

WEST CORNWALL STORAGE AND DISTRIBUTION LIMITED

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH 1995



WALKER MOYLE
CHARTERED ACCOUNTANTS
PENZANCE, CORNWALL

REPORT OF THE DIRECTORS

The Directors present their Report with the Accounts of the Company for the year ended 31st March, 1995.

PRINCIPAL ACTIVITIES

The Company during the year continued its activities of road haulage and general distribution. The Company also supplies management services to a larger Company of hauliers based elsewhere in the country.

REVIEW OF BUSINESS

A summary of the results for the year's trading is given on page 4 of the Accounts.

Although extremely difficult trading conditions still exist in the haulage industry, the Company has achieved an operating profit of £8,934. Although this is a reduction over the previous year, it is considered satisfactory in view of the trading conditions which exist.

DIVIDENDS

The Directors do not recommend a dividend for the period.

DIRECTORS

The Directors and their beneficial interests in the share capital of the Company during the period were as follows:

	<u>At 31st March 1995</u>	<u>At 31st March 1994</u>
	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
R.L. Cargeeg	1	1
M.J. Richards	1	1

DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year 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) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

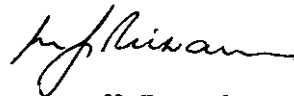
The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets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

REPORT OF THE DIRECTORS

FIXED ASSETS

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the Accounts.

By Order of the Board



M.J. RICHARDS

Secretary

Calloose, Fraddam,
HAYLE, Cornwall.

29th November, 1995

WEST CORNWALL STORAGE AND DISTRIBUTION LIMITED
INDEPENDENT ACCOUNTANTS' REPORT UNDER S.249A(2)
OF THE COMPANIES ACT 1985

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF WEST
CORNWALL STORAGE AND DISTRIBUTION LIMITED

We report on the Accounts for the year ended 31st March, 1995 set out on pages 4 to 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 1, the Company's Directors are responsible for the preparation of the Accounts, and they consider that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION


Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the Accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) The Accounts are in agreement with the accounting records kept by the Company under section 221 of the Companies Act 1985;
- (b) Having regard only to, and on the basis of, the information contained in those accounting records;
 - (i) the Accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the Company satisfied the conditions for exemption from an audit of the Accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

PENZANCE
1ST DECEMBER 1995


WALKER MOYLE
CHARTERED ACCOUNTANTS

WEST CORNWALL STORAGE AND DISTRIBUTION LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR TO 31ST MARCH 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
TURNOVER	1(b) & 2	197,023	259,548
Cost of Sales		149,917	200,264
		<hr/>	<hr/>
Gross Profit		47,106	59,284
Administration Expenses		38,172	36,928
		<hr/>	<hr/>
OPERATING PROFIT ON ORDINARY ACTIVITIES	3	8,934	22,356
Interest Received		134	61
		<hr/>	<hr/>
		9,068	22,417
Interest Payable	5	7,575	8,260
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,493	14,157
TAXATION	6	48	-
		<hr/>	<hr/>
SURPLUS FOR YEAR ON ORDINARY ACTIVITIES		1,445	14,157
Deficit Brought Forward		(27,457)	(41,614)
		<hr/>	<hr/>
DEFICIT CARRIED FORWARD		£(26,012)	£(27,457)
		=====	=====

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit or loss from the above two financial years.

BALANCE SHEET AS AT 31ST MARCH 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
TANGIBLE FIXED ASSETS	7	85,518	87,331
CURRENT ASSETS			
Stocks	1(c) & 8	4,735	1,000
Debtors	9	38,496	57,149
Cash at Bank and in Hand		2,356	15,684
		<hr/>	<hr/>
		45,587	73,833
CREDITORS: Amounts Falling Due Within One Year	10	96,185	122,641
		<hr/>	<hr/>
CURRENT ASSETS LESS CURRENT LIABILITIES		(50,598)	(48,808)
		<hr/>	<hr/>
		34,920	38,523
CREDITORS: Amounts Falling Due After More Than One Year			
Bank Loan	11	60,929	65,977
		<hr/>	<hr/>
NET ASSETS		£(26,009)	£(27,454)
		=====	=====
CAPITAL RESERVES			
Called up Share Capital	12	3	3
Profit and Loss Account		(26,012)	(27,457)
		<hr/>	<hr/>
SHAREHOLDERS' DEFICIENCY	14	£(26,009)	£(27,454)
		=====	=====

For the year in question the Company was entitled to exemption from an audit under Section 249A(2) of the Companies Act 1985. No notice has been deposited under Section 249B(2) of the Act in relation to the Accounts for the financial year. The Directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- (b) preparing Accounts which give a true and fair view of the state of affairs of the Company, as at the end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to Accounts, so far as applicable to the Company.

R.L. CARGEEG

.....) DIRECTOR

Approved by the Board on 29th November, 1995

The notes on pages 6 to 9 form part of these Accounts.

NOTES TO THE ACCOUNTS - 31ST MARCH 1995

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Accounts have been prepared under the historical cost convention.

