

**SEA AIR AND LAND FORWARDING LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR**  
**31ST AUGUST 2005**



**BHAGANI & CO**  
Chartered Accountants & Registered Auditor  
Station House  
11 Masons Avenue  
Harrow  
Middlesex HA3 5AH

# **SEA AIR AND LAND FORWARDING LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST AUGUST 2005**

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# SEA AIR AND LAND FORWARDING LIMITED

## THE DIRECTOR'S REPORT

### YEAR ENDED 31ST AUGUST 2005

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st August 2005.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of freight and forwarding agency.

### RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

### THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

|               |          | At<br>31 August 2005 | At<br>1 September 2004 |
|---------------|----------|----------------------|------------------------|
| Dr R S Ranger | Ordinary | 90,000               | 90,000                 |
|               | Ordinary | <u>90,000</u>        | <u>90,000</u>          |

### DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the director is required to:

select suitable accounting policies, as described on page 7, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SEA AIR AND LAND FORWARDING LIMITED

## THE DIRECTOR'S REPORT *(continued)*

**YEAR ENDED 31ST AUGUST 2005**

### AUDITOR

A resolution to re-appoint Bhagani & Co as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Station House  
11 Masons Avenue  
Harrow  
Middlesex  
HA3 5AH

Signed by order of the director



MRS RENU RANGER  
Company Secretary

Approved by the director on 27th February 2006

# **SEA AIR AND LAND FORWARDING LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE COMPANY**

### **PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

I have examined the abbreviated accounts on pages 4 to 14, together with the financial statements of the company for the year ended 31st August 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. My work has been undertaken so that I might state to the company those matters I am required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company for my audit work, for this report, or for the opinions I have formed.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITOR**

The director is responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is my responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

#### **BASIS OF OPINION**

I have carried out the procedures I consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of my work for the purpose of this report did not include examining or dealing with events after the date of my report on the financial statements.

#### **OPINION**

In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with those provisions.



**BHAGANI & CO**  
Chartered Accountants  
& Registered Auditor

Station House  
11 Masons Avenue  
Harrow  
Middlesex HA3 5AH

28th February 2006

**BHAGANI & Co.,**  
CHARTERED ACCOUNTANTS  
STATION HOUSE  
11 MASONS AVENUE, HARROW,  
MIDDLESEX HA3 5AH  
TEL: 861-2000 FAX 863 1207

**SEA AIR AND LAND FORWARDING LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST AUGUST 2005**

|  | Note     | 2005<br>£               | 2004<br>£               |
|--|----------|-------------------------|-------------------------|
| <b>GROSS PROFIT</b>                                  |          | <b>1,019,396</b>        | <b>859,473</b>          |
| Distribution Costs                                   |          | 1,016                   | 764                     |
| Administrative expenses                              |          | <u>705,382</u>          | <u>636,765</u>          |
| <b>OPERATING PROFIT</b>                              | <b>2</b> | <b>312,998</b>          | <b>221,944</b>          |
| Income from shares in group undertakings             | <b>5</b> | <b>3,000</b>            | —                       |
| Interest receivable                                  |          | <b>8,916</b>            | 2,798                   |
| Interest payable and similar charges                 | <b>6</b> | <b>(172,902)</b>        | <b>(143,409)</b>        |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |          | <b>152,012</b>          | <b>81,333</b>           |
| Tax on profit on ordinary activities                 | <b>7</b> | <b>38,803</b>           | <b>22,820</b>           |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>        |          | <b>113,209</b>          | <b>58,513</b>           |
| Balance brought forward                              |          | <u>1,668,419</u>        | <u>1,609,906</u>        |
| Balance carried forward                              |          | <u><b>1,781,628</b></u> | <u><b>1,668,419</b></u> |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

