

10

16,22708  
31

FREIGHT AGENCIES MACPAK LIMITED

ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1986

HALLIDAYS,  
Chartered Accountants,  
Harvester House,  
37 Peter Street,  
Manchester  
M2 5QD



FREIGHT AGENCIES MACPAK LIMITED

Report of the Directors  
for the Year ended 30th June 1986

The Directors present their report on the affairs of the company, together with the accounts and report of the auditors for the year ended 30th June 1986.

1. PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company continues to be that of port agents.

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.

2. RESULTS AND DIVIDENDS

Results, dividends (paid or proposed) and recommended transfers to reserves are as follows:-

Retained profit at 30th June 1985	41,393
Profit for the year after taxation	13,362
Dividends - final proposed	(11,000)

Retained profit at 30th June 1986	<u>£43,755</u>
	=====

3. DIRECTORS AND THEIR INTERESTS

The Directors of the company during the year were:-

John Delaney	(Chairman)
Mrs.M.M.Risbridger	
A.W.White	

In accordance with the Articles of Association all Directors retire from office, and, being eligible, offer themselves for re-election.

John Delaney and Mrs.M.M.Risbridger are Directors of the parent company Medminster plc, and their interests in the share capital of group companies are disclosed in that company's register of Director's shareholdings. No Director had a beneficial interest in any contract to which the company was a party during the year.

4. TANGIBLE FIXED ASSETS

Information relating to changes in tangible fixed assets is given in Note 6 to the accounts.

5. INCOME AND CORPORATION TAXES ACT 1970

The Directors are of the opinion that, at the date of this Report, the Company is not a Close Company within the provisions of the Income and Corporation Taxes Act 1970.

6. AUDITORS

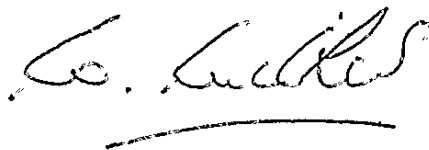
The Directors will place a resolution before the annual general meeting to re-appoint Hallidays as auditors for the ensuing year.

By Order of the Board

W.Wilkes

Secretary

135 Lower Richmond Road,  
LONDON SW15 1EZ  
13th October 1986



REPORT OF THE AUDITORS

TO THE MEMBERS OF

FREIGHT AGENCIES MACPAK LIMITED

We have audited the Financial Statements on pages 3 to 10 in accordance with approved Auditing Standards.

In our opinion, the Financial Statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 30th June 1986 and of its profit and source and application of funds for the year ended on that date and comply with the Companies Act 1985.

Harvester House,  
37 Peter Street,  
Manchester  
M2 5QD

13th October 1986



CHARTERED ACCOUNTANTS

FREIGHT AGENCIES MACPAK LIMITED  
Profit and Loss Account  
for the Year ended 30th June 1986

	<u>Notes</u>	<u>1986</u>	<u>1985</u>
TURNOVER	1d	5,694,707	5,529,364
Cost of Sales		5,475,256	5,329,669
		<hr/>	<hr/>
GROSS PROFIT		219,451	199,695
Other Operating Expenses (net)	3	197,475	185,830
		<hr/>	<hr/>
OPERATING PROFIT	2	21,976	13,865
Investment Income	4	143	36
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		22,119	13,901
Tax on profit on ordinary activities	5a	8,757	4,130
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		13,362	9,771
DIVIDENDS	13	11,000	7,000
		<hr/>	<hr/>
RETAINED PROFIT FOR THE YEAR		2,362	2,771
RETAINED PROFIT at 30th June 1985		41,393	38,622
		<hr/>	<hr/>
RETAINED PROFIT at 30th June 1986		£ 43,755	£ 41,393
		=====	=====

The accompanying notes form part of these accounts.

FREIGHT AGENCIES MACPAK LIMITED

Balance Sheet as at 30th June 1986

	<u>Notes</u>	<u>1986</u>	<u>1985</u>
<u>FIXED ASSETS</u>			
Tangible Assets	6	13,275	9,707
Investments	7	4,364	4,364
		<u>£17,639</u>	<u>£14,071</u>
		=====	=====
<u>CURRENT ASSETS</u>			
Debtors	8	663,945	857,709
Cash at bank and in hand		543	45
		<u>664,488</u>	<u>857,754</u>
<u>CREDITORS:</u> Amounts falling due within one year	9	636,970	829,030
		<u>£27,518</u>	<u>£28,724</u>
		=====	=====
<u>NET CURRENT ASSETS</u>			
		<u>45,157</u>	<u>42,795</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
Deferred Taxation	5b	1,400	1,400
		<u>£43,757</u>	<u>£41,395</u>
		=====	=====
<u>NET ASSETS</u>			
<u>CAPITAL AND RESERVES</u>			
Called-up Share Capital	10	2	2
Profit and Loss Account		43,755	41,393
		<u>£43,757</u>	<u>£41,395</u>
		=====	=====
<u>SHAREHOLDERS' FUNDS</u>			

These accounts were approved by the Board on 13th October 1986

J. DELANEY.....  
 M.M. RISBRIDGER...*M.M. Risbridger*.....

} DIRECTORS

The accompanying notes form part of these accounts.

