

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES
REPORT OF THE DIRECTORS

The Directors submit their Report and Accounts for the year ended 30 April 1991.

ACTIVITIES

The Group continued to trade as shipping and forwarding agents.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

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.

FIXED ASSETS

Details of changes in fixed assets are shown in note 7 to the accounts.

RESULTS

The results of the Group for the year are set out on page 4. No dividends are recommended. (1990 £Nil)

DIRECTORS AND DIRECTORS' INTERESTS

The Members of the Board throughout the year were as follows :-

Mrs. A. M. Sutton
A. M. Sutton
Mrs. D. P. Broadhurst
J. S. Williams (appointed 15.1.91)
K. Douglas
J. M. Wilson
C. Town
G. Lightfoot

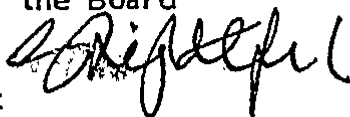
No directors held beneficial interests in the shares of the Company at 30 April 1991 or at any time during the year.

AUDITORS

The Auditors, Jackson, Stephen & Co. will be proposed for re-election in accordance with Section 384(1) of the Companies Act 1985.

By Order of the Board

G. Lightfoot



Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF
SUTTONS INTERNATIONAL LIMITED

We have audited the financial statements on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and Group at 30 April 1991 and of the Profit of the Company and the Group and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Jackson, Stephen & Co.,
Chartered Accountants.

8 November 1991

SUTTONS INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 30 April 1991

	<u>Note</u>	<u>1991</u> £000's	<u>1990</u> £000's
TURNOVER	2	9302	9013
Cost of sales		6631	6684
		—	—
GROSS PROFIT		2671	2329
Administrative expenses		1215	1104
		—	—
OPERATING PROFIT		1456	1225
Investment income	3	46	44
		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	1502	1269
TAXATION	6	472	405
		—	—
RETAINED PROFIT FOR THE YEAR	15	£ 1030	£ 864
		—	—

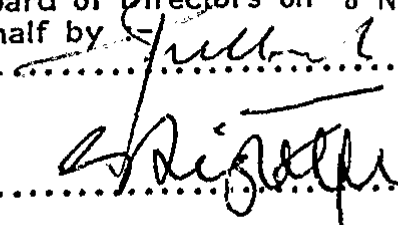
SUTTONS INTERNATIONAL LIMITED

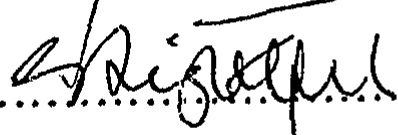
BALANCE SHEET

30 April 1991

	Note	1991 £000's	1990 £000's
FIXED ASSETS			
Tangible assets	7	5605	4722
Investments	8	16	16
		<u>5621</u>	<u>4738</u>
CURRENT ASSETS			
Stock	9	62	65
Debtors	10	2260	2148
Cash and bank		885	628
		<u>3207</u>	<u>2841</u>
CREDITORS : Amounts falling due within one year	11	<u>2127</u>	<u>1869</u>
NET CURRENT ASSETS		<u>1080</u>	<u>972</u>
Total assets less current liabilities		6701	5710
CREDITORS : Amounts falling due after more than one year	12	<u>1894</u>	<u>2023</u>
		4807	3687
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	13	<u>890</u>	<u>800</u>
NET ASSETS		<u>£ 3917</u>	<u>£ 2887</u>
Financed by :			
CAPITAL AND RESERVES			
Called up share capital	14	500	500
Profit and Loss Account	15	3417	2387
		<u>£ 3917</u>	<u>£ 2887</u>

The financial statements on pages 4 to 14 were approved by the Board of Directors on 8 November 1991 and signed on its behalf by

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Directors

SUTTONS INTERNATIONAL LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 30 April 1991

