

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 MARCH 1996

REGISTERED NUMBER: 2538541



UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 MARCH 1996

The directors present their report and the audited financial statements for the year ended 30 March 1996.

Business and financial review

The company acts solely as an investment holding company. The directors do not anticipate any change in the activities of the company in the foreseeable future.

Results and dividends

A summary of the results for the year is given in the profit and loss account on page 4. The directors do not recommend the payment of a dividend (1995 - £Nil). The loss for the financial year of £255,626 will be transferred from reserves (1995 - transfer to reserves of £1,467,173).

Fixed assets

Details of movements in fixed assets are given in note 4 to the financial statements.

Directors

The directors who served during the year were as follows:-

L Dane
P Griffiths

Directors' interests

None of the directors had any beneficial interest in the share capital of the company. The beneficial interests of the directors in the ordinary shares of BET Public Limited Company at 2 April 1995 and 30 March 1996 were:

| Director | Ordinary Shares | | Incentive Plans | | Executive Options | | Sharesave Scheme | |
|-------------|-----------------|------|-----------------|------|-------------------|--------|------------------|--------|
| | 1996 | 1995 | 1996 | 1995 | 1996 | 1995 | 1996 | 1995 |
| L Dane | 0 | 0 | 0 | 0 | 0 | 0 | 18,939 | 18,939 |
| P Griffiths | 62 | 62 | 70,361 | 0 | 78,829 | 78,829 | 18,939 | 18,939 |

The directors, together with other participants in the executive share option schemes and the medium term incentive scheme, are potential beneficiaries in respect of the 3,727,808 ordinary shares held by the BET Employee Share Trust, at 30 March 1996.

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 MARCH 1996

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 March 1996. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

An elective resolution has been passed to dispense with the requirement to reappoint auditors annually.

By Order of the Board



L M Dane
Secretary
24 April 1996

**REPORT OF THE AUDITORS
TO THE MEMBERS OF UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
FOR THE YEAR ENDED 30 MARCH 1996**

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Coopers & Lybrand
Chartered Accountants and Registered Auditors
London
24 April 1996**

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 MARCH 1996

| | Notes | 1996 £ | 1995 £ |
|--|-------|-------------|-------------|
| Dividends receivable from subsidiary undertakings | | 681,009 | - |
| Exchange loss | | - | (22,961) |
| Provision against cost of investment in subsidiary | | (902,564) | - |
| Release of provision against cost of investment | | - | 1,490,134 |
| | | ----- | ----- |
| Profit / (loss) on ordinary activities before taxation | | (221,555) | 1,467,173 |
| Taxation | 3 | (34,071) | - |
| | | ----- | ----- |
| Retained profit / (loss) for the year | | (255,626) | 1,467,173 |
| Profit and loss account brought forward | | (2,523,394) | (3,990,567) |
| | | ----- | ----- |
| Profit and loss account carried forward | | (2,779,020) | (2,523,394) |
| | | ===== | ===== |

All the company's results are in respect of continuing activities.

There are no recognised gains or losses other than those recorded in the profit and loss account above and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year, and their historical cost equivalents.

The notes on pages 6 to 8 form part of these financial statements.

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
BALANCE SHEET
AS AT 30 MARCH 1996

| | Notes | 1996 £ | 1995 £ |
|---|-------|-------------------|-------------------|
| Fixed assets | | | |
| Investments | 4 | 10,609,644 | 11,512,208 |
| Current assets | | | |
| Debtors | 5 | 3,486,016 | 2,839,078 |
| | | <u>14,095,660</u> | <u>14,351,286</u> |
| Capital and reserves | | | |
| Called up share capital | 6 | 1,000 | 1,000 |
| Share premium account | | 16,873,680 | 16,873,680 |
| Profit and loss account | | (2,779,020) | (2,523,394) |
| Total equity shareholders' funds | | <u>14,095,660</u> | <u>14,351,286</u> |

The financial statements on pages 4 to 8 were approved by the Board of Directors on 24 April 1996 and signed on its behalf by:


P. Griffiths
Director

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 1996

1. Principal 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, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences arising on translation are reflected in the results for the year.

Investments

Investments in subsidiaries, shown in fixed assets, have been stated at cost less any amounts written off for permanent diminutions in value.

Consolidated accounts

In accordance with the Companies Act 1985 s228(1)(a), consolidated accounts have not been prepared for the company and its subsidiaries since the company is itself a wholly-owned subsidiary of BET Public Limited Company which is incorporated in England & Wales, and prepares consolidated financial statements.

Cash flow statement

The company is a wholly owned subsidiary of BET Public Limited Company and the cash flows of the company are included in the consolidated group cash flow statement of BET Public Limited Company. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT.D)
FOR THE YEAR ENDED 30 MARCH 1996

2. Directors and employees

The company has no employees and accordingly there are no employee costs (1995 - Nil). The directors received no emoluments for services as directors of the company (1995 - Nil).

3. Taxation

| | 1996 £ | 1995 £ |
|--|-----------|-----------|
| Overseas withholding tax on dividends receivable | 34,071 | - |
| | ===== | ===== |

4. Fixed asset investments

The following companies are the principal subsidiary undertakings of United Transport Zimbabwe Freight Limited. The activities of these undertakings involve freight transportation.

| Company | Country of incorporation | Holding - ordinary shares |
|--|-----------------------------|---|
| Unifreight Limited | Zimbabwe | 100% |
| United Tyre Services (Pvt) Limited (held indirectly through a subsidiary undertaking) | Zimbabwe | 80% |
| | | Shares in subsidiary undertakings £ |
| Cost | | |
| At 30 March 1996 and 2 April 1995 | | 16,874,678 |
| | | ===== |
| Provision against diminution in value | | |
| At 2 April 1995 | | 5,362,470 |
| Charge for year | | 902,564 → |
| | | ----- |
| At 30 March 1996 | | 6,265,034 |
| | | ===== |
| Net book value | | |
| At 30 March 1996 | | 10,609,644 |
| | | ===== |
| At 2 April 1995 | | 11,512,208 |
| | | ===== |

UNITED TRANSPORT ZIMBABWE FREIGHT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT.D)
FOR THE YEAR ENDED 30 MARCH 1996

5. Debtors

| | 1996 | 1995 |
|--|-----------|-----------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Due from parent company and fellow subsidiary undertakings | 3,486,016 | 2,839,078 |
| | ===== | ===== |

6. Called up share capital

| | 1996 | 1995 |
|--|-------|-------|
| | £ | £ |
| Authorised, allotted, issued and fully paid 1,000 ordinary shares of £1 each | 1,000 | 1,000 |
| | ===== | ===== |

7. Reconciliation of movements in shareholders' funds

The movement in the shareholders' funds in the year is represented by the movement in the profit and loss reserve as shown on the face of the profit and loss account.

8. Ultimate parent company

The directors regard BET Public Limited Company, a company incorporated in England and Wales, as the ultimate parent company and the ultimate controlling party. Copies of the parent's consolidated financial statements may be obtained from the Company Secretary, BET Public Limited Company, Stratton House, Piccadilly, London W1X 6AS.