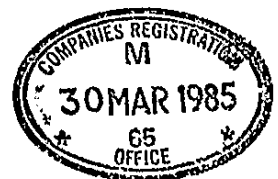


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HOULTS LIMITED
(A wholly-owned subsidiary of
Hoults Holdings Limited)

31 March 1983



HOULTS LIMITED

(A wholly-owned subsidiary of Hoult's Holdings Limited)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1983

The directors have pleasure in submitting their report and the audited accounts for the year ended 31 March 1983.

ACTIVITIES

The principal activities of the company throughout the year were the provision of removal, storage and shipping services.

TRADING RESULTS AND DIVIDEND

The results for the year and the financial position of the company are shown in the attached accounts. The directors recommend that no dividend be paid.

DIRECTORS

The directors who served during the year were:

FW Hoult (Chairman)
TA Bell (resigned 10 August 1983)
TE Bulmer (resigned 10 August 1983)
R Wiper (resigned 10 August 1983)
Mrs B Hoult
Mrs PA Hoult
KP Moat (resigned 10 August 1983)

In accordance with the company's Articles of Association Mrs B Hoult retires by rotation and, being eligible, offer herself for re-election.

DIRECTORS' INTERESTS

Mr FW Hoult, Mrs B Hoult and Mrs PA Hoult are directors of Hoult's Holdings Limited, the holding company. Their interests in the shares of Hoult's Holdings Limited are disclosed in that company's report.

None of the other directors had any interest in the shares of the holding company at 31 March 1983 or 31 March 1982.

FIXED ASSETS

There were no significant changes in the company's fixed assets during the year. The movements in fixed assets are set out in Note 5 to the accounts.

EXPORTS

The company exported no goods during the year.

HOULTS LIMITED
(A wholly-owned subsidiary of Hoult's Holdings Limited)

DIRECTORS' REPORT (continued)

AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office and resolutions to re-appoint them and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board

FW HOULT



Chairman

27 September 1984

AUDITORS' REPORT TO THE MEMBERS OF
HOULTS LIMITED

We have audited the financial statements on pages 4 to 10 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 March 1983 and of its loss and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

Price Waterhouse
PRICE WATERHOUSE

Chartered Accountants

27 September 1984

HOULTS LIMITED
(A wholly-owned subsidiary of Hoult's Holdings Limited)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1983

<u>1982</u>		
<u>£2,948,410</u>	TURNOVER (Note 2)	<u>£2,901,012</u>
(176,757)	LOSS BEFORE TAXATION	(292,686)
After charging:		
91,615	Depreciation (Notes 1 and 5)	110,972
86,795	Directors' emoluments (Note 3)	97,506
5,500	Audit fee	7,506
47,564	Hire of equipment	30,967
27,285	Hire purchase interest	23,861
<u>9,949</u>	Bank interest	<u>32,023</u>
And after crediting:		
17,756	Management charge	20,000
<u>474</u>	Interest received	<u>113</u>
<u>12,605</u>	TAXATION CREDIT (Note 4)	<u>82,278</u>
(164,152)	LOSS AFTER TAXATION	(210,408)
521,151	BALANCE BROUGHT FORWARD	356,949
<u>356,999</u>		<u>146,541</u>
PROPOSED DIVIDENDS		
-	Ordinary	-
<u>50</u>	Preference	<u>-</u>
(50)		-
<u>£356,949</u>	BALANCE CARRIED FORWARD	<u>£146,541</u>

HOULTS LIMITED

(A wholly-owned subsidiary of Hoult's Holdings Limited)

BALANCE SHEET - 31 MARCH 1983

<u>1982</u>		
294,822	FIXED ASSETS (Note 5)	250,462
20,050	INVESTMENT PROPERTY (Note 6)	17,550
(11,941)	INTEREST IN SUBSIDIARIES (Note 7)	(11,941)
360,818	HOULTS HOLDINGS LIMITED LOAN ACCOUNT (Note 8)	360,818
CURRENT ASSETS		
14,118	Stocks	5,238
379,531	Debtors and prepayments	231,764
44,388	Hoult's Holdings Limited current account	51,153
48,500	Due from fellow subsidiaries	42,768
763	Building society deposits	782
6,992	Bank balance and cash	5,836
494,292		337,541
LESS: CURRENT LIABILITIES		
535,435	Creditors and accrued charges	419,936
10,735	Due to fellow subsidiaries	-
139,937	Bank overdraft (Note 12)	324,137
50	Dividends payable	-
686,157		744,073
(191,865)	NET CURRENT LIABILITIES	(406,532)
(79,347)	HIRE PURCHASE DEFERRED LIABILITIES	(42,228)
(14,000)	DEFERRED TAXATION (Note 9)	-
<u>£378,537</u>	NET ASSETS	<u>£168,129</u>
<u>Representing:</u>		
21,588	SHARE CAPITAL (Note 10)	21,588
<u>356,949</u>	UNAPPROPRIATED PROFITS	<u>146,541</u>
<u>£378,537</u>		<u>£168,129</u>

The financial statements on pages 4 to 10 were approved by the directors on 27 September 1984 and are signed on their behalf by:

FW HOULT
PA HOULT

Directors

HOULTS LIMITED
(A wholly-owned subsidiary of Hoult's Holdings Limited)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE
YEAR ENDED 31 MARCH 1983

<u>1982</u>			
		SOURCE OF FUNDS	
	11,895	Proceeds of sale of fixed assets	5,338
	<u>-</u>	Decrease in investment property	<u>2,500</u>
	11,895		7,838
		APPLICATION OF FUNDS	
(176,757)		Loss before taxation	(292,686)
		Adjustment for items not involving the movement of funds:	
91,615		Depreciation	110,972
<u>(2,495)</u>		Surplus on disposal of fixed assets	<u>(181)</u>
(87,637)		FUNDS ABSORBED BY OPERATIONS	(181,895)
		OTHER APPLICATIONS	
7,800		Increase in investment property	-
139,401		Purchase of fixed assets	71,769
50		Dividend paid	50
21,843		Reduction in hire purchase deferred liabilities	37,119
<u>1,981</u>		Advance corporation tax paid	<u>-</u>
(171,075)			(108,938)
(246,817)			(282,995)
		DECREASE IN WORKING CAPITAL	
(8,021)		Stocks	8,880
(89,733)		Debtors and prepayments	147,767
199,904		Creditors and accrued charges	(115,499)
<u>57,267</u>		Inter-group current accounts (excluding group relief)	<u>56,510</u>
	<u>159,417</u>		<u>97,658</u>
£(87,400)		DECREASE IN NET LIQUID FUNDS	<u>£(185,337)</u>

HOULTS LIMITED

(A wholly-owned subsidiary of Hoult Holdings Limited)

NOTES TO THE ACCOUNTS - 31 MARCH 1983

1 ACCOUNTING POLICIES

These accounts have been prepared under the historical cost convention and in compliance with Section 149A of and Schedule 8A to the Companies Act 1948. The accounting policies followed for items which are judged material or critical in determining the results for the year and in stating the financial position are set out below.

(a) Depreciation

Depreciation of motor vehicles and furniture and equipment is calculated so as to write off the cost of the assets over their estimated useful lives, at a rate of 20% on a straight-line basis.

(b) Deferred taxation

The company makes provision on the liability basis only if the deferred taxation liability on accelerated capital allowances and other timing differences is likely to become payable in the foreseeable future.

2 TURNOVER

Turnover represents the invoiced value of services provided, exclusive of value added tax.

3 DIRECTORS' EMOLUMENTS

The remuneration (excluding pension contributions) of the chairman, who was also the highest-paid director, amounted to £22,321 (1982 £21,678). The remuneration (excluding pension contributions) of other directors fell within the following bands:

	<u>1983</u>	<u>1982</u>
Up to £5,000		
£5,001 - £10,000	1	-
£10,001 - £15,000	1	2
£15,001 - £20,000	3	4
	1	-

4 TAXATION CREDIT

The taxation credit for the year is made up as follows:

	<u>1983</u>	<u>1982</u>
Transfer from (1981 to) deferred taxation	14,000	(14,000)
Group relief receivable	68,278	28,586
Write-off of advance corporation tax	-	(1,981)
	<u>£82,278</u>	<u>£12,605</u>

HOULTS LIMITED

(A wholly-owned subsidiary of Hoults Holdings Limited)

NOTES TO THE ACCOUNTS (continued)

