

REGISTERED NUMBER: 03664050

**N G LOGISTICS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2003**



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For The Year Ended 30 September 2003**

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**COMPANY INFORMATION**  
**For The Year Ended 30 September 2003**

**DIRECTORS:**

N L Short  
P D O'Brien  
G Dean  
M J Rue

**SECRETARY:**

N L Short

**REGISTERED OFFICE:**

Unit 1, The Griffin Centre  
Staines Road  
Feltham  
Middlesex  
TW14 0HS

**REGISTERED NUMBER:**

03664050

**AUDITORS:**

James & Cowper  
Registered Auditor and  
Chartered Accountants  
3 Wesley Gate  
Queens Road  
Reading  
Berkshire RG1 4AP

# **N G LOGISTICS LIMITED**

## **REPORT OF THE DIRECTORS For The Year Ended 30 September 2003**

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2003.

### **PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of multi-modal international freight forwarding agents offering a wide range of services including third party logistics and inventory management.

### **REVIEW OF BUSINESS**

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

### **DIVIDENDS**

The total distribution of dividends for the year ended 30 September 2003 will be £120,000.

### **FIXED ASSETS**

The changes in fixed assets during the year are summarised in the accounts. Additions in the year amounted to £36,772 of which £12,776 related to fixtures and fittings and £23,996 related to computer equipment. Disposals in the year at cost amounted to £98,829 of which £57,356 related to computer equipment and £41,473 related to motor vehicles.

### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

### **DIRECTORS**

The directors during the year under review were:

N L Short  
P D O'Brien  
G Dean  
M J Rue

The beneficial interests of the directors holding office on 30 September 2003 in the issued share capital of the company were as follows:

	30.9.03	1.10.02
<b>Ordinary £1 shares</b>		
N L Short	145	145
P D O'Brien	285	285
G Dean	285	285
M J Rue	285	285

### **CHARITABLE DONATIONS**

During the year the group made charitable donations of £1,320 (£2002: £757).

### **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 the group and of the profit or loss of the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


**REPORT OF THE DIRECTORS  
For The Year Ended 30 September 2003**

**AUDITORS**

The auditors, James & Cowper, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

**ON BEHALF OF THE BOARD:**



.....  
N L Short - Director

Date: 3rd December 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
N G LOGISTICS LIMITED**

We have audited the financial statements of N G Logistics Limited for the year ended 30 September 2003 on pages five to twenty. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 affairs of the company and the group as at 30 September 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



James & Cowper  
Registered Auditor and  
Chartered Accountants  
3 Wesley Gate  
Queens Road  
Reading  
Berkshire RG1 4AP

Date: .....31 Dec 2003.....

**N G LOGISTICS LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**For The Year Ended 30 September 2003**

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
<b>TURNOVER</b>			<b>18,095,354</b>		<b>16,575,896</b>
Cost of sales			<u>14,096,220</u>		<u>12,523,650</u>
<b>GROSS PROFIT</b>			<b>3,999,134</b>		<b>4,052,246</b>
Distribution costs		128,873		126,309	
Administrative expenses		<u>3,505,794</u>		<u>3,473,010</u>	
			<u>3,634,667</u>		<u>3,599,319</u>
<b>OPERATING PROFIT</b>	3		<b>364,467</b>		<b>452,927</b>
Interest receivable and similar income			<u>632</u>		<u>1,309</u>
			<b>365,099</b>		<b>454,236</b>
Interest payable and similar charges	4		<u>42,345</u>		<u>52,981</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>322,754</b>		<b>401,255</b>
Tax on profit on ordinary activities	5		<u>102,431</u>		<u>136,913</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			<b>220,323</b>		<b>264,342</b>
Dividends	7		<u>120,000</u>		<u>120,000</u>
<b>RETAINED PROFIT FOR THE YEAR FOR THE GROUP</b>			<u><b>100,323</b></u>		<u><b>144,342</b></u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

**N G LOGISTICS LIMITED**

**CONSOLIDATED BALANCE SHEET**  
30 September 2003

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		502,989		533,730
Tangible assets	9		221,705		296,129
Investments	10		<u>2,000</u>		<u>2,000</u>
			726,694		831,859
<b>CURRENT ASSETS</b>					
Debtors	11	3,400,011		3,677,961	
Cash at bank		<u>508,320</u>		<u>344,941</u>	
		3,908,331		4,022,902	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>4,261,426</u>		<u>4,422,829</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(353,095)</u>		<u>(399,927)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			373,599		431,932
<b>CREDITORS</b>					
Amounts falling due after more than one 13 year			122,266		280,922
			<u>251,333</u>		<u>151,010</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		1,000		1,000
Profit and loss account	18		<u>250,333</u>		<u>150,010</u>
<b>SHAREHOLDERS' FUNDS</b>	23		<u>251,333</u>		<u>151,010</u>

