

NORTHERN CONTAINERS LIMITED  
REPORT AND FINANCIAL STATEMENTS  
for the year ended  
30th June 1996

Company Number: 02361752  
Registered Office: 95 Fleet Road,  
Fleet, Hampshire  
GU13 8PJ



DIRECTORS' REPORT  
for the year ended 30th June 1996

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

STATEMENT OF 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 and of the profit or loss of the company for that period. In preparing those 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
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements
- 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 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.

REVIEW OF THE BUSINESS

The principal activities of the company are and will continue to be the handling, storage, repair and sale of freight containers. Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

RESULTS AND DIVIDENDS

The results for the year are shown in the financial statements.

A dividend of £50,000 per share (1995: £25,000) on the issued ordinary share capital amounting to £100,000 (1995: £50,000) was paid during the year.

DIRECTORS' REPORT (Continued)  
for the year ended 30th June 1996

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DIRECTORS

The directors throughout the year were N.A.H.Pool (Chairman) and P.C.Coghlan. P.R.Hancox and P.Haworth were appointed directors on 15th November 1995 and 6th June 1996 respectively. P.R.Hancox resigned as a director on 10th September 1996. The directors did not have any interest in the share capital of the company.

Their interests in the shares of the ultimate parent company are shown in the directors' report of that company. N.A.H.Pool also holds 260 ordinary shares of £1 each in Herbert Pool Group Ltd.

This report was approved by the Board on 31st July 1997.

A handwritten signature in black ink, appearing to be 'N.A.H.Pool', with a horizontal line underneath.

N.A.H.Pool,  
Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

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We have audited the financial statements on pages 4 to 10 which have been prepared following 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 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 as at 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Neville Russell*

NEVILLE RUSSELL  
CHARTERED ACCOUNTANTS  
and Registered Auditors  
2 Oxford Row, Leeds LS1 3BE

Date: 23 SEPTEMBER 1997

PROFIT AND LOSS ACCOUNT  
for the year ended 30th June 1996

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	Notes	1996 £,000	1995 £,000
Turnover	2	1,363	1,097
Cost of sales		(802)	(638)
Gross profit		561	459
Operating expenses		(451)	(397)
Operating Profit		110	62
Interest payable	3	(1)	(1)
Profit on ordinary activities before taxation	4	109	61
Tax on ordinary activities	5	-	-
Profit on ordinary activities after taxation		109	61
Dividend Paid	6	(100)	(50)
Retained Profit for the year	13	9	11
		===	==

Turnover and expenses relate to continuing operations. There are no recognised gains or losses other than the profit for the year, which has been calculated on a historic cost basis.

BALANCE SHEET  
as at 30th June 1996

	Notes	1996 £,000	1995 £,000
FIXED ASSETS			
Tangible assets	7	51 --	76 --
CURRENT ASSETS			
Stocks	8	64	58
Debtors	9	267	229
Cash at bank and in hand		33 ---	11 ---
		364	298
CREDITORS: amounts falling due within one year	10	(190) ---	(129) ---
Net Current Assets		174 ---	169 ---
Total Assets less Current Liabilities		225	245
CREDITORS: amounts falling due after more than one year	11	(41) ---	(70) ---
Net Assets		184 ===	175 ===
CAPITAL AND RESERVES			
Share Capital	12	-	-
Profit and loss account		184 ---	175 ---
Shareholders' Funds	13	184 ===	175 ===

The financial statements on pages 4 to 10 were approved by the Board on 31st July 1997.



N.A.H. Pool,  
Director.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30th June 1996

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1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and on the going concern basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets to write off the cost of each asset over its expected useful life.

The rates of charging for plant, office equipment and vehicles are 10-50%, 25%, and 25% respectively on a straight line basis.

Stocks and work in progress

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

Work in progress and finished goods are stated at the cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Deferred taxation

Deferred taxation is provided using the liability method in respect of timing differences between the recognition of income and expenditure for accounting and taxation purposes to the extent, that the liability is considered likely to crystallise.

Leased assets

Finance Leases

Assets acquired under finance leases are included in the balance sheet at an amount reflecting the related capital element of future rentals less depreciation. The interest element is taken to profit and loss account each year on a straight line basis.

Operating Leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Pension costs

The company contributes to a defined contribution scheme. Contributions are charged to the profit and loss account in the year in which they become payable.