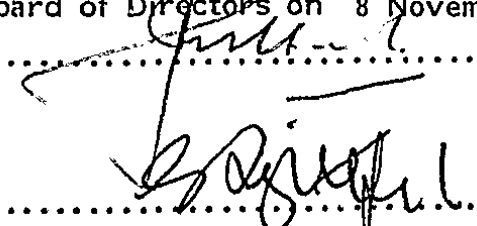
	<u>Note</u>	<u>1991</u> £000's	<u>1990</u> £000's
TURNOVER	2	10661	9639
Cost of sales		<u>7575</u>	<u>7085</u>
GROSS PROFIT		3086	2554
Administrative expenses		<u>1625</u>	<u>1380</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	1461	1174
TAXATION	6	<u>473</u>	<u>408</u>
PROFIT FOR THE FINANCIAL YEAR		988	766
Transfer to capital reserve in Belgian subsidiary	16	-	3
RETAINED PROFIT FOR THE YEAR	15	<u>£ 988</u>	<u>£ 763</u>

SUTTONS INTERNATIONAL LIMITED

CONSOLIDATED BALANCE SHEET
30 April 1991

	<u>Note</u>	<u>1991</u> £000's	<u>1990</u> £000's
FIXED ASSETS			
Tangible assets	7	5648	4760
CURRENT ASSETS			
Stock	9	62	65
Debtors	10	2629	2615
Cash and bank		<u>1093</u>	<u>645</u>
		3784	3325
CREDITORS : Amounts falling due within one year	11	<u>2860</u>	<u>2469</u>
NET CURRENT ASSETS		924	856
Total assets less current liabilities		6572	5616
CREDITORS : Amounts falling due after more than one year	12	<u>1894</u>	<u>2023</u>
		4678	3593
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	13	<u>890</u>	<u>800</u>
NET ASSETS		<u>£ 3788</u>	<u>£ 2793</u>
Financed by :			
CAPITAL AND RESERVES			
Called up share capital	14	500	500
Profit and Loss Account	15	3277	2281
Capital reserves	16	8	9
Capital reserve on consolidation		<u>3</u>	<u>3</u>
		£ 3788	£ 2793

The financial statements on pages 4 to 14 were approved by the Board of Directors on 8 November 1991 and were signed on its behalf by :-

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Directors

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS

For the year ended 30 April 1991

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

a) Basis of accounting

The accounts have been prepared under the historical cost accounting rules.

b) Turnover

Turnover, which excludes value added tax, sales between group companies and trade discount, represents the invoiced value of goods and services supplied.

c) Stock

Stock is valued at the lower of cost and net realisable value.

d) Depreciation

Depreciation is provided to write off the cost of the assets over their expected useful lives at the following rates :-

Motor vehicles and computer equipment	20% per annum (straight line basis)
Tanks, trailers etc.	10% per annum (straight line basis)
Plant, machinery, fixtures and fittings	10% per annum (reducing balance basis)
Bulk bags	25% per annum (straight line basis)

e) Basis of consolidation

The consolidated profit and loss account and balance sheet include the accounts of the Company and those companies which were its subsidiaries during the year ended 30 April 1991. Any goodwill arising on consolidation is written off to reserves in the period in which it arises.

f) Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. The results of overseas subsidiaries are translated at the average rate of exchange for the year. All exchange differences are taken directly to reserves.

g) Deferred taxation

Deferred taxation is provided to take into account all timing differences which may materialise in the foreseeable future.

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS - continued For the year ended 30 April 1991

	1991	1990
	£000's	£000's
2. TURNOVER		
Europe	9604	8603
Rest of the World	1057	1036
	<u>£ 10661</u>	<u>£ 9639</u>

3. INVESTMENT INCOME		
Income from subsidiary undertakings	<u>£ 46</u>	<u>£ 44</u>

4. PROFIT BEFORE TAXATION	£ 1461	£ 1174
Profit before taxation is stated after charging :-		
a) Depreciation	£ 741	£ 644
b) Auditors remuneration	£ 11	£ 9
c) Hire of plant and equipment	£ 168	£ 177
d) (Profit) / Loss on sale of fixed assets	£(26)	£ 1

5. EMPLOYEES AND DIRECTORS		
The average weekly number of employees, including directors, during the year were as follows :-		

