creditors - Amounts falling due within one year	14	(429,562)		(920,854)	
NET CURRENT (LIABILITIES)			<u>(30,791)</u>		<u>(490,083)</u>
ASSETS LESS CURRENT LIABILITIES			<u>338,685</u>		<u>526,176</u>
Creditors - Amounts falling due after more than one year	15	(140,898)		(335,740)	
Provisions for Liabilities and Charges	16	(29,800)		(8,900)	
			<u>(170,698)</u>		<u>(344,640)</u>
NET ASSETS			<u>167,987</u>		<u>181,536</u>
CAPITAL AND RESERVES					
Called up Share Capital	17		100		100
Revaluation Reserve	19		-		65,842
Profit and Loss Account			167,887		115,594
SHAREHOLDERS' FUNDS - Equity Interests	18		<u>167,987</u>		<u>181,536</u>

Signed on behalf of the
Board of Directors

.....
F.J. Baxter Esq - Director

Approved by the Board on:

...20/12/95..... DATE

The notes on pages 6 to 14 form part of the Accounts.

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The following notes outline the main Accounting Policies of the Company, which have been used consistently in preparing these Accounts.

1.1 Accounting Conventions

The Financial Statements are prepared under the Historical Cost Convention.

1.2 Turnover

This represents the invoiced amounts of goods sold and services provided, net of Value Added Tax.

1.3 Depreciation of Tangible Assets

Depreciation is calculated to write off the cost less the estimated residual value of the Tangible Fixed Assets over their expected useful lives at the following rates:-

Fixtures and Fittings	25% on reducing balance
Plant and Machinery	25% on reducing balance
Motor Vehicles	17.5% on reducing balance

1.4 Stocks

These are valued on a first in first out basis at the lower of cost and net realisable value. In respect of work in progress and finished goods, cost includes overheads, transportation, and duty costs where appropriate.

1.5 Deferred Taxation

Deferred Taxation is provided using the liability method in respect of the taxation effect of all timing differences other than those which are expected with reasonable certainty to continue in the foreseeable future.

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

1.6 Hire Purchase Contracts and Finance Leases

Assets acquired under hire purchase contracts and finance leases are capitalised as fixed assets and depreciated in accordance with the above Accounting Policy. Full provision is made for the capital cost outstanding of each asset so acquired, the interest element being written off as incurred.

1.7 Pension Contributions

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost in the Profit and Loss Account represents contributions payable by the Company to the fund.

2. TURNOVER

The Turnover and pre-tax Profit are attributable to the company's main activity.

During the year the Company exported 63% of its turnover.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging (crediting):

	<u>1995</u> £	<u>1994</u> £
Directors' Remuneration	148,400	121,865
Auditors' Remuneration	6,850	5,700
Depreciation	98,960	114,834
Adjustment on Disposal of Fixed Assets	<u>3,748</u>	<u>(1,475)</u>

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

	<u>1995</u> £	<u>1994</u> £
4. EMPLOYEE INFORMATION		
4.1 Staff costs (Including Directors Remuneration)		
Wages and Salaries	713,805	759,798
Social Security Costs	72,025	78,138
Other Pension Costs	71,190	18,231
Other Costs	2,598	3,486
	<u>859,618</u>	<u>859,653</u>
4.2 The average weekly number of employees (including Directors) during the year was made up as follows:	No.	No.
Office and Management	4	3
Administration	7	3
Drivers & Porters	50	60
	<u>61</u>	<u>66</u>
4.3 Directors' emoluments:		
Fees and salaries	78,000	104,465
Pension contributions	70,400	17,400
Compensation for Loss of Office	3,000	-
Benefits in kind	34,044	40,290
	<u>185,444</u>	<u>162,155</u>
	<u>1995</u> £	<u>1994</u> £
5. INTEREST RECEIVABLE		
Commission Receivable	1,865	-
Other Income	689	242
Other Interest	-	5
	<u>2,554</u>	<u>247</u>