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30th June 1996 (continued)

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## 2. TURNOVER

Turnover represents amounts invoiced in respect of goods and services provided wholly within the United Kingdom excluding value added tax.

	1996 £,000	1995 £,000
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## 3. INTEREST PAYABLE

Finance leases	1	1
	=	=

4. PROFIT ON ORDINARY ACTIVITIES  
BEFORE TAXATION is stated  
after charging:

Depreciation:- owned fixed assets	33	41
Depreciation - assets under finance leases	2	2
Auditors' remuneration	3	3
Hire of assets under operating leases	29	15
	==	==

## 5. TAXATION

The tax liability has been removed by the surrender to the company of approximately £129,000 (1995: £89,000) in respect of group relief received for nil consideration.

There is no potential deferred tax liability since tax written down values exceed net book values at 30th June 1996.

## 6. DIVIDENDS

Ordinary dividends

Dividend paid of £50,000 (1995: £25,000) per share	100	50
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NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30th June 1996 (continued)

## 7. TANGIBLE ASSETS

	Plant and machinery	Motor Vehicles	Office Equipment	Total
	£,000	£,000	£,000	£,000
<u>Cost</u>				
1 July 1995	233	17	6	256
Additions	8	-	2	10
Disposals	-	(17)	-	(17)
	---	--	-	---
30 June 1996	241	-	8	249
	---	--	-	---
<u>Depreciation</u>				
1 July 1995	158	17	5	180
Charge for the year	34	-	1	35
Disposals	-	(17)	-	(17)
	---	--	-	---
30 June 1996	192	-	6	198
	---	--	-	---
<u>Net book value</u>				
Owned assets	46	-	2	48
Leased assets	3	-	-	3
	--	-	-	--
30 June 1996	49	-	2	51
	==	=	=	==
Owned assets	70	-	1	71
Leased assets	5	-	-	5
	--	-	-	--
30 June 1995	75	-	1	76
	==	=	=	==

## 8. STOCKS

	1996 £,000	1995 £,000
Raw materials	12	9
Work in progress	-	1
Goods for resale	52	48
	--	--
	64	58
	==	==

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30th June 1996 (continued)

	1996 £,000	1995 £,000
9. DEBTORS - due within one year		
Trade debtors	256	223
Prepayments	11	6
	---	---
	267	229
	===	===
10. CREDITORS: amounts falling due within one year		
Obligations under finance leases	2	2
Trade creditors	111	75
Other taxes and social security	44	35
Accruals and deferred income	33	17
	---	---
	190	129
	===	===
11. CREDITORS: amounts falling due after more than one year		
Finance leases	-	2
Parent company	41	68
	--	--
	41	70
	==	==
Obligations under finance leases are wholly payable by instalments within five years.		
12. SHARE CAPITAL		
Ordinary shares of £1 each	Number	Number
Authorised	1000	1000
	=====	=====
Allotted & fully paid	2	2
	=====	=====
13. RECONCILIATION OF SHAREHOLDERS' FUNDS		
	1996 £,000	1995 £,000
Retained Profit for the year	9	11
Opening shareholders' funds	175	164
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Closing shareholders' funds	184	175
	===	===

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30th June 1996 (continued)

	1996 £,000	1995 £,000
14. DIRECTORS		
Emoluments, including pension contributions and benefits-in-kind	40 ==	47 ==
15. EMPLOYEES		
(a) Number of employees		
Administration	5	4
Engineers	22 -- 27 ==	20 -- 24 ==
(b) Employment costs	£,000	£,000
Wages and salaries	427	354
Social Security costs	38	33
Other pension costs	15 --- 480 ===	16 --- 403 ===

## 16. PENSION COMMITMENTS

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 shown in Note 15 represents contributions payable by the company to the fund. At 30th June 1996 contributions amounting to £2,166 (1995: £2,141) were payable to the fund and are included in Creditors.

## 17. FINANCIAL COMMITMENTS

The company was committed to make payments during the next 12 months under non-cancellable operating leases expiring within 2-5 years totalling £44,004 (1995: £43,638).

## 18. CONTINGENT LIABILITIES

The company has entered into an unlimited guarantee to Lloyds Bank Plc in respect of borrowings of the ultimate parent company. At 30 June 1996 such borrowings amounted to £806,212 (1995: Nil).

## 19. ULTIMATE PARENT COMPANY

Herbert Pool Estates Limited is the company's ultimate parent Company.