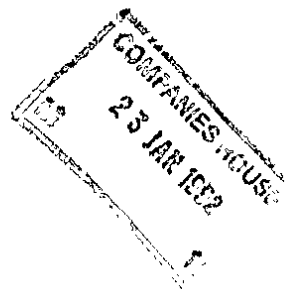


RofC

LOADWELL CONTRACTS LIMITED

COMPANY REGISTRATION No. 2108142

30th JUNE 1991



A N N U A L R E P O R T

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F I N A N C I A L S T A T E M E N T S

LOADWELL CONTRACTS LIMITED
INDEX TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1991

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2	Auditors' report
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6	Notes to the financial statements

LOADWELL CONTRACTS LIMITED

DIRECTORS' REPORT

30th JUNE 1991

The directors submit their annual report and audited financial statements for the period ended 30th June 1991

Review of the business

During the year the company's sales of tractor units, trailers and associated equipment fell due to the prevailing economic climate. It's principal activities are now hiring equipment and haulage work.

On 31st March 1991, the directors sold their interests in the business to Loadwell Transport Limited, which became the ultimate holding company.

Results and dividends

The profit for the period after taxation amounted to £25,710 (1990: profit £14,983).

The directors do not recommend payment of a dividend.

Fixed assets

Changes to fixed assets during the period are shown in note 7 to the financial statements.

Charitable Donations

During the year donations totalling £2,261 (1990: £450) were paid to various local charities.

Directors

The directors at 30th June 1991 together with their interests and those of their family in the shares of the company were as follows:

	<u>Ordinary £1 shares</u>	
	<u>1991</u>	<u>1990</u>
T.J.Ingram	-	35,000
R.J.Good	-	35,000

On 31st March 1991, the directors transferred their shares in the company to Loadwell Transport Limited in exchange for shares in the holding company.

Auditors

A resolution to reappoint Messrs. Hughes Allen as auditors will be proposed to the members at the Annual General Meeting.

By Order of the Board



R.J.Good
Secretary

Semer House,
Semer,
Hadleigh,
Ipswich, Suffolk.

27th November 1991

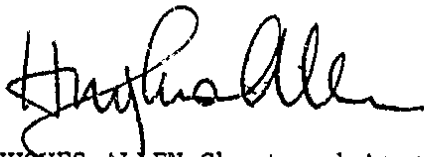
LOADWELL CONTRACTS LIMITED

AUDITORS' REPORT TO THE MEMBERS OF

LOADWELL CONTRACTS LIMITED

We have audited the financial statements on pages 3 to 11 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 1991 and of its profit and source and application of funds for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



HUGHES ALLEN Chartered Accountants
Registered Auditors

9, Lower Brook Street,
Ipswich,
Suffolk, IP4 1AG.

28th November 1991

LOADWELL CONTRACTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30th JUNE 1991

		Period to 30th June 1991	Year to 31st March 1990
	Note	£	£
Turnover		463,920	469,456
Cost of sales		368,504	395,675
Gross profit		95,416	73,781
Administrative expenses		30,026	24,788
Operating profit		65,390	48,993
Interest receivable		714	489
Interest payable	2	(24,885)	(20,586)
Profit before taxation	3	41,219	28,896
Taxation	5	15,509	13,913
Profit for the period		25,710	14,983
Retained profits brought forward		35,823	20,840
Retained profits carried forward		£ 61,533	35,823

The notes on pages 6 to 11 form part of these financial statements.

LOADWELL CONTRACTS LIMITED

BALANCE SHEET

30th JUNE 1991

		30th June 1991	31st March 1990
	Note	£	£
<u>Fixed assets</u>			
Intangible assets	6	71,875	87,500
Tangible assets	7	137,101	163,373
		<u>208,976</u>	<u>250,873</u>
<u>Current assets</u>			
Stocks	8	31,589	43,772
Debtors	9	128,199	87,576
Cash at bank and in hand		5,305	4,631
		<u>165,093</u>	<u>135,979</u>
<u>Creditors (amounts due within one year)</u>	10	<u>(188,423)</u>	<u>(204,083)</u>
<u>Net current liabilities</u>		<u>(23,330)</u>	<u>(68,104)</u>
<u>Total assets less current liabilities</u>		<u>185,646</u>	<u>182,769</u>
<u>Creditors (amounts due after one year)</u>	11	<u>(21,828)</u>	<u>(32,670)</u>
<u>Provision for liabilities and charges</u>	12	<u>(32,285)</u>	<u>(44,276)</u>
		<u>£ 131,533</u>	<u>105,823</u>
<u>Capital and reserves</u>			
Called up share capital	13	70,000	70,000
Profit and loss account		61,533	35,823
		<u>£ 131,533</u>	<u>105,823</u>

APPROVED BY THE BOARD ON 27th November 1991.


M.C. Downes

)
)
) Directors
)
)


R.J. Good

LOADWELL CONTRACTS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD ENDED 30th JUNE 1991

	<u>Period to</u> <u>30th June 1991</u>		<u>Year to</u> <u>31st March 1990</u>	
	£	£	£	£
<u>Source of funds</u>				
Profit on ordinary activities before tax		41,219		28,896
Adjustment for items not involving the movement of funds:				
Depreciation	55,843		32,637	
Amortisation	15,625		12,500	
Profit on disposal of tangible assets	(7,920)		11,405	
		<u>63,548</u>		<u>56,542</u>
Total generated from operations		104,767		85,438
Funds from other sources				
Proceeds on disposal of tangible assets	139,200		68,915	
Long term hire purchase contracts	-		1,670	
		<u>139,200</u>		<u>70,585</u>
		243,967		156,023
<u>Application of funds</u>				
Purchase of tangible assets	160,850		76,500	
Decrease in long term hire purchase contracts	10,843		-	
Taxation paid	7,601		138,451	
		<u>(179,294)</u>		<u>(214,951)</u>
Net inflow of funds		<u>64,673</u>		<u>(58,928)</u>
<u>Increase in working capital</u>				
Decrease in stocks		(12,183)		(47,795)
Increase in debtors		40,623		(18,899)
Increase in creditors due within one year		17,929		13,454
		<u>46,369</u>		<u>(53,240)</u>
Increase in net liquid funds:				
Cash at bank and in hand		674		476
Bank loans and overdrafts		17,630		(6,164)
Net inflow of funds		<u>£ 64,673</u>		<u>(58,928)</u>

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

1. Accounting policies

The following accounting policies have been used in drawing up the financial statements:

Accounting convention

These financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts received and receivable on account of the company's sales net of value added tax.

Depreciation of intangible assets

Goodwill acquired for consideration is written off over a period of 10 years. The directors consider that this period does not exceed its economic life.

Depreciation

Depreciation has been charged in these financial statements to write off the following classes of fixed assets on the bases shown below:-

Plant and machinery	25%	Reducing balance
Fixtures and fittings	15%	Reducing balance
Motor vehicles	25%	Reducing balance
Portacabin	15%	Reducing balance

Stock

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

Deferred taxation

- Deferred taxation is provided using the liability method except where, in the opinion of the directors, there is a reasonable probability that the corporation tax deferred will not become payable in the foreseeable future.

Leasing and hire purchase

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments or net obligations outstanding.

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

2.	<u>Interest payable</u>	<u>1991</u> £	<u>1990</u> £
	On bank loans and overdrafts and on loans repayable in full within five years	8,827	9,096
	On overdue tax	-	4,217
	Hire purchase interest	16,058	7,273
		<u>£ 24,885</u>	<u>20,586</u>
3.	<u>Profit before taxation</u>	<u>1991</u> £	<u>1990</u> £
	Profit before taxation is stated after the following amounts:		
	Depreciation:		
	Owned assets	33,218	3,911
	Assets acquired under finance leases and hire purchase contracts	22,625	28,726
	Auditors' remuneration	4,720	1,146
4.	<u>Directors and employees</u>	<u>1991</u> £	<u>1990</u> £
	Staff costs:		
	Wages and salaries	100,068	46,464
	Social security costs	10,364	6,794
		<u>£ 110,432</u>	<u>53,258</u>
	The average number of persons employed during the period was as follows:	<u>No.</u>	<u>No.</u>
	Drivers and administration	<u>7</u>	<u>5</u>

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

5.	<u>Taxation</u>	<u>1991</u> £	<u>1990</u> £
	The taxation charge based on the profit for the period comprises:		
	U.K. corporation tax at 34% (1990: 35%)	27,500	24,324
	Transfer from deferred taxation	(11,991)	(11,124)
		<hr/> 15,509	<hr/> 13,200
	Under provision in previous years	-	713
		<hr/> £ 15,509	<hr/> 13,913
6.	<u>Intangible fixed assets: goodwill</u>	<u>Goodwill</u> £	
	<u>Cost:</u>		
	At 1st April 1990 and at 30th June 1991	<hr/> 125,000	
	<u>Amortisation:</u>		
	At 1st April 1990	37,500	
	Charge for period	15,625	
		<hr/> 53,125	
	At 30th June 1991	<hr/> 53,125	
	<u>Net book value at 30th June 1991</u>	<hr/> £ 71,875	
	<u>Net book value at 1st April 1990</u>	<hr/> £ 87,500	

