

# DIRECTORS' REPORT

The directors present their Annual Report and the audited financial statements for the year ended 30th June 1996.

## ACTIVITIES

The company's principal activity is that of a haulage and transport broker.

## REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company has continued to perform satisfactorily given the general economic climate. The company expects improved results in the forthcoming financial year.

The profit after tax amounted to £19,138 (1995: Loss £(12,807)). The amount absorbed by reserves is as follows:

Dividends paid and proposed	£ 750
	_____
Reserves	£18,388
	_____

## DIVIDENDS

The preference dividends have been paid in full during the year.

## DIRECTORS' INTERESTS

The directors and their interests in the share capital of the company at the beginning and the end of the year were as follows:

	30: 6:96	30: 6:95	30: 6:96	30: 6:95
	£1 Ordinary Shares		£1 7½% Preference Shares	
Mr. P. F. Brown	26	2	10,000	10,000
Mr. P. P. O'Halloran	24	24	-	-

## SMALL COMPANY

Advantage has been taken in the preparation of this report, of the special exemptions applicable to small companies.

## BY ORDER OF THE BOARD

*P O'Halloran*  
MRS. P. O'HALLORAN  
SECRETARY

## REGISTERED OFFICE:

Fishers Way,  
Belvedere,  
Kent, DA17 6BS.

COMPANY NO. 1627530



# AUDITORS REPORT TO THE MEMBERS

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the policies set out on page 5.

## RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

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 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.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

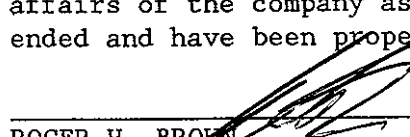
## BASIS OF OPINION

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 affairs of the company as at 30th June 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
 ROGER H. BROWN  
 REGISTERED AUDITOR AND CHARTERED ACCOUNTANTS  
 4 HIGH STREET,  
 KEYNSHAM, BRISTOL, BS18 1DQ.

DATE:

28 February 1997

PROFIT AND LOSS ACCOUNT  
YEAR ENDED 30TH JUNE 1996

	NOTES	1996	1995
TURNOVER		665,748	579,051
Cost of sales		(583,275)	(517,241)
		<hr/>	<hr/>
GROSS PROFIT		82,473	61,810
		<hr/>	<hr/>
Distribution costs		10,377	9,310
Administrative costs		51,169	64,199
		<hr/>	<hr/>
		61,546	73,509
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)		20,927	(11,699)
Other interest receivable and similar income		265	162
Interest payable and similar charges	2	(503)	(1,270)
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3	20,689	(12,807)
TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	5	(1,551)	-
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		19,138	(12,807)
DIVIDENDS PAID AND PROPOSED	6	(750)	(750)
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		18,388	(13,557)
BALANCE ON PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		(13,269)	288
		<hr/>	<hr/>
BALANCE ON PROFIT AND LOSS ACCOUNT CARRIED FORWARD		£ 5,119	£(13,269)
		<hr/>	<hr/>

There are no other recognised gains or losses other than the profit for the year.

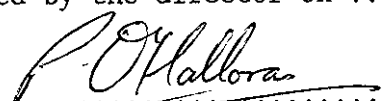
The notes on pages 5 to 9 form part of these financial statements

BALANCE SHEET  
AT 30TH JUNE 1996

	NOTES	1996	1995
FIXED ASSETS			
Tangible Assets	7	14,011	15,561
CURRENT ASSETS			
Work in progress	8	4,599	4,068
Debtors	9	169,298	131,032
Cash at bank		7,449	13,603
		181,346	148,703
CREDITORS: Amounts falling due within one year	10	(177,852)	(165,116)
NET CURRENT ASSETS/(LIABILITIES)		3,494	(16,413)
NET ASSETS LESS CURRENT LIABILITIES		17,505	(852)
CREDITORS: Amounts falling due after more than one year	11	(2,336)	(2,367)
PROVISIONS FOR LIABILITIES AND CHARGES	12	-	-
NET CURRENT ASSETS/(LIABILITIES)		£ 15,169	£(3,219)
CAPITAL AND RESERVES			
Called up share capital	13	10,050	10,050
Profit and Loss account	14	5,119	(13,269)
		£ 15,169	£ (3,219)

In preparing the financial statements we have taken advantage of the special exemptions applicable to small companies conferred by Sections 246 and 247 of the Companies Act 1996 on the grounds that the company is entitled to those exemptions as a small company.

Approved by the director on 18th February 1997

 P. O'Halloran

The notes on pages 5 to 9 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 1996

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements and have remained unchanged from the previous year.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention rules.

(b) Tangible fixed assets

Depreciation is calculated to write off the cost of fixed assets over the estimated lives of the assets. The rates of depreciation are as follows:

Computer equipment	25% per annum straight line
Office equipment	20% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

(c) Stock

Stock and work in progress are valued at the lower of realisable value.

(d) Deferred Taxation

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

(e) Pension Scheme

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 amount charged against profits represents the contribution payable to the scheme in respect of the accounting year.

