



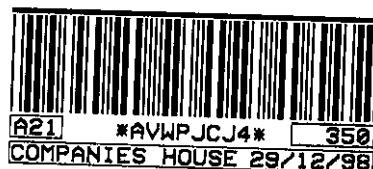
BDO Stoy Hayward
Chartered Accountants

Registrar of Companies

TWENTE EXPRESS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended
31 March 1998



Company Number : 1707421

BDO Stoy Hayward firms also in the South East, Ayr, Bacup, Basingstoke, Belfast, Beverley, Birmingham, Blackpool, Bury St. Edmunds, Cardiff, Glasgow, Guildford, Ipswich, Liverpool, Manchester, Motherwell, Newmarket, Norwich, Nottingham, Peterborough, Poole, Preston, Rochdale, Saltcoats, Sheffield, Stranraer and Wolverhampton
BDO Stoy Hayward – South East Firm
Offices in London, Bromley, Chelmsford, Epsom, Reading, Richmond, Ware and Wembley

DIRECTORS

T M Paul (Chairman)
Mrs S Paul

SECRETARY

T M Paul

REGISTERED OFFICE

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AUDITORS

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Wolverhampton
West Midlands WV1 3NF

BANKERS

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116/120 Lichfield Street
Walsall
West Midlands WS1 1SZ

AUDITORS' REPORT
to Twente Express Limited
under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements of the company for the year ended 31 March 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion, the company is entitled to deliver abbreviated financial statements, prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 3 to 6 are properly prepared in accordance with those provisions.

Chartered Accountants
Registered Auditors
17 December 1998

BALANCE SHEET
as at 31 March 1998

	Notes	1998	1997
		£	£
FIXED ASSETS			
Tangible assets	2	144,939	208,919
CURRENT ASSETS			
Debtors	3	764,367	761,455
Cash at bank and in hand		4,314	4,406
		<u>768,681</u>	<u>765,861</u>
CREDITORS: amounts falling due within one year	4	<u>(479,841)</u>	<u>(536,552)</u>
Net Current Assets (including an amount of £284,865 (1997 : £261,920) recoverable in over one year)		<u>288,840</u>	<u>229,309</u>
Total Assets less Current Liabilities		433,779	438,228
CREDITORS: amounts falling due after more than one year	4	(27,547)	(64,420)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(5,400)</u>	<u>(3,800)</u>
Net Assets		<u><u>£400,832</u></u>	<u><u>£370,008</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account		400,732	369,908
Shareholders' Funds		<u><u>£400,832</u></u>	<u><u>£370,008</u></u>

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

The abbreviated financial statements on pages 3 to 6 were approved by the Board on 17 December 1998.



T M Paul
Director

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents amounts receivable for goods and services provided in the United Kingdom and Overseas net of trade discounts, VAT and other related taxes.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation has been provided on all tangible fixed assets at rates calculated to reduce their costs to estimated realisable value at the end of their anticipated useful working lives. The rates used are as follows:

- | | | |
|------------------------------|---|---|
| Motor vehicles | - | 25% per annum on the reducing balance basis with the exception of finance leases capitalised which are depreciated over the period of the lease |
| Plant, fixtures and fittings | - | At rates of between 10% per annum on the straight line basis and 20% per annum on the reducing balance basis |
| Computer equipment | - | 20% to 33% per annum on the straight line basis |
| Property improvements | - | 10% per annum on the straight line basis |

Leasing and hire purchase commitments

- (a) Tangible fixed assets acquired under the terms of hire purchase contracts and finance leases which result in the transfer to the company of substantially all of the risks and rewards of ownership are capitalised at the present value of underlying lease payments and depreciated in accordance with the above policy. Obligations under finance leases and hire purchase contracts are included in creditors net of finance charges allocated to future periods. The finance element of payments made is charged to the profit and loss account in equal instalments over the period of each lease.
- (b) Operating lease payments are written off to the profit and loss account in the period to which they relate.

Deferred taxation

Provision is made for deferred taxation to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that it is anticipated that the directors consider that a liability to taxation is unlikely to crystallise.

Foreign currencies

Balances held in foreign currencies are translated into sterling at the rate ruling at the balance sheet date. Transactions occurring during the year are translated at the average rate for the year. Exchange gains and losses are reflected in the operating profit for the year.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 1998 (continued)

1. ACCOUNTING POLICIES (continued)

Pension costs

The company operates a defined contribution scheme for certain directors and employees. Pension costs incurred are charged to the profit and loss account in the period to which the payments made relate.

2. TANGIBLE FIXED ASSETS

	Total £
Cost	
1 April 1997	394,273
Additions	12,496
Disposals	(64,150)
31 March 1998	<u>342,619</u>
Depreciation	
1 April 1997	185,354
Charge for the year	58,741
Disposals	(46,415)
31 March 1998	<u>197,680</u>
Net book value	
31 March 1998	<u><u>144,939</u></u>
31 March 1997	<u><u>208,919</u></u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 1998 (continued)

3. DEBTORS

Included in debtors are amounts due from the ultimate parent undertaking which are due after more than one year and which amount to £284,865 (1997 : £261,920).

4. CREDITORS

Creditors include the following:

	1998 £	1997 £
(a) Bank loan	39,232	51,277
(b) Obligations under finance leases and hire purchase contracts	16,535	62,224
	<u>55,767</u>	<u>113,501</u>
The above amounts are repayable as follows:		
Repayments falling due within one year	28,220	49,081
Repayments falling due after one year but within five years	27,547	64,420
	<u>55,767</u>	<u>113,501</u>
(c) Bank overdraft	<u>78,200</u>	<u>134,416</u>

The bank loan and overdraft are secured by a fixed and floating charge over the company's assets and by an unlimited multilateral guarantee given by the parent undertaking.

5. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	1998 Number	1997 Number	1998 £	1997 £
£1 Ordinary	<u>10,000</u>	<u>10,000</u>	<u>100</u>	<u>100</u>

6. ULTIMATE PARENT UNDERTAKING

The directors regard Exsport Holdings Limited as the company's ultimate parent undertaking.

Exsport Holdings Limited does not prepare group accounts as permitted under the Companies Act 1985. Copies of that company's financial statements can be obtained from the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ.