

R/C

LANDSTAR UK LIMITED
REPORT AND ACCOUNTS
YEAR ENDED 31ST OCTOBER 2001

1.

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Registered office:
9 Mansfield Street,
London W1G 9NY

Registered in England and Wales
No. 2966280

LANDSTAR UK LIMITED
DIRECTORS' REPORT
YEAR ENDED 31ST OCTOBER 2001

2.

The directors present their annual report and the audited accounts for the year ended 31st October 2001.

PRINCIPAL ACTIVITY

The principal activity of the company is that of property investment.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period and the beneficial interests of those serving at the end of the period were as follows:

	Ordinary shares of £1 each	
	<u>31.10.01</u>	<u>31.10.00</u>
T.W. Flint	8	8
A.F. Flint	7	7

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts the directors are required to:

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

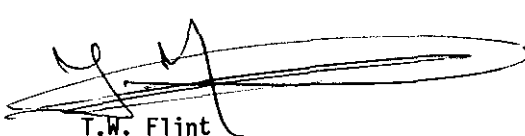
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the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

AUDITORS

Daniel Auerbach & Company, Chartered Accountants, have expressed their willingness to continue as auditors.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board of directors



T.W. Flint
Director

27th August 2002

LANDSTAR UK LIMITED
AUDITORS' REPORT
YEAR ENDED 31ST OCTOBER 2001

3.

AUDITORS' REPORT TO THE MEMBERS OF LANDSTAR UK LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of accounts. 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

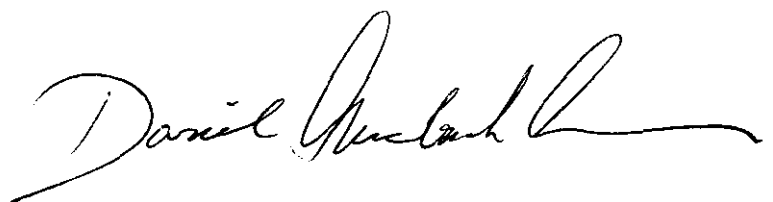
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.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

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st October 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

9 Mansfield Street,
London W1G 9NY

27th August 2002



Daniel Auerbach & Company

Chartered Accountants and Registered Auditors

LANDSTAR UK LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST OCTOBER 2001

4.

	<u>Note</u>	01.11.00 to <u>31.10.01</u>	01.10.99 to <u>31.10.00</u>
Turnover	2	211891	236749
Administrative expenses		(<u>101012</u>)	(67941)
Operating profit	3	110879	168808
Profit on disposal of fixed assets		462	19292
Interest payable and similar charges		(<u>78957</u>)	(100909)
Profit on ordinary activities before taxation		32384	87191
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
Profit for the financial period		32384	87191
Dividends		(<u>20000</u>)	<u>-</u>
		12384	87191
Balance brought forward		<u>93179</u>	<u>5988</u>
Balance carried forward		£ 105563	£ 93179
		=====	=====

The notes on pages 6 to 8 form part of these accounts

LANDSTAR UK LIMITED

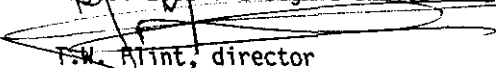
5.

BALANCE SHEET
AS AT 31ST OCTOBER 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
<u>FIXED ASSETS</u>			
Tangible assets	4	969445	967571
Investments	5	296102	234436
<u>CURRENT ASSETS</u>			
Stock		63750	-
Trade and other debtors	6	<u>67794</u>	<u>218350</u>
		131544	218350
		=====	=====
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>			
Bank loans and overdrafts - secured		96530	104184
Trade and other creditors	7	<u>257978</u>	<u>285076</u>
		354508	389260
		=====	=====
<u>NET CURRENT LIABILITIES</u>		(222964)	(170910)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		1042583	1031097
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>			
	8	(937000)	(937898)
		105583	93199
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	9	20	20
Profit and loss account		<u>105563</u>	<u>93179</u>
<u>SHAREHOLDERS' FUNDS</u>		105583	93199
		=====	=====

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved by the Board of Directors on 27th
August 2002 and signed on its behalf by:

 T.W. Flint, director

The notes on pages 6 to 8 form part of these accounts

LANDSTAR UK LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 2001

6.

