

PALLET LOGISTICS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 MARCH 2001



DAND CARNEGIE & CO.
Chartered Accountants & Registered Auditors
Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

PALLET LOGISTICS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2001

CONTENTS	PAGE
Auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated financial statements	3

PALLET LOGISTICS LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985



We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 March 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Stannergate House
41 Dundee Road West
Broughty Ferry
Dundee DD5 1NB

15 November 2001

DAND CARNEGIE & CO.
Chartered Accountants
& Registered Auditors

PALLET LOGISTICS LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2001

	Note	2001 £	2000 £
FIXED ASSETS	2		
Tangible assets		366,849	<u>362,336</u>
CURRENT ASSETS			
Stocks		101,514	84,498
Debtors		403,282	347,700
Cash at bank and in hand		<u>828</u>	<u>264</u>
		505,624	432,462
CREDITORS: Amounts falling Due within one year	3	<u>(476,087)</u>	<u>(317,383)</u>
NET CURRENT ASSETS		29,537	115,079
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>396,386</u>	<u>477,415</u>
CREDITORS: Amounts falling due After more than one year	4	(94,412)	(217,111)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(9,350)</u>	<u>(9,220)</u>
		<u>292,624</u>	<u>251,084</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	30,000	30,000
Profit and Loss Account		<u>262,624</u>	<u>221,084</u>
SHAREHOLDERS' FUNDS		<u>292,624</u>	<u>251,084</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 15 November 2001 and are signed on their behalf by:

MR M. WENT



The notes on pages 3 to 5 form part of these financial statements.

PALLET LOGISTICS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant & Machinery	- 25% straight line
Motor Vehicles	- 20% straight line
Office Equipment	- 20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. 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 on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

PALLET LOGISTICS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1 April 2000	447,635
Additions	60,470
Disposals	(989)
At 31 March 2001	<u>507,116</u>
DEPRECIATION	
At 1 April 2000	85,299
Charge for year	55,868
On disposals	(900)
At 31 March 2001	<u>140,267</u>
NET BOOK VALUE	
At 31 March 2001	<u>366,849</u>
At 31 March 2000	<u>362,336</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001 £	2000 £
Bank loans and overdrafts	<u>47,832</u>	<u>19,312</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001 £	2000 £
Bank loans and overdrafts	<u>78,667</u>	<u>97,333</u>

Included within creditors falling due after more than one year is an amount of £46,667 (2000 - £50,000) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

PALLET LOGISTICS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

5. TRANSACTIONS WITH THE DIRECTORS

The company is associated with Scott Timber Limited, through the common directorships of A. Moir and J. Scott.

Scott Timber Limited purchased goods from the company to the value of £4,723 (2000 - £71,031) during the period, on a normal commercial basis, and was due to pay the company £3,993 (2000 - £6,225) at the period end.

Scott Timber Limited also provided goods and services to the company to the value of £3,027 (2000 - £32,593) during the period, on a normal commercial basis, and the company was due to pay £Nil (2000 - £4,292) at the period end.

The company obtained legal services throughout the period on a normal commercial basis from the Grant Smith Law Practice. The company is associated with the Grant Smith Law Practice by virtue of S. Ritchie being a partner in the law practice.

The company has obtained loans from the superannuation funds of P. Went and M. Went. Both loans attract interest at commercial rates and have no fixed repayment terms. The amounts due in respect of these loans at the period end were £32,255 and £38,515 (2000 - £99,605 and £Nil), respectively. They are disclosed above as Other creditors falling due within one year (2000 - Other creditors falling due after more than one year).

6. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
30,000 Ordinary shares of £1.00 each	<u>30,000</u>	<u>30,000</u>

Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>30,000</u>	<u>30,000</u>