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

7. Tangible fixed assets

<u>Cost:</u>	<u>Brought forward</u> £	<u>Additions</u> £	<u>Disposals</u> £	<u>Carried forward</u> £
Plant and machinery	18,098	7,350	(4,600)	20,848
Fixtures and fittings	4,313	-	-	4,313
Motor vehicles	183,700	153,500	(134,500)	202,700
Portacabin	11,214	-	-	11,214
	<u>217,325</u>	<u>£ 160,850</u>	<u>£(139,100)</u>	<u>239,075</u>
 <u>Depreciation:</u>	 <u>Brought forward</u> £	 <u>Charge for period</u> £	 <u>On disposals</u> £	 <u>Carried forward</u> £
Plant and machinery	10,173	2,524	-	12,697
Fixtures and fittings	2,400	348	-	2,748
Motor vehicles	35,142	52,065	(7,820)	79,387
Portacabin	6,237	905	-	7,142
	<u>53,952</u>	<u>£ 55,842</u>	<u>£ (7,820)</u>	<u>101,974</u>
 <u>Net book value:</u>	 <u>Brought forward</u> £			 <u>Carried forward</u> £
Plant and machinery	7,925			8,151
Fixtures and fittings	1,913			1,565
Motor vehicles	148,558			123,313
Portacabin	4,977			4,072
	<u>£ 163,373</u>			<u>£ 137,101</u>

* The net book values of fixed assets, as stated above, include the following amounts in respect of assets held under finance leases or hire purchase contracts:

	<u>1991</u> £	<u>1990</u> £
Motor vehicles	59,766	148,400
	<u>£ 59,766</u>	<u>148,400</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

8.	<u>Stocks</u>	<u>1991</u> £	<u>1990</u> £
	Goods for resale	31,589	43,772
		<u>£ 31,589</u>	<u>43,772</u>
9.	<u>Debtors</u>	<u>1991</u> £	<u>1990</u> £
	Trade debtors	49,919	63,986
	Amounts owed by related company	71,627	18,066
	Prepayments and accrued income	6,653	5,524
		<u>£ 128,199</u>	<u>87,576</u>
10.	<u>Creditors (amounts due within one year)</u>	<u>1991</u> £	<u>1990</u> £
	Trade creditors	92,000	16,847
	Other taxes and social security costs	3,842	6,664
	Net obligations under finance leases and hire purchase contracts	22,438	59,039
	Directors' current accounts	-	55,044
	Other creditors	1,680	-
	Accruals and deferred income	4,986	5,281
		<u>124,946</u>	<u>142,875</u>
	Bank loans and overdrafts	19,153	36,783
	Corporation tax	44,324	24,425
		<u>£ 188,423</u>	<u>204,083</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets.

11.	<u>Creditors (amounts due after one year)</u>	<u>1991</u> £	<u>1990</u> £
	Net obligations under finance leases and hire purchase contracts	21,828	32,670
		<u>£ 21,828</u>	<u>32,670</u>

These amounts are repayable in 2-5 years of the balance sheet date.

LOADWELL CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th JUNE 1991

12.	<u>Provisions for liabilities and charges</u>	<u>1991</u>	<u>1990</u>
		£	£
	Deferred taxation account:		
	At 1st April 1990	44,276	55,400
	Transferred to profit and loss account	(11,991)	(11,124)
		<hr/>	<hr/>
	At 30th June 1991	£ 32,285	44,276
		<hr/>	<hr/>

Deferred tax is calculated at 34% (1990: 35%) in respect of the following timing differences:

		<u>Fully</u>	
		<u>Provided</u>	
		<u>1991</u>	<u>1990</u>
		£	£
	Capital allowances	32,285	44,276
		<hr/>	<hr/>
		£ 32,285	44,276
		<hr/>	<hr/>

13.	<u>Share capital</u>	<u>1991</u>	<u>1990</u>
		£	£
	Authorised:		
	250,000 Ordinary shares of £1 each	250,000	250,000
		<hr/>	<hr/>
		£ 250,000	250,000
		<hr/>	<hr/>
	Allotted, called up and fully paid:		
	70,000 Ordinary shares of £1 each	70,000	70,000
		<hr/>	<hr/>
		£ 70,000	70,000
		<hr/>	<hr/>

LOADWELL CONTRACTS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30th JUNE 1991

	<u>Period to</u> <u>30th June 1991</u>		<u>Year to</u> <u>31st March 1990</u>	
	£	£	£	£
Sales		463,920		469,456
Cost of sales:				
Wages	110,432		53,252	
Vehicle running costs	158,614		33,032	
Equipment for resale	52,504		266,559	
Mobile phones	284		-	
Depreciation	54,590		31,421	
(Profit)/loss on sale of assets	(7,920)		11,105	
		<u>368,504</u>		<u>395,675</u>
Gross profit		95,416		73,781
Cost of premises		<u>1,085</u>		<u>3,469</u>
		94,331		70,312
Overhead expenses:				
Motor expenses	-		513	
Audit & accountancy	6,220		1,146	
Legal & professional	423		4,448	
Telephone & telex	1,031		600	
Printing, stationery & advertising	92		203	
Sundry expenses	1,540		243	
Bank charges & interest	9,323		9,096	
HP interest	16,058		7,273	
Depreciation	1,253		1,216	
Interest on corporation tax	-		4,217	
Goodwill amortisation	15,625		12,500	
Charitable donations	2,261		450	
		<u>53,826</u>		<u>41,905</u>
		40,505		28,407
Other income:				
Bank interest received		<u>714</u>		<u>489</u>
<u>Net profit</u>		<u>£ 41,219</u>		<u>£ 28,896</u>