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

	<u>1995</u> £	<u>1994</u> £
6. INTEREST PAYABLE		
On Bank Overdrafts Repayable within 5 years	17,901	11,867
On Loans Repayable within 5 years	19,167	18,073
On Other Loans	20,893	24,633
	<u>57,961</u>	<u>54,573</u>
	<u>1995</u> £	<u>1994</u> £
7. TAXATION		
7.1 The Tax charge on the Profit on Ordinary Activities for the year was as follows:		
Deferred Taxation (see note 16)	20,900	(20,400)
	<u>20,900</u>	<u>(20,400)</u>
Taxation (over)/underprovided in previous years :		
Corporation Tax	-	3,918
Deferred Taxation	-	1,040
	<u>20,900</u>	<u>(15,442)</u>
7.2 There are losses available to be carried forward against future profits of £4,818 (1994: £38,639)		
7.2 The company is a close company within the terms of Section 414 of the Taxes Act 1988.		
8. MOVEMENT ON REVALUATION RESERVE		
	<u>1995</u> £	<u>1994</u> £
Opening Balance	65,842	65,842
Written back on Disposal of Property	(65,842)	-
Closing Balance	<u>-</u>	<u>65,842</u>

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

9. TANGIBLE FIXED ASSETS

	<u>Land and Buildings</u>	<u>Fixtures and Fittings</u>	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost:					
At 1st June 1994	492,957	105,670	202,296	650,058	1,450,981
Additions	-	1,484	-	15,000	16,484
Disposals	(492,956)	-	-	(98,519)	(591,475)
At 31st May 1995	<u>1</u>	<u>107,154</u>	<u>202,296</u>	<u>566,539</u>	<u>875,990</u>
Depreciation:					
At 1st June 1994	-	61,303	157,009	222,305	440,617
Charge for Year	-	11,961	11,334	75,665	98,960
Disposals	-	-	-	(33,063)	(33,063)
At 31st May 1995	<u>-</u>	<u>73,264</u>	<u>168,343</u>	<u>264,907</u>	<u>506,514</u>
Net Book Value at 31st May 1995	<u>1</u>	<u>33,890</u>	<u>33,953</u>	<u>301,632</u>	<u>369,476</u>
Net Book Value at 31st May 1994	<u>492,957</u>	<u>44,367</u>	<u>45,287</u>	<u>427,753</u>	<u>1,010,364</u>

Included in the amounts for Motor Vehicles above are the following amounts relating to leased assets and assets which are subject to Hire Purchase contracts:

	<u>Hire Purchase Contracts</u>
	£
Cost:	
At 1st June 1994	636,208
At 31st May 1995	586,714
Accumulated Depreciation:	
At 1st June 1994	215,836
At 31st May 1995	269,015
Net Book Value:	
At 31st May 1995	<u>317,699</u>
At 31st May 1994	<u>420,372</u>

As at 31st May 1995, the Company's interest in Long Leasehold land and buildings represents a Head Lease held over the property.

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

10. TRADE INVESTMENTS

	<u>Unlisted</u> £	<u>Total</u> £
50 shares held as a member of The International Movers Mutual Insurance Company Limited - at cost.	1,346	1,346
Disposal in year	(1,346)	-
Shares held in Britannia Movers International - at cost 2,603 Ordinary Shares of £1 each	4,549	4,549
Disposal in year	(4,549)	-
	<u>-</u>	<u>5,895</u>

11. STOCKS

The amounts attributable to the different categories are as follows:

	<u>1995</u> £	<u>1994</u> £
Vehicle Spares	<u>6,510</u>	<u>6,374</u>

12. DEBTORS

	<u>1995</u> £	<u>1994</u> £
Trade Debtors	270,278	306,927
Other Debtors	16,707	11,182
Prepayments	88,767	73,107
	<u>375,752</u>	<u>391,216</u>

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

	<u>1995</u> £	<u>1994</u> £
13. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade Creditors	145,044	172,292
Corporation Tax	3,155	2,667
Other Taxes and Social Security Costs	51,363	73,683
Directors' Current Accounts	1,150	(924)
Other Creditors	39,929	68,394
Pension Fund Loan	-	140,000
Bank Loan	32,000	30,000
Bank Loans and Overdraft (see note 15.1)	32,472	297,678
Obligations Under Lease and Hire Purchase Contracts (see note 14)	124,449	137,064
	<u>429,562</u>	<u>920,854</u>

Obligations under lease and hire purchase contracts are secured on the assets to which they relate.