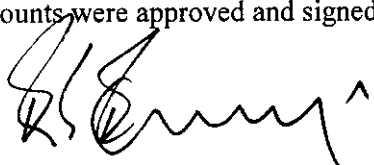
**SEA AIR AND LAND FORWARDING LIMITED****ABBREVIATED BALANCE SHEET****31ST AUGUST 2005**

|  | Note | 2005<br>£      | £                | 2004<br>£      | £                |
|--|------|----------------|------------------|----------------|------------------|
| <b>FIXED ASSETS</b>  |      |                |                  |                |                  |
| Tangible assets  | 8    |                | 3,511,452        |                | 3,561,286        |
| Investments  | 9    |                | 10,000           |                | 10,000           |
|  |      |                | <u>3,521,452</u> |                | <u>3,571,286</u> |
| <b>CURRENT ASSETS</b>  |      |                |                  |                |                  |
| Debtors  | 10   | 1,060,287      |                  | 732,035        |                  |
| Cash at bank and in hand                                       |      | <u>326,884</u> |                  | <u>294,389</u> |                  |
|  |      | 1,387,171      |                  | 1,026,424      |                  |
| <b>CREDITORS: Amounts falling due within one year</b>          | 11   | <u>748,276</u> |                  | <u>465,200</u> |                  |
| <b>NET CURRENT ASSETS</b>                                      |      |                | <u>638,895</u>   |                | <u>561,224</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |                | <u>4,160,347</u> |                | <u>4,132,510</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 12   |                | <u>2,198,719</u> |                | <u>2,284,091</u> |
|  |      |                | <u>1,961,628</u> |                | <u>1,848,419</u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                |                  |                |                  |
| Called-up equity share capital                                 | 14   |                | 180,000          |                | 180,000          |
| Profit and loss account  |      |                | <u>1,781,628</u> |                | <u>1,668,419</u> |
| <b>SHAREHOLDERS' FUNDS</b>                                     | 15   |                | <u>1,961,628</u> |                | <u>1,848,419</u> |

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on 27th February 2006.

DR R S RANGER



**SEA AIR AND LAND FORWARDING LIMITED****CASH FLOW STATEMENT****YEAR ENDED 31ST AUGUST 2005**

|  | Note | 2005<br>£ | £             | 2004<br>£ | £              |
|--|------|-----------|---------------|-----------|----------------|
| NET CASH INFLOW/(OUTFLOW)<br>FROM OPERATING ACTIVITIES | 16   |           | 275,328       |           | (37,320)       |
| RETURNS ON INVESTMENTS<br>AND SERVICING OF FINANCE     | 16   |           | (160,986)     |           | (140,611)      |
| TAXATION   | 16   |           | (22,925)      |           | (77,667)       |
| CAPITAL EXPENDITURE AND<br>FINANCIAL INVESTMENT        | 16   |           | (28,651)      |           | (4,753)        |
| CASH INFLOW/(OUTFLOW) BEFORE<br>FINANCING              |      |           | 62,766        |           | (260,351)      |
| FINANCING  | 16   |           | (30,271)      |           | 418,364        |
| INCREASE IN CASH                                       | 16   |           | <u>32,495</u> |           | <u>158,013</u> |



**SEA AIR AND LAND FORWARDING LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2005****1. ACCOUNTING POLICIES****Basis of accounting**

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

**Consolidation**

In the opinion of the director, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                   |                  |
|-------------------|------------------|
| Buildings         | 2% Straight Line |
| Plant & Machinery | 25% WDV          |
| F&F               | 25% WDV          |
| Motor Vehicles    | 25% WDV          |

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**SEA AIR AND LAND FORWARDING LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31ST AUGUST 2005**

**2. OPERATING PROFIT**

Operating profit is stated after charging:

|  | 2005     | 2004       |
|--|----------|------------|
|  | £        | £          |
| Depreciation of owned fixed assets                         | 62,161   | 73,811     |
| Depreciation of assets held under hire purchase agreements | 16,324   | 13,379     |
| Loss on disposal of fixed assets                           | —        | 3,350      |
| Auditor's remuneration                                     |          |            |
| - as auditor   | 6,000    | 6,600      |
| Net loss on foreign currency translation                   | <u>6</u> | <u>152</u> |