(f) Leases

Where the company enters into a lease which entails taking all the risks and rewards of ownership of an asset, the lease is treated as a hire purchase lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account under the term 'interest payable and similar charges', and the capital element which reduces the outstanding obligation for future instalments included with creditors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30TH JUNE 1996

2.	INTEREST PAYABLE AND SIMILAR CHARGES	1996	1995
	HP interest	503	1,084
	Other interest	-	186
		<hr/>	<hr/>
		£ 503	£ 1,270
		<hr/>	<hr/>
3.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1996	1995
	Profit on ordinary activities before taxation		
	is after charging:		
	Hire of plant and machinery	£ -	£ 1,050
	Depreciation of tangible fixed assets	£ 4,720	£ 4,999
	Auditors' remuneration	£ 2,484	£ 3,065
	Directors' remuneration	£ 16,441	£ 22,708
		<hr/>	<hr/>
4.	EMPLOYEE COSTS DURING THE YEAR	1996	1995
	Wages and salaries	52,481	45,472
	Social security costs	2,888	6,144
	Other pension costs	950	-
		<hr/>	<hr/>
		£ 56,319	£ 51,616
		<hr/>	<hr/>
	Average number of persons employed	No	No
	Management	2	2
	Administration	2	2
		<hr/>	<hr/>
		4	4
		<hr/>	<hr/>
	Directors' emoluments:		
	Salaries	16,441	22,708
	Pension contributions	950	-
	Benefits in kind	-	-
		<hr/>	<hr/>
		£ 17,391	£ 22,708
		<hr/>	<hr/>
5.	TAX ON PROFIT ON ORDINARY ACTIVITIES	1996	1995
	United Kingdom Corporation Tax at 25%/24%		
	based on profit for the year	1,551	-
	Deferred taxation	-	-
	Underprovision prior years	-	-
		<hr/>	<hr/>
		£ 1,551	£ -
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30TH JUNE 1996

6.	DIVIDENDS		1996	1995
	Interim paid on f1 Ordinary Shares at f250 per share		-	-
	f1 7½% Preference Shares - paid		750	750
			<hr/>	<hr/>
			£ 750	£ 750
			<hr/>	<hr/>
7.	TANGIBLE FIXED ASSETS	TOTAL	OFFICE EQUIPMENT	MOTOR VEHICLES
	COST			
	At 1: 7:95	34,073	11,430	22,643
	Additions	3,566	271	3,295
	Disposal	(600)	-	(600)
		<hr/>	<hr/>	<hr/>
	At 30: 6:96	£37,039	£11,701	£25,338
		<hr/>	<hr/>	<hr/>
	ACCUMULATED DEPRECIATION			
	At 1: 7:95	18,512	8,433	10,079
	Provisions	4,720	1,404	3,316
	Disposals	(204)	-	(204)
		<hr/>	<hr/>	<hr/>
	At 30: 6:96	£23,028	£ 9,837	£13,191
		<hr/>	<hr/>	<hr/>
	NET BOOK VALUE			
	At 30: 6:96	£14,011	£ 1,864	£12,147
		<hr/>	<hr/>	<hr/>
	At 30: 6:95	£15,561	£ 2,997	£12,564
		<hr/>	<hr/>	<hr/>
	The net book value of assets includes £7,416 (1995: £5,769) in respect of assets held under hire purchase leases.			
8.	STOCKS		1996	1995
	Work in progress		£ 4,599	£ 4,068
			<hr/>	<hr/>
9.	DEBTORS		1996	1995
	Trade debtors		165,824	126,101
	Other debtors		3,474	4,931
	Prepayments and accrued income		-	-
			<hr/>	<hr/>
			£169,298	£131,032

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30TH JUNE 1996

10. CREDITORS: Amounts falling due within one year	1996	1995
Obligation under Hire Purchase and finance leases	2,841	1,893
Corporation Tax	-	94
Trade creditors	126,122	130,375
Taxation and social security	11,710	8,945
Directors loan accounts	26,461	16,209
Accruals	10,718	7,600
Dividends proposed	-	-
	<hr/>	<hr/>
	£177,852	£165,116
	<hr/>	<hr/>
11. CREDITORS: Amounts falling due after more than one year	1996	1995
Obligations under finance leases and hire purchase contracts	£ 2,336	£ 2,367
	<hr/>	<hr/>
12. DEFERRED TAXATION		
The amounts of deferred taxation provided in the accounts are:	1996	1995
Balance brought forward	-	-
Profit and Loss Account	-	-
	<hr/>	<hr/>
	£ -	£ -
	<hr/>	<hr/>
13. CALLED UP SHARE CAPITAL	1996	1995
Authorised		
£1 Ordinary Shares	100	100
£1 7½% Cumulative Preference Shares	10,000	10,000
	<hr/>	<hr/>
	£ 10,100	£ 10,100
	<hr/>	<hr/>
Allotted and fully paid		
£1 Ordinary Shares	50	50
£1 7½ Cumulative Preference Shares	10,000	10,000
	<hr/>	<hr/>
	£ 10,050	£ 10,050
	<hr/>	<hr/>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30TH JUNE 1996

14. MOVEMENTS IN SHAREHOLDERS FUNDS	1996	1995
Opening balance of shareholders funds	(3,219)	10,338
Profit/(Loss) for the year	18,388	(13,557)
	<hr/>	<hr/>
Closing balance of shareholders funds	15,169	£ (3,219)
	<hr/>	<hr/>