	Number	Number
Selling and distribution	5	4
Administration	26	25
Engineering	15	15
Technical	<u>2</u>	<u>2</u>
	48	46

Staff costs, including directors, were as follows :-

	£000's	£000's
Wages and salaries	648	551
National Insurance	49	42
Other pension costs	<u>13</u>	<u>13</u>
	<u>£ 710</u>	<u>£ 606</u>

Directors emoluments were :-

Management remuneration	<u>£ 133</u>	<u>£ 81</u>
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The emoluments of the chairman were £Nil (1990 £Nil). Other directors emoluments fall within the following ranges :-

	Number	Number
£ 0 - £ 5000	5	4
£ 25001 - £ 30000	1	1
£ 35001 - £ 40000	-	1
£ 40001 - £ 45000	-	1
£ 45001 - £ 50000	2	-

The emoluments of the highest paid director was £49000 (1990 £44000).

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS - continued For the year ended 30 April 1991

		1991	1990	
		£000's	£000's	
6.	TAXATION			
	U.K. Corporation tax - Current year at 34%	423	404	
	Underprovision in respect of prior periods	(41)	1	
	Overseas taxation	1	3	
	Deferred taxation	90	-	
		<u>£ 473</u>	<u>£ 408</u>	
7.	TANGIBLE FIXED ASSETS			
	Plant, Equipment Fixtures & Fittings	Vehicles, Tanks and Containers	Total	
	£000's	£000's	£000's	
	<u>GROUP</u>			
	Cost or valuation at 1 May 1990	257	9014	9271
	Additions	161	1490	1651
	Disposals	-	(59)	(59)
	Cost or valuation at 30 April 1991	<u>418</u>	<u>10445</u>	<u>10863</u>
	Depreciation at 1 May 1990	111	4400	4511
	Eliminated in respect of disposals	-	(37)	(37)
	Charge	<u>69</u>	<u>672</u>	<u>741</u>
	Depreciation at 30 April 1991	<u>180</u>	<u>5035</u>	<u>5215</u>
	Net Book Values :			
	At 30 April 1990	£ 146	£ 4614	£ 4760
	At 30 April 1991	<u>£ 238</u>	<u>£ 5410</u>	<u>£ 5648</u>
	<u>COMPANY</u>			
	Cost or valuation at 1 May 1990	242	8958	9200
	Additions	139	1487	1626
	Disposals	-	(53)	(53)
	Cost or valuation at 30 April 1991	<u>381</u>	<u>10392</u>	<u>10773</u>
	Depreciation at 1 May 1990	101	4377	4478
	Eliminated in respect of disposals	-	(31)	(31)
	Charge	<u>54</u>	<u>667</u>	<u>721</u>
	Depreciation at 30 April 1991	<u>155</u>	<u>5013</u>	<u>5168</u>
	Net Book Values :			
	At 30 April 1990	£ 141	£ 4581	£ 4722
	At 30 April 1991	<u>£ 226</u>	<u>£ 5379</u>	<u>£ 5605</u>

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS - continued For the year ended 30 April 1991

	<u>1991</u> £000's	<u>1990</u> £000's
8. INVESTMENTS		
Company investments in group undertakings	£ 16	£ 16
INTERESTS IN GROUP UNDERTAKINGS		
<u>Name</u>	<u>Country of Incorporation</u>	<u>Activity</u>
Suttons International NV	Belgium	Shipping and forwarding agents
Suttons International (N.A.) Inc.	USA	Shipping and forwarding agents

Both the above are wholly-owned subsidiaries

	<u>1991</u> £000's	<u>1990</u> £000's
9. STOCK		
Group and Company		
Consumable materials	£ 62	£ 65

The replacement cost of consumable materials is not significantly different from the balance sheet value.