FREIGHT AGENCIES MACPAK LIMITED

Statement of Source and Application of Funds

for the Year ended 30th June 1986

	<u>1986</u>	<u>1985</u>
<u>SOURCES</u>		
Profit on ordinary activities before taxation	22,119	13,901
<u>Adjustments for items not involving the movement of funds:</u>		
Loss on Sale of Fixed Assets	38	-
Depreciation	3,651	2,905
	<hr/>	<hr/>
Funds generated from ordinary activities	25,808	16,806
Sale Proceeds of Fixed Assets	2,703	-
	<hr/>	<hr/>
	£ 28,511	£ 16,806
	=====	=====
 <u>APPLICATIONS</u>		
Taxation paid	3,706	3,760
Dividends paid	7,000	28,000
Purchase of tangible fixed assets	9,960	4,878
Changes in working capital as shown below	7,845	(19,832)
	<hr/>	<hr/>
	£ 28,511	£ 16,806
	=====	=====
 <u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		
Debtors and prepaid expenses	(96,187)	39,025
Group company balances	(97,770)	(1,115)
Creditors and accrued liabilities	201,304	(57,500)
Movement in net liquid funds - bank balances and cash	498	(242)
	<hr/>	<hr/>
	£ 7,845	£(19,832)
	=====	=====

The accompanying notes form part of these accounts.

# FREIGHT AGENCIES MACPAK LIMITED

## Notes to the Accounts

for the Year ended 30th June 1986

### 1. ACCOUNTING POLICIES

A summary of the more important company accounting policies is set out below. There have been no changes in policies from those adopted in the 1985 accounts.

#### (a) Basis of Accounting

The accounts have been drawn up in accordance with the reporting and presentation requirements of the Companies Act 1985 under the historical cost convention.

#### (b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives using the straight line method at the following annual rates:-

Motor Vehicles and Computer	20%
Fixtures & Fittings	10%

#### (c) Taxation

Corporation tax is provided on taxable profits for the year at rates current during the year. Tax losses surrendered or received by way of group relief are recognised in the accounts at current tax rates.

Deferred Taxation represents the amount required to allow for the effect of income and expenses (primarily depreciation) being attributable for tax purposes to periods different from those in which credits or charges are recorded in the accounts, and is computed using the liability method, whereby such taxation is determined by applying the rate of tax applicable at the balance sheet date to accumulated timing differences.

Deferred taxation, which arises on timing differences between capital allowances and book depreciation, is provided in full because the Directors are unable to conclude on reasonable evidence that there will not be a reversal of these timing differences in the foreseeable future.

#### (d) Turnover

Turnover represents the net amounts invoiced to customers in respect of freight and commissions.

#### (e) Leased Assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

FREIGHT AGENCIES MACPAK LIMITED

Notes to the Accounts (Contd.)

for the Year ended 30th June 1986

2. OPERATING PROFIT

The profit on ordinary activities for the year before taxation is stated after charging (crediting):-

	<u>1986</u>	<u>1985</u>
Hire of Equipment	9,593	12,000
Auditors' Remuneration	1,600	1,400
Depreciation of tangible fixed assets	3,651	2,905
Rent receivable	(4,500)	(4,000)
	=====	=====

No Directors' remuneration was paid by the company in 1986 or 1985.

3. OTHER OPERATING EXPENSES (NET)

	<u>1986</u>	<u>1985</u>
Administrative expenses	199,220	186,368
Distribution costs	2,755	3,462
	<u>201,975</u>	<u>189,830</u>
Other operating income	(4,500)	(4,000)
	<u>£197,475</u>	<u>£185,830</u>
	=====	=====

4. INVESTMENT INCOME

	<u>1986</u>	<u>1985</u>
Income from fixed asset investment	£143	£36
	=====	=====

5. TAXATION

(a) The taxation charge is based on the profit for the year and comprises:-

	<u>1986</u>	<u>1985</u>
Corporation Tax at 35% & 40% (1985 - 30%)	8,750	3,700
Deferred taxation relating to capital allowances	-	670
Over-provision for corporation tax in previous years	(36)	(251)
Tax suffered on Franked Investment Income	43	11
	<u>£ 8,757</u>	<u>£ 4,130</u>
	=====	=====

b).Deferred taxation, based on full provision, comprises:-

Excess of tax allowances over book depreciation of fixed assets	£ 1,400	£1,400
	=====	=====