The Bank Loan and overdraft are secured on the Company's Leasehold Premises in Aylesbury. The Loan is repayable over 10 years at an interest rate of 11.9% per annum.

	<u>1995</u> £	<u>1994</u> £
14. OBLIGATIONS UNDER LEASE AND HIRE PURCHASE CONTRACTS		
Gross Obligations:		
Total Future Obligations	200,562	436,928
Less: Future Finance Charges	12,355	76,106
	<u>188,207</u>	<u>360,822</u>
Due within one year	124,449	137,064
Due within two to five years	63,578	223,758
	<u>188,027</u>	<u>360,822</u>

14.1 OPERATING LEASES

The Company is committed to the following rental payments for the forthcoming year

Agreements expiring:

Within one year	5,339	28,904
Within two to five years	-	5,339
	<u>5,339</u>	<u>34,243</u>

The company is committed to rental payments on the Leasehold property of £99000 in the coming year.

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

	<u>1995</u> £	<u>1994</u> £
15. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Bank Loans (see note 15.1)	77,320	111,982
Obligations Under Lease and Hire Purchase Contracts	63,578	223,758
	<u>140,898</u>	<u>335,740</u>
15.1 The total amount of Bank Loans and Overdrafts was as follows:- Falling Due within One Year:		
Bank Overdraft	32,472	297,678
Bank Loan - Current Portion	32,000	170,000
	<u>64,472</u>	<u>467,678</u>
Falling Due after more than One Year:		
Bank Loan - Repayable within Two to Five Years	77,320	111,982
Total Bank Borrowings	<u>141,792</u>	<u>549,660</u>

The bank loan which totals £109,320 is repayable in annual instalments of £25,000. The loan is secured by a floating charge over the assets and undertakings of the company.

Obligations under lease and Hire Purchase contracts are secured on the assets to which they relate.

BAXTERS INTERNATIONAL REMOVALS LIMITEDNOTES TO THE ACCOUNTS - CONTINUED

		<u>1995</u> £	<u>1994</u> £
16.	DEFERRED TAXATION		
16.1	Analysis of provision made and amount unprovided :		
		<u>1995</u> Provision made £	<u>1994</u> Provision made £
		<u>Amount unprovided</u> £	<u>Amount unprovided</u> £
	Accelerated Capital Allowances	30,800	18,500
	Unrelieved Trading Losses	(1,000)	(9,600)
	Revaluation Reserve	Nil	Nil
		<u>29,800</u>	<u>8,900</u>
		<u>NIL</u>	<u>23,100</u>
17.	SHARE CAPITAL		
		<u>Authorised</u> £	<u>Allotted, Issued and Fully Paid</u> <u>1995</u> £
			<u>1994</u> £
	100 Ordinary Shares of £1 each	<u>100,000</u>	<u>100</u>
18.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS		
		<u>1995</u> £	<u>1994</u> £
	(Loss)/Profit for the Financial Year	<u>(13,549)</u>	<u>29,756</u>
	Net Reduction to Shareholders' Funds	(13,549)	29,756
	Opening Shareholders' Funds	<u>181,536</u>	<u>151,780</u>
	Closing Shareholders Funds	<u>167,987</u>	<u>181,536</u>
19.	POST BALANCE SHEET EVENTS		

The Company became a wholly owned subsidiary of FBI Holdings Limited from 1st June 1995.