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

|                        | 2005      | 2004      |
|------------------------|-----------|-----------|
|                        | No        | No        |
| Sales and distribution | 9         | 6         |
| Administrative staff   | 9         | 8         |
|                        | <u>18</u> | <u>14</u> |

The aggregate payroll costs of the above were:

|                       | 2005           | 2004           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 421,190        | 373,843        |
| Social security costs | 29,490         | 28,482         |
| Other pension costs   | 2,333          | 2,333          |
|                       | <u>453,013</u> | <u>404,658</u> |

**4. DIRECTOR'S EMOLUMENTS**

The director's aggregate emoluments in respect of qualifying services were:

|                      | 2005         | 2004         |
|----------------------|--------------|--------------|
|                      | £            | £            |
| Aggregate emoluments | <u>2,333</u> | <u>2,333</u> |

The number of directors who accrued benefits under company pension schemes was as follows:

|                         | 2005     | 2004     |
|-------------------------|----------|----------|
|                         | No       | No       |
| Defined benefit schemes | <u>1</u> | <u>1</u> |

**SEA AIR AND LAND FORWARDING LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31ST AUGUST 2005**

**5. INCOME FROM SHARES IN GROUP UNDERTAKINGS**

|                                  | 2005         | 2004     |
|----------------------------------|--------------|----------|
|                                  | £            | £        |
| Dividend from group undertakings | <u>3,000</u> | <u>—</u> |

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

|                               | 2005           | 2004           |
|-------------------------------|----------------|----------------|
|                               | £              | £              |
| Finance charges               | 2,471          | 2,818          |
| Other similar charges payable | <u>170,431</u> | <u>140,591</u> |
|                               | <u>172,902</u> | <u>143,409</u> |

**7. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

|  | 2005          | 2004          |
|--|---------------|---------------|
|  | £             | £             |
| Current tax:   |               |               |
| UK Corporation tax based on the results for the year | 38,698        | 22,820        |
| Over/under provision in prior year                   | <u>105</u>    | <u>—</u>      |
| Total current tax                                    | <u>38,803</u> | <u>22,820</u> |

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2004 - 30%).

|   | 2005           | 2004          |
|---|----------------|---------------|
|   | £              | £             |
| Profit on ordinary activities before taxation | <u>152,012</u> | <u>81,333</u> |
| Profit/(loss) on ord actvs by rate of tax     | <u>38,803</u>  | <u>22,820</u> |
| Total current tax (note 7(a))                 | <u>38,803</u>  | <u>22,820</u> |

## SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

## YEAR ENDED 31ST AUGUST 2005

## 8. TANGIBLE FIXED ASSETS

|                          | Freehold<br>Property<br>£ | Plant &<br>Machinery<br>£ | Fixtures &<br>Fittings<br>£ | Motor<br>Vehicles<br>£ | Total<br>£       |
|--------------------------|---------------------------|---------------------------|-----------------------------|------------------------|------------------|
| <b>COST</b>              |                           |                           |                             |                        |                  |
| At 1 September 2004      | 3,443,723                 | 158,942                   | 300,000                     | 147,513                | 4,050,178        |
| Additions                | —                         | 3,498                     | —                           | 25,153                 | 28,651           |
| <b>At 31 August 2005</b> | <u>3,443,723</u>          | <u>162,440</u>            | <u>300,000</u>              | <u>172,666</u>         | <u>4,078,829</u> |
| <b>DEPRECIATION</b>      |                           |                           |                             |                        |                  |
| At 1 September 2004      | 72,000                    | 120,929                   | 205,079                     | 90,884                 | 488,892          |
| Charge for the year      | 24,000                    | 10,309                    | 23,730                      | 20,446                 | 78,485           |
| <b>At 31 August 2005</b> | <u>96,000</u>             | <u>131,238</u>            | <u>228,809</u>              | <u>111,330</u>         | <u>567,377</u>   |
| <b>NET BOOK VALUE</b>    |                           |                           |                             |                        |                  |
| <b>At 31 August 2005</b> | <u>3,347,723</u>          | <u>31,202</u>             | <u>71,191</u>               | <u>61,336</u>          | <u>3,511,452</u> |
| At 31 August 2004        | <u>3,371,723</u>          | <u>38,013</u>             | <u>94,921</u>               | <u>56,629</u>          | <u>3,561,286</u> |

**Hire purchase agreements**

Included within the net book value of £3,511,452 is £48,967 (2004 - £40,139) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £16,324 (2004 - £13,379).