(b) Turnover

The turnover represents net invoiced sales of goods, excluding Value Added Tax.

(c) Stocks

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

(d) Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Buildings	- 2% on cost
Plant and Machinery	- 10% on cost
Motor Vehicles	- 20% on cost

No depreciation is provided on freehold land.

(e) Deferred Taxation

Amounts are set aside under the liability method at 25% for the equalisation of Capital Allowances and depreciation.

(f) Pension Costs

Contributions in respect of the Company's defined contribution pension scheme are charged to the Profit and Loss Account for the year in which they are payable to the scheme.

2. TURNOVER

The turnover and profit for the period is attributed to sales wholly in the United Kingdom from its principal activities.

	<u>1995</u>	<u>1994</u>
Transport, Storage and Distribution	174,184	218,370
Retail Sales	5,874	462
Management Services	16,965	40,716
	<hr/>	<hr/>
	£197,023	£259,548
	=====	=====

NOTES TO THE ACCOUNTS - 31ST MARCH 1995

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	<u>1995</u>	<u>1994</u>
Profit on Disposal of Vehicles	-	(300)
Depreciation of Tangible Fixed Assets	1,813	5,215
Directors' Remuneration (including Benefits)	11,725	13,425
Staff Costs	27,454	21,412
Auditors' Remuneration	1,000	1,200
	=====	=====

4. STAFF COSTS (including Directors)

Wages and Salaries	36,073	31,538
Social Security Costs	2,506	2,699
Other Pension Costs	600	600
	-----	-----
	£39,179	£34,837
	=====	=====

The average number of employees during the period was as follows:-

Office and Management	2	2
Distribution	1	-
	-----	-----
	3	2
	==	==

5. INTEREST PAYABLE

Interest on Bank Loans
and Other Loans

Repayable within 5 years not
by instalments

Repayable within 5 years by
instalments

-	-
7,575	8,260
-----	-----
£7,575	£8,260
=====	=====

6. TAXATION

Corporation Tax at 25% based
on the profit for the year
Underprovision in previous year

33	-
15	-
-----	-----
£48	-
=====	=====

The Company is a "close company" within the meaning of the Income and Corporation Taxes Act 1988.

NOTES TO THE ACCOUNTS - 31ST MARCH 1995

7. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
Cost:				
As at 31st March 1994 and 1995	£83,075	£22,476	£6,000	£111,551
Depreciation:				
As at 31st March 1994	180	18,340	5,700	24,220
Charge for Year	36	1,494	283	1,813
As at 31st March 1995	£216	£19,834	£5,983	£26,033
Written Down Value:				
As at 31st March 1995	£82,859	£2,642	£17	£85,518
As at 31st March 1994	£82,895	£4,136	£300	£87,331

The cost of freehold buildings on which depreciation is charged is £1,804 (1994: £1,804).

8. STOCKS

This represents raw materials and consumables.

9. DEBTORS	<u>1995</u>	<u>1994</u>
Trade Debtors	38,474	56,114
Prepayments	22	535
Other Debtors	-	500
	<u>£38,496</u>	<u>£57,149</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade Creditors	23,597	42,525
Accruals	3,883	7,004
Social Security and Other Taxes	5,111	4,201
	<u>32,591</u>	<u>53,730</u>
Directors' Current Accounts	54,045	54,045
Bank Loans	3,529	3,833
Bank Overdraft	5,986	11,033
Corporation Tax	34	-
	<u>£96,185</u>	<u>£122,641</u>

NOTES TO THE ACCOUNTS - 31ST MARCH 1995

	<u>1995</u>	<u>1994</u>
11. BANK LOANS AND OVERDRAFTS		
The aggregate amount of bank loans and overdrafts was as follows:-		
(a) Amounts falling due within one year		
Bank Loan - current portion	3,529	3,833
Overdraft	5,986	11,033
	<hr/>	<hr/>
	9,515	14,866
(b) Falling due after more than one year		
Bank Loan - repayable within five years	60,929	65,977
	<hr/>	<hr/>
Aggregate Amounts	<u>£70,444</u>	<u>£80,843</u>
	=====	=====
The bank borrowing is secured by a fixed charge on the freehold property and a floating charge over the Company's other assets.		
12. CALLED UP SHARE CAPITAL		
Authorised:		
100 Ordinary Shares of £1 each	£100	£100
	=====	=====
Allotted, Issued and Fully Paid:		
3 Ordinary Shares of £1 each	£3	£3
	==	==
13. COMMITMENTS		
<u>Pensions</u>		
The Company operates a defined contribution scheme for the benefit of its Directors. The Company contributes an amount each year which is determined by the Directors, depending on the results for the year. The Company contributed £600 in the year (1994: £600)		
14. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' DEFICIENCY		
	<u>1995</u>	<u>1994</u>
Profit for the financial year after taxation	1,445	14,157
Shareholders' deficiency at 1st April 1994	(27,454)	(41,611)
	<hr/>	<hr/>
Shareholders' deficiency at 31st March 1995	<u>£(26,009)</u>	<u>£(27,454)</u>
	=====	=====