**ON BEHALF OF THE BOARD:**



N L Short - Director

Approved by the Board on 3rd December 2003


The notes form part of these financial statements

**N G LOGISTICS LIMITED**

**COMPANY BALANCE SHEET**  
**30 September 2003**

	Notes	2003		2002	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments	10		1,632,032		1,632,032
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>1,465,507</u>		<u>1,338,902</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,465,507)</u>		<u>(1,338,902)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			166,525		293,130
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		119,000		259,000
			<u>47,525</u>		<u>34,130</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		1,000		1,000
Profit and loss account	18		<u>46,525</u>		<u>33,130</u>
<b>SHAREHOLDERS' FUNDS</b>	23		<u>47,525</u>		<u>34,130</u>

**ON BEHALF OF THE BOARD:**



N L Short - Director

Approved by the Board on 3<sup>rd</sup> December 2003

The notes form part of these financial statements

**CASH FLOW STATEMENT**  
**For The Year Ended 30 September 2003**

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
<b>Net cash inflow from operating activities</b>	1		<b>658,930</b>		<b>744,634</b>
<b>Returns on investments and servicing of finance</b>	2		<b>(41,713)</b>		<b>(51,672)</b>
<b>Taxation</b>			<b>(136,913)</b>		<b>(119,513)</b>
<b>Capital expenditure</b>	2		<b>(23,122)</b>		<b>(84,640)</b>
<b>Equity dividends paid</b>			<b>(120,000)</b>		<b>(120,000)</b>
			<b>337,182</b>		<b>368,809</b>
<b>Financing</b>	2		<b>(158,656)</b>		<b>(121,950)</b>
<b>Increase in cash in the period</b>			<b><u>178,526</u></b>		<b><u>246,859</u></b>
<hr/>					
<b>Reconciliation of net cash flow to movement in net debt</b>	3				
Increase in cash in the period		<b>178,526</b>		<b>246,859</b>	
Cash outflow from decrease in debt and lease financing		<b><u>158,656</u></b>		<b><u>121,950</u></b>	
Change in net debt resulting from cash flows			<b><u>337,182</u></b>		<b><u>368,809</u></b>
<b>Movement in net debt in the period</b>			<b>337,182</b>		<b>368,809</b>
<b>Net debt at 1 October</b>			<b><u>(210,462)</u></b>		<b><u>(579,271)</u></b>
<b>Net funds/(debt) at 30 September</b>			<b><u>126,720</u></b>		<b><u>(210,462)</u></b>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
For The Year Ended 30 September 2003**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2003 £	2002 £
Operating profit	364,467	452,927
Depreciation charges	131,716	166,329
Loss/(Profit) on disposal of fixed assets	1,617	(894)
Goodwill amortisation	(5,046)	(17,442)
Decrease/(Increase) in debtors	277,950	(115,223)
(Decrease)/Increase in creditors	<u>(111,774)</u>	<u>258,937</u>
<b>Net cash inflow from operating activities</b>	<b><u>658,930</u></b>	<b><u>744,634</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest received	632	1,309
Interest paid	(39,700)	(50,569)
Interest element of hire purchase payments	<u>(2,645)</u>	<u>(2,412)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(41,713)</u></b>	<b><u>(51,672)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(36,772)	(87,521)
Sale of tangible fixed assets	<u>13,650</u>	<u>2,881</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(23,122)</u></b>	<b><u>(84,640)</u></b>
<b>Financing</b>		
Loan repayments in year	(140,000)	(140,000)
Capital repayments in year	<u>(18,656)</u>	<u>18,050</u>
<b>Net cash outflow from financing</b>	<b><u>(158,656)</u></b>	<b><u>(121,950)</u></b>

NOTES TO THE CASH FLOW STATEMENT  
For The Year Ended 30 September 2003

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.10.02 £	Cash flow £	At 30.9.03 £
Net cash:			
Cash at bank	344,941	163,379	508,320
Bank overdraft	<u>(164,825)</u>	<u>15,147</u>	<u>(149,678)</u>
	<u>180,116</u>	<u>178,526</u>	<u>358,642</u>
Debt:			
Hire purchase	(40,578)	18,656	(21,922)
Debts falling due within one year	(140,000)	-	(140,000)
Debts falling due after one year	<u>(210,000)</u>	<u>140,000</u>	<u>(70,000)</u>
	<u>(390,578)</u>	<u>158,656</u>	<u>(231,922)</u>
Total	<u>(210,462)</u>	<u>337,182</u>	<u>126,720</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended 30 September 2003**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Basis of consolidation**

The group financial statements consolidate the financial statements of the company and all its subsidiaries made up to 30 September 2003.