	<u>1991</u>		<u>1990</u>	
	<u>The Company</u> £000's	<u>The Group</u> £000's	<u>The Company</u> £000's	<u>The Group</u> £000's
10. DEBTORS : Amounts due within one year				
Trade debtors	1658	2511	1980	2468
Due from subsidiary undertakings	500	-	37	-
Other debtors	53	69	104	120
Prepayments	49	49	27	27
	<u>2260</u>	<u>2629</u>	<u>2148</u>	<u>2615</u>
11. CREDITORS : Amounts falling due within one year				
Trade creditors	645	1368	309	903
Corporation tax	423	423	404	404
Other taxation and social security	-	10	-	6
Accruals	<u>1059</u>	<u>1059</u>	<u>1156</u>	<u>1156</u>
	<u>2127</u>	<u>2860</u>	<u>1869</u>	<u>2469</u>
12. CREDITORS : Amounts falling due after more than one year				
Due to group company	<u>1894</u>	<u>1894</u>	<u>2023</u>	<u>2023</u>

BITTENS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS - continued
For the year ended 30 April 1991

£000's

13. DEFERRED TAXATION

Group and Company

Provision at 1 May 1990

Transfer from profit and loss account

Provision at 30 April 1991

800

90

£ 890

The deferred taxation provision consists entirely of timing differences due to accelerated capital allowances.

1991

£000's

1990

£000's

14. SHARE CAPITAL

Authorised and Allotted
500000 Ordinary Shares of £1 each,
fully paid

£ 500

£ 500

The
Company

£000's

The
Group

£000's

15. PROFIT AND LOSS ACCOUNT

Balances at 1 May 1990

Retained profit for the year

Exchange differences

Balances at 30 April 1991

2387

1030

-

£ 3417

2281

988

8

£ 3277

16. CAPITAL RESERVES
(In Belgian Subsidiary)

Legal
Reserve

£000's

Social
Reserve

£000's

Total

£000's

Balances at 1 May 1990

Released during the year

Balances at 30 April 1991

2

-

£ 2

7

(1)

£ 6

9

(1)

£ 8

17. CAPITAL EXPENDITURE

1991

£000's

1990

£000's

Authorised and contracted for

£ -

£ 1107

SUTTONS INTERNATIONAL LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES ON THE ACCOUNTS - continued
For the year ended 30 April 1991

	1991		1990	
	<u>The</u>	<u>The</u>	<u>The</u>	<u>The</u>
	<u>Company</u>	<u>Group</u>	<u>Company</u>	<u>Group</u>
	£000's	£000's	£000's	£000's
18. CONTINGENT LIABILITIES				
Guarantees of subsidiary company borrowings	26	26	-	-
Guarantees in respect of bills of lading	21	21	21	21
Foreign cheque negotiations	40	40	18	18
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	£ 87	£ 87	£ 39	£ 39
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

19. ULTIMATE HOLDING COMPANY

The whole of the issued share capital is owned by Thomas Cradley Holdings Limited which is its ultimate holding company.

SUTTONS INTERNATIONAL LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
For the year ended 30 April 1991

	1991 £000's	1990 £000's
SOURCE OF FUNDS		
Net Profit before taxation	1461	1174
Adjustment for items not involving the movement of funds :		
Depreciation	741	644
(Profit)/Loss on disposals	(26)	1
Exchange translation differences	8	(6)
Capital reserve in subsidiary	-	(3)
TOTAL GENERATED FROM OPERATIONS	2184	1810
FUNDS FROM OTHER SOURCES		
Advances from group companies	-	631
Proceeds from disposals	48	7
	<u>48</u>	<u>638</u>
	2232	2448
APPLICATION OF FUNDS		
Advances to group companies	129	-
Taxation paid	364	816
Purchase of fixed assets	1651	1140
	<u>2144</u>	<u>1956</u>
NET FUNDS INFLOW	£ 88	£ 492
Funds used to :		
Increase stock	-	7
Increase bank balances	448	421
Increase debtors	14	262
	<u>462</u>	<u>690</u>
Less :		
Decrease in stock	3	-
Increase in creditors	371	198
	<u>374</u>	<u>198</u>
INCREASE IN WORKING CAPITAL	£ 88	£ 492