## 9. INVESTMENTS

**Investment in Group Company**

|  | £             |
|--|---------------|
| <b>COST</b>                                |               |
| At 1st September 2004 and 31st August 2005 | <u>10,000</u> |
| <b>NET BOOK VALUE</b>                      |               |
| <b>At 31st August 2005</b>                 | <u>10,000</u> |
| At 31st August 2004                        | <u>10,000</u> |

## SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2005

## 10. DEBTORS

|                                    | 2005             | 2004           |
|------------------------------------|------------------|----------------|
|                                    | £                | £              |
| Trade debtors                      | 597,716          | 202,601        |
| Amounts owed by group undertakings | 450,000          | 500,000        |
| VAT recoverable                    | 3,277            | 4,049          |
| Other debtors                      | 6,528            | 5,358          |
| Prepayments and accrued income     | 2,766            | 20,027         |
|                                    | <u>1,060,287</u> | <u>732,035</u> |

## 11. CREDITORS: Amounts falling due within one year

|   | 2005           | 2004           |
|---|----------------|----------------|
|   | £              | £              |
| Bank loans and overdrafts                               | 244,888        | 180,620        |
| Trade creditors   | 283,981        | 184,024        |
| Other creditors including taxation and social security: |                |                |
| Corporation tax   | 38,698         | 22,820         |
| PAYE and social security                                | 10,507         | 7,624          |
| Hire purchase agreements                                | <u>11,581</u>  | <u>20,748</u>  |
|   | 60,786         | 51,192         |
| Accruals and deferred income                            | <u>158,621</u> | <u>49,364</u>  |
|   | <u>748,276</u> | <u>465,200</u> |

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 2005           | 2004           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Bank loans and overdrafts | <u>244,888</u> | <u>180,620</u> |

## 12. CREDITORS: Amounts falling due after more than one year

|                           | 2005             | 2004             |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Bank loans and overdrafts | 2,166,581        | 2,265,795        |
| Other creditors:          |                  |                  |
| Hire purchase agreements  | 32,138           | 18,296           |
|                           | <u>2,198,719</u> | <u>2,284,091</u> |

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

|                           | 2005             | 2004             |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Bank loans and overdrafts | <u>2,166,581</u> | <u>2,265,795</u> |

# SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2005

### 13. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

|   | 2005          | 2004          |
|---|---------------|---------------|
|   | £             | £             |
| Amounts payable within 1 year                     | 11,581        | 20,748        |
| Amounts payable between 2 to 5 years              | 32,188        | 18,296        |
|   | <u>43,769</u> | <u>39,044</u> |
| Hire purchase agreements are analysed as follows: |               |               |
| Current obligations                               | 11,581        | 20,748        |
| Non-current obligations                           | 32,138        | 18,296        |
|   | <u>43,719</u> | <u>39,044</u> |

### 14. SHARE CAPITAL

Authorised share capital:

|                                    | 2005           | 2004           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| 500,000 Ordinary shares of £1 each | <u>500,000</u> | <u>500,000</u> |

Allotted, called up and fully paid:

|                            | 2005           |                | 2004           |                |
|----------------------------|----------------|----------------|----------------|----------------|
|                            | No             | £              | No             | £              |
| Ordinary shares of £1 each | <u>180,000</u> | <u>180,000</u> | <u>180,000</u> | <u>180,000</u> |

### 15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

|                                    | 2005             | 2004             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Profit for the financial year      | 113,209          | 58,513           |
| Opening shareholders' equity funds | <u>1,848,419</u> | <u>1,789,906</u> |
| Closing shareholders' equity funds | <u>1,961,628</u> | <u>1,848,419</u> |