5 FIXED ASSETS

<u>Cost</u>	<u>Motor vehicles</u>	<u>Furniture and equipment</u>	<u>Total</u>
At 31 March 1982	646,971	106,879	753,850
Additions	40,136	31,633	71,769
Disposals	(39,825)	-	(39,825)
At 31 March 1983	647,282	138,512	785,794
<u>Depreciation</u>			
At 31 March 1982	370,328	88,700	459,028
Disposals	(34,668)	-	(34,668)
Charge for the year	96,633	14,339	110,972
At 31 March 1983	432,293	103,039	535,332
<u>Net book value</u>			
At 31 March 1983	£214,989	35,473	250,462
At 31 March 1982	£276,643	18,179	294,822

6 INVESTMENT PROPERTY

The company has a partial equitable interest in a number of properties occupied by certain executive directors and employees. In each case there is a guarantee that the amount paid by the company will be repaid in full on sale and in the event of a surplus on sale arising, or if the persons concerned leave the company's employment, the company will receive a proportionate share of that surplus.

HOULTS LIMITED

(A wholly-owned subsidiary of Hoults Holdings Limited)

NOTES TO THE ACCOUNTS (continued)

7 INTEREST IN SUBSIDIARIES

The interest in subsidiary companies, all of which are wholly owned, is made up as follows:

	<u>1983</u>	<u>1982</u>
At cost		
Hoults (South West) Limited 1,500 Ordinary Shares of £1 each	1,500	1,500
Hoults (Cumberland) Limited 450 Ordinary Shares of £1 each	450	450
John Dixon (Piano Remover) Limited 100 Ordinary Shares of £1 each	100	100
J Ramshaw Limited 312 Ordinary Shares of £1 each	312	312
	<u>2,362</u>	<u>2,362</u>
Amounts owing by subsidiaries	5,688	5,688
	<u>8,050</u>	<u>8,050</u>
Less amounts owing to subsidiaries	(19,991)	(19,991)
	<u>£(11,941)</u>	<u>£(11,941)</u>

8 HOULTS HOLDINGS LIMITED LOAN ACCOUNT

The amount owing on this account is interest-free and is repayable by agreement with Hoults Holdings Limited. The company has given an undertaking to Hoults Holdings Limited to give a minimum of 12 months notice of any required repayment.

HOULTS LIMITED
(A wholly-owned subsidiary of Hoult's Holdings Limited)

NOTES TO THE ACCOUNTS (continued)

9 DEFERRED TAXATION

The provision for deferred taxation, which represents the full potential liability, is as follows:

	<u>1983</u>	<u>1982</u>
Taxation deferred by capital allowances	102,000	119,000
Deferred relief for unutilised tax losses	<u>(102,000)</u>	<u>(105,000)</u>
	<u>£ -</u>	<u>£ 14,000</u>

At 31 March 1983 unutilised tax losses available to carry forward amounted to approximately £321,000 (1982 £201,000).

10 SHARE CAPITAL

	<u>1983</u>		<u>1982</u>	
	<u>Authorised</u>	<u>Issued</u>	<u>Authorised</u>	<u>Issued</u>
5% Preference Shares of £1 each	5,000	1,000	5,000	1,000
Ordinary Shares of £1 each	14,706	10,294	14,706	10,294
Deferred Shares of £1 each	10,294	10,294	10,294	10,294
	<u>£30,000</u>	<u>£21,588</u>	<u>£30,000</u>	<u>£21,588</u>

11 CAPITAL COMMITMENTS

Capital commitments at 31 March 1983 and 31 March 1982 were as follows:

	<u>1983</u>	<u>1982</u>
Contracted for	<u>£-</u>	<u>£53,000</u>
Authorised, not contracted for	<u>£-</u>	<u>£100,000</u>

12 BANK OVERDRAFT

The bank overdraft is secured by a mortgage debenture giving a floating charge on the assets of the company. The company has given an unlimited cross-guarantee in respect of the bank borrowings of Hoult's Estates Limited and Hoult's (London) Limited which at 31 March 1983 amounted to £640 (1982 £Nil).

13 SUBSEQUENT EVENT

On 8 August 1983 the removals business and certain assets of the company were sold for a consideration £219,285 in excess of their book value.

14 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Hoult's Holdings Limited, a company incorporated in Great Britain.