

Cradley International Leasing Limited

**FINANCIAL STATEMENTS AND REPORT
For the year ended 30 April 2000**

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Cradley International Leasing Limited

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements of the Company for the year ended 30 April 2000.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of tanker leasing.

DIVIDENDS

The Directors do not recommend the payment of a dividend, leaving a retained profit of £17293 to be transferred to reserves.

DIRECTORS

The Directors in office during the year were as follows:-

A.M. Sutton	
Mrs. D.P. Broadhurst	
S. Dunn	(resigned 15 November 1999)
Miss L.C. Grantham	(appointed 1 March 2000)

The Company is a wholly owned subsidiary of Thomas Cradley Holdings Limited. The interests of the Directors in the share capital of the parent company are shown in the accounts of that Company.

Cradley International Leasing Limited

REPORT OF THE DIRECTORS - Continued

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors 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 period. In preparing those financial statements, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safe-guarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution to re-appoint the Auditors, Jackson Stephen, will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



27/2/2001

Miss L.C. Grantham

Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF CRADLEY INTERNATIONAL LEASING LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 as at 30 April 2000 and of the Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Jackson Stephen,
Chartered Accountants,
Registered Auditor.

28/2/2001

Broseley House,
116 Bradshawgate,
LEIGH,
Lancs. WN7 4NT

Cradley International Leasing Limited

PROFIT AND LOSS ACCOUNT For the year ended 30 April 2000

	<u>Note</u>	<u>2000</u> £	<u>1999</u> £
TURNOVER		907551	893142
Cost of sales		(540223)	(493142)
GROSS PROFIT		367328	400000
Administrative expenses		(350035)	(375105)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	17293	24895
Taxation	4	-	-
RETAINED PROFIT FOR THE YEAR	9	£ 17293	£ 24895

Cradley International Leasing Limited

BALANCE SHEET

30 April 2000

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		£	£
FIXED ASSETS			
Tangible assets	5	6172485	5920516
CURRENT ASSETS			
Debtors: Amounts falling due within one year	6	224294	-
Debtors: Amounts falling due after more than one year	6	2041595	1787582
Cash at bank and in hand		<u>849</u>	<u>-</u>
		2266738	1787582
CREDITORS: Amounts falling due within one year	7a	<u>216735</u>	<u>25081</u>
NET CURRENT ASSETS		<u>2050003</u>	<u>1762501</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8222488	7683017
CREDITORS: Amounts falling due after more than one year 7b		<u>7833923</u>	<u>7311745</u>
NET ASSETS		<u>£ 388565</u>	<u>£ 371272</u>
CAPITAL AND RESERVES			
Called up share capital	8	10000	10000
Profit and loss account	9	<u>378565</u>	<u>361272</u>
SHAREHOLDERS' FUNDS		<u>£ 388565</u>	<u>£ 371272</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 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements on pages 5 to 10 were approved by the Board of Directors on 27/2/2001 and were signed on its behalf by:



Miss L.C. Grantham
Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2000

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the more important accounting policies is set out below.

a) *Basis of Accounting*

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

b) *Turnover*

Turnover represents the invoiced value of services supplied excluding value added tax and trade discounts.

c) *Tangible Fixed Assets*

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values over the expected useful economic lives of the assets as follows:-

Tankers 6.6% per annum (straight line basis)

2. DIRECTORS EMOLUMENTS

No Director was paid any emoluments by the Company during the year (1999: £Nil).

Cradley International Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS - Continued **For the year ended 30 April 2000**

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2000</u>	<u>1999</u>
Profit before taxation is stated after charging:		
Depreciation		
- Tangible owned fixed assets	£ 512612	£ 493142
- Tangible fixed assets held under finance leases and purchase contracts	£ 27611	£ -
	<u> </u>	<u> </u>

4. TAXATION

	<u>2000</u>	<u>1999</u>
U.K. Corporation Tax:		
Current year	-	-
Over charged in prior year	<u>-</u>	<u>-</u>
£	<u>-</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	<u>Plant and Machinery etc.</u>
COST	
At 1 May 1999	7375699
Additions	<u>792192</u>
At 30 April 2000	8167891
	<u> </u>
DEPRECIATION	
At 1 May 1999	1455183
Charge for the year	<u>540223</u>
At 30 April 2000	1995406
	<u> </u>
NET BOOK VALUE:	
At 30 April 2000	£ 6172485
	<u> </u>
At 30 April 1999	£ 5920516
	<u> </u>

The net book value of tangible fixed assets includes an amount of £764581 in respect of assets held under finance leases and hire purchase contracts.

Cradley International Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS - Continued **For the year ended 30 April 2000**

6. DEBTORS

	<u>2000</u>	<u>1999</u>
Amounts due from group companies	£ 2265889	£ 1787582
	<u> </u>	<u> </u>

Amounts due from group companies totalling £2041595 (1999: £1787582) are receivable after more than one year.

7. CREDITORS

	<u>2000</u>	<u>1999</u>
a) Amounts falling due within one year:		
Bank overdraft	-	21608
Other taxation and social security	76621	3473
Obligations under finance leases and hire purchase contracts (secured)	<u>140114</u>	<u>-</u>
	£ 216735	£ 25081
	<u> </u>	<u> </u>

b) Amounts falling due after more than one year:

Amounts owed to group companies (secured)	7240045	7311745
Obligations under finance leases and hire purchase contracts (secured)	<u>593878</u>	<u>-</u>
	£ 7833923	£ 7311745
	<u> </u>	<u> </u>

The total amount of creditors secured was £7974037 (1999: £7311745)

8. CALLED UP SHARE CAPITAL

	<u>2000</u>	<u>1999</u>
Authorised, allotted, called up and fully paid 10000 Ordinary Shares of £1 each	£ 10000	£ 10000
	<u> </u>	<u> </u>

9. RESERVES

	<u>Profit and Loss Account</u>
At 1 May 1999	361272
Retained profit for the year	<u>17293</u>
At 30 April 2000	£ 378565
	<u> </u>

Cradley International Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS - Continued **For the year ended 30 April 2000**

10. PARENT COMPANY

The parent company is Thomas Cradley Holdings Limited.

11. RELATED PARTY DISCLOSURES

The Company relies on the exemption for non-disclosure of certain related party transactions as it is included within the consolidated accounts of its parent company Thomas Cradley Holdings Limited.

At 30 April 2000, amounts owed to and due from group companies included the following:-

Owed to Thomas Cradley Holdings Limited	£ 7240045
Due from Suttons International Limited	£ 1898626
Due from Sutton & Son (St. Helens) Limited	£ 367263