1. ACCOUNTING POLICIES

a) Accounting convention:

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

b) Turnover:

Turnover represents amounts receivable, excluding Value Added Tax, for services provided.

c) Tangible fixed assets:

Land and buildings:

In accordance with the Financial Reporting Standard for Smaller Entities, depreciation is not charged on freehold and long leasehold investment properties. This treatment is a departure from the Companies Act 1985, which requires all fixed assets to be depreciated. This departure is, in the opinion of the directors, necessary for the accounts to give a true and fair view as the properties are not held for consumption, but for their investment potential and to depreciate them would not give a true and fair view. The directors consider that valuations at cost result in the accounts giving a true and fair view.

Other tangible fixed assets are depreciated at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Furniture, fittings and equipment	- 10% reducing balance.
Motor vehicles	- 25% straight line.

d) Investments:

Fixed asset investments are stated at cost less provision for permanent diminution in value.

2. TURNOVER

Turnover represents rental income derived from investment properties situated in the U.K.

3. OPERATING PROFIT

01.11.00	01.10.99
to	to
<u>31.10.01</u>	<u>31.10.00</u>

Operating profit is stated after charging:

Directors' remuneration	-	16759
Depreciation	2393	5817
Audit fees	3000	3000
Finance lease charges	1482	1071
	=====	=====

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LANDSTAR UK LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 2001

7.

4. <u>TANGIBLE FIXED ASSETS</u>	<u>Land and buildings</u>		<u>Motor vehicles</u>	<u>Furniture, fittings, & equipment</u>	<u>Total</u>
	<u>Freehold</u>	<u>Long leasehold</u>			
Cost:					
At 1st November 2000	657787	290122	15275	22780	985964
Additions	-	-	-	8005	8005
Disposals	-	-	(15275)	-	(15275)
At 31st October 2001	657787	290122	-	30785	£ 978694
	=====	=====	=====	=====	=====
Depreciation:					
At 1st November 2000	-	-	11537	6856	18393
Provision	-	-	-	2393	2393
Disposals	-	-	(11537)	-	(11537)
At 31st October 2001	-	-	-	9249	£ 9249
	=====	=====	=====	=====	=====
Net book value:					
At 31st October 2001	657787	290122	-	21536	£ 969445
	=====	=====	=====	=====	=====
At 31st October 2000	657787	290122	3738	15924	£ 967571
	=====	=====	=====	=====	=====

The net book value of land and buildings relates to investment properties.

5. <u>INVESTMENTS</u>	<u>Other investments other than loans</u>	<u>Total</u>
Cost:		
At 1st November 2000	234436	234436
Additions	61666	61666
At 31st October 2001	296102	£ 296102
	=====	=====

The investments comprise of second hand life insurance policies and related premiums.

6. <u>TRADE AND OTHER DEBTORS</u>	<u>2001</u>	<u>2000</u>
Trade debtors	-	188273
Other debtors	67794	30077
	£ 67794	£ 218350
	=====	=====

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LANDSTAR UK LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 2001

8.

<u>7. TRADE AND OTHER CREDITORS</u>	<u>2001</u>	<u>2000</u>
Trade creditors	10074	980
Obligations under finance lease	-	3594
Other creditors	233989	259260
Accruals	<u>13915</u>	<u>21242</u>
	£ 257978	£ 285076
	=====	=====

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Bank loans	937000	937000
Debts under finance lease	-	898
Debts due after more than one year	£ 937000	£ 937898
	=====	=====
Debts due after more than one year:		
- repayable between 1-5 years	-	898
- repayable in 5 years or more	<u>937000</u>	<u>937000</u>
	£ 937000	£ 937898
	=====	=====

The bank loan of £937000 is repayable in one amount by 30th July 2013.

<u>9. CALLED UP SHARE CAPITAL</u>	<u>2001</u>	<u>2000</u>
Authorised - 1000 ordinary shares of £1 each	£ 1000	£ 1000
	=====	=====
Allotted, called up and fully paid - 20 ordinary shares of £1 each	£ 20	£ 20
	=====	=====

10. SECURITY FOR BORROWINGS

The company's bankers have charges over certain investments and freehold and leasehold properties.