FREIGHT AGENCIES MACPAK LIMITED

Notes to the Accounts (Contd.)

for the Year ended 30th June 1986

**6. TANGIBLE FIXED ASSETS**

Net book values representing cost less accumulated depreciation as shown in the balance sheet comprises:-

	Computer, Fixtures and Fittings	Motor Vehicles	Total
<u>Cost</u>			
At 30th June 1985	6,073	9,599	15,672
Additions	1,908	8,052	9,960
Disposals	(1,195)	(4,677)	(5,872)
At 30th June 1986	£6,786	£12,974	£19,760
	=====	=====	=====
<u>Depreciation</u>			
At 30th June 1985	1,457	4,508	5,965
Charge	1,057	2,594	3,651
Disposals	(591)	(2,540)	(3,131)
At 30th June 1986	£1,923	£4,562	£6,485
	=====	=====	=====
Net Book Value at 30th June 1986	£4,863	£8,412	£13,275
	=====	=====	=====
Net Book Value at 30th June 1985	£4,616	£5,091	£9,707
	=====	=====	=====

**7. INVESTMENTS - Other Investments other than loans**

This is the cost of an investment quoted on the Unlisted Securities Market, the market value of which was £3,313 at the 30th June 1986. (£3562 - 1985)

**8. DEBTORS**

The following are included in the net book value of debtors:

	<u>1986</u>	<u>1985</u>
Amounts falling due within one year:		
Trade debtors	618,898	706,292
Due from fellow subsidiaries	1,632	1,517
V.A.T.	13,364	25,617
Prepayments and accrued income	5,664	2,011
Due from holding company	24,387	122,272
	£663,945	£857,709
	=====	=====

FREIGHT AGENCIES MACPAK LIMITED

Notes to the Accounts (Contd.)

for the Year ended 30th June 1986

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

The following amounts are included in creditors falling due within one year:-

	<u>1986</u>	<u>1985</u>
Trade creditors	605,793	811,735
Accruals and deferred income	11,427	6,595
U.K. Corporation tax payable 31st March 1987	8,750	3,700
Proposed Dividend (See Note 13)	11,000	7,000
	<hr/>	<hr/>
	£636,970	£829,030
	=====	=====

10. SHARE CAPITAL

	<u>Authorised</u>		<u>Issued and Fully</u>	
	<u>1986</u>	<u>1985</u>	<u>Paid</u>	
	<u>1986</u>	<u>1985</u>	<u>1986</u>	<u>1985</u>
Ordinary Shares of £1 Each	£1,000	£1,000	£2	£2
	=====	=====	==	==

11. AMOUNTS DUE FROM GROUP COMPANIES

The company is a wholly owned subsidiary of Medminster plc. All companies in the Medminster Group share common banking facilities with Barclays Bank plc. All interest income and expense arising from Group company bank balances and overdrafts is recorded in the books of Medminster plc.

12. STAFF COSTS

	<u>1986</u>	<u>1985</u>
Particulars of employees are as shown below:-		
Employee costs during the year amounted to:-		
Wages and salaries	79,878	75,539
Social Security costs	8,035	8,034
	<hr/>	<hr/>
	£87,913	£83,573
	=====	=====

FREIGHT AGENCIES MACPAK LIMITED

Notes to the Accounts (Contd.)

for the Year ended 30th June 1986

12. STAFF COSTS (Contd...)

	<u>1986</u>	<u>1985</u>
The average weekly number of persons employed by the company during the year was as follows (a part-time employee has been counted as half a full-time employee):	<u>No</u>	<u>No</u>
Administration	10 ====	10 =====

13. DIVIDENDS

	<u>1986</u>	<u>1985</u>
Proposed final dividend	£11,000 =====	£ 7,000 =====

14. CONTINGENT LIABILITIES

The company has jointly guaranteed the bank overdraft of its parent company, Medminster plc, which stood at £370,438 as at 30th June 1986.

15. FINANCIAL COMMITMENTS

There were no commitments for capital expenditure not provided for at 30th June 1986 (1985 - Nil).

Future minimum operating lease payments, which were mainly in respect of leases of land and buildings, were as follows:-

	<u>1986</u>	<u>1985</u>
Payable within:		
One year	13,500	13,500
Two to five years	54,000	32,625
Thereafter	5,625	-
	<hr/>	<hr/>
	£73,125 =====	£46,125 =====

16. AGENCY AGREEMENT

The company's business is based on an agency agreement with United Baltic Corporation Limited.

17. HOLDING COMPANY

The company's holding company is Medminster PLC, incorporated in Great Britain.