### 16. NOTES TO THE STATEMENT OF CASH FLOWS

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

|   | 2005           | 2004            |
|---|----------------|-----------------|
|   | £              | £               |
| Operating profit                                    | 312,998        | 221,944         |
| Depreciation  | 78,485         | 87,190          |
| Loss on disposal of fixed assets                    | —              | 3,350           |
| Increase in debtors                                 | (328,252)      | (295,992)       |
| Increase/(decrease) in creditors                    | <u>212,097</u> | <u>(53,812)</u> |
| Net cash inflow/(outflow) from operating activities | <u>275,328</u> | <u>(37,320)</u> |

**SEA AIR AND LAND FORWARDING LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST AUGUST 2005****16. NOTES TO THE STATEMENT OF CASH FLOWS (continued)****RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

|   | 2005<br>£        | 2004<br>£        |
|---|------------------|------------------|
| Income from group undertakings  | 3,000            | —                |
| Interest received   | 8,916            | 2,798            |
| Interest paid   | (170,431)        | (140,591)        |
| Interest element of hire purchase                                     | <u>(2,471)</u>   | <u>(2,818)</u>   |
| Net cash outflow from returns on investments and servicing of finance | <u>(160,986)</u> | <u>(140,611)</u> |

**TAXATION**

|          | 2005<br>£       | 2004<br>£       |
|----------|-----------------|-----------------|
| TAXATION | <u>(22,925)</u> | <u>(77,667)</u> |

**CAPITAL EXPENDITURE**

|   | 2005<br>£       | 2004<br>£      |
|---|-----------------|----------------|
| Payments to acquire tangible fixed assets | <u>(28,651)</u> | <u>(4,753)</u> |
| Net cash outflow from capital expenditure | <u>(28,651)</u> | <u>(4,753)</u> |

**FINANCING**

|  | 2005<br>£       | 2004<br>£       |
|--|-----------------|-----------------|
| Repayment of bank loans                  | (34,946)        | 439,113         |
| Capital element of hire purchase         | <u>4,675</u>    | <u>(20,749)</u> |
| Net cash (outflow)/inflow from financing | <u>(30,271)</u> | <u>418,364</u>  |

## SEA AIR AND LAND FORWARDING LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

## YEAR ENDED 31ST AUGUST 2005

16. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

|  | 2005           |                    | 2004          |                    |
|--|----------------|--------------------|---------------|--------------------|
|  | £              | £                  | £             | £                  |
| Increase in cash in the period                 | 32,495         |                    | 158,013       |                    |
| Net cash outflow from/(inflow) from bank loans | 34,946         |                    | (439,113)     |                    |
| Cash outflow in respect of hire purchase       | <u>(4,675)</u> |                    | <u>20,749</u> |                    |
|  |                | 62,766             |               | (260,351)          |
| Change in net debt                             |                | 62,766             |               | (260,351)          |
| Net debt at 1 September 2004                   |                | <u>(2,191,070)</u> |               | <u>(1,930,719)</u> |
| Net debt at 31 August 2005                     |                | <u>(2,128,304)</u> |               | <u>(2,191,070)</u> |

## ANALYSIS OF CHANGES IN NET DEBT

|                          | At<br>1 Sep 2004<br>£ | Cash flows<br>£ | At<br>31 Aug 2005<br>£ |
|--------------------------|-----------------------|-----------------|------------------------|
| Net cash:                |                       |                 |                        |
| Cash in hand and at bank | <u>294,389</u>        | <u>32,495</u>   | <u>326,884</u>         |
| Debt:                    |                       |                 |                        |
| Debt due within 1 year   | (180,620)             | (64,268)        | (244,888)              |
| Debt due after 1 year    | (2,265,795)           | 99,214          | (2,166,581)            |
| Hire purchase agreements | <u>(39,044)</u>       | <u>(4,675)</u>  | <u>(43,719)</u>        |
|                          | <u>(2,485,459)</u>    | <u>30,271</u>   | <u>(2,455,188)</u>     |
| Net debt                 | <u>(2,191,070)</u>    | <u>62,766</u>   | <u>(2,128,304)</u>     |