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

**Goodwill**

Goodwill being the amount in connection of the acquisition of the business is being written off over its estimated useful life of 20 years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 20% straight line and 10% straight line
Motor vehicles	- 20% straight line
Computer equipment	- 25% straight line

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pensions**

The group operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Investments**

Investments in subsidiary undertakings are stated at cost less provision for permanent diminution in value. Investments held as fixed assets are stated at cost less provision for diminution in value.

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003**

**2. STAFF COSTS**

	2003	2002
	£	£
Wages and salaries	1,819,898	1,788,645
Social security costs	188,110	175,166
Other pension costs	144,993	128,115

The average monthly number of employees during the year was as follows:

	30.09.03	30.09.02
Warehousing and forwarding staff	65	67
Administrative	17	16

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2003	2002
	£	£
Depreciation - owned assets	77,461	106,788
Depreciation - assets on hire purchase contracts	18,468	11,358
Loss/(Profit) on disposal of fixed assets	1,617	(894)
Goodwill written off	30,741	30,741
Auditors remuneration	13,000	13,000
Other lease rentals	<u>340,256</u>	<u>315,683</u>

Directors' emoluments	295,031	279,578
Directors' pension contributions to money purchase schemes	<u>68,000</u>	<u>76,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>4</u>
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Information regarding the highest paid director is as follows:

	2003	2002
	£	£
Emoluments etc	<u>70,998</u>	<u>71,000</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2003	2002
	£	£
Bank interest	39,700	50,569
Hire purchase	<u>2,645</u>	<u>2,412</u>
	<u>42,345</u>	<u>52,981</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended 30 September 2003**

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2003 £	2002 £
Current tax:		
UK corporation tax	<u>102,431</u>	<u>136,913</u>
Tax on profit on ordinary activities	<u>102,431</u>	<u>136,913</u>

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>322,754</u>	<u>401,255</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002 - 30%)	96,826	120,377
Effects of:		
Marginal relief	(12,247)	(8,860)
Disallowable expenditure	13,169	16,542
Depreciation in advance of capital allowances	5,334	8,333
Short term timing differences	<u>(651)</u>	<u>521</u>
Current tax charge	<u>102,431</u>	<u>136,913</u>

**6. PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £13,395 (2002 - £12,708).

**7. DIVIDENDS**

	2003 £	2002 £
Equity shares:		
Interim	<u>120,000</u>	<u>120,000</u>

NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
<b>COST:</b>	
At 1 October 2002	
and 30 September 2003	<u>614,823</u>
<b>AMORTISATION:</b>	
At 1 October 2002	81,093
Amortisation for year	<u>30,741</u>
At 30 September 2003	<u>111,834</u>
<b>NET BOOK VALUE:</b>	
At 30 September 2003	<u>502,989</u>
At 30 September 2002	<u>533,730</u>

9. TANGIBLE FIXED ASSETS

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST:</b>				
At 1 October 2002	450,771	314,391	277,393	1,042,555
Additions	12,776	-	23,996	36,772
Disposals	<u>-</u>	<u>(41,473)</u>	<u>(57,356)</u>	<u>(98,829)</u>
At 30 September 2003	<u>463,547</u>	<u>272,918</u>	<u>244,033</u>	<u>980,498</u>
<b>DEPRECIATION:</b>				
At 1 October 2002	339,590	165,081	241,755	746,426
Charge for year	29,004	49,484	17,441	95,929
Eliminated on disposal	<u>-</u>	<u>(26,247)</u>	<u>(57,315)</u>	<u>(83,562)</u>
At 30 September 2003	<u>368,594</u>	<u>188,318</u>	<u>201,881</u>	<u>758,793</u>
<b>NET BOOK VALUE:</b>				
At 30 September 2003	<u>94,953</u>	<u>84,600</u>	<u>42,152</u>	<u>221,705</u>
At 30 September 2002	<u>111,181</u>	<u>149,310</u>	<u>35,638</u>	<u>296,129</u>

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003**

**9. TANGIBLE FIXED ASSETS - continued**

**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST:</b>			
At 1 October 2002 and 30 September 2003	<u>45,210</u>	<u>47,160</u>	<u>92,370</u>
<b>DEPRECIATION:</b>			
At 1 October 2002	2,560	9,267	11,827
Charge for year	<u>9,036</u>	<u>9,432</u>	<u>18,468</u>
At 30 September 2003	<u>11,596</u>	<u>18,699</u>	<u>30,295</u>
<b>NET BOOK VALUE:</b>			
At 30 September 2003	<u>33,614</u>	<u>28,461</u>	<u>62,075</u>
At 30 September 2002	<u>42,650</u>	<u>37,893</u>	<u>80,543</u>

**10. FIXED ASSET INVESTMENTS**

**Group**

	<b>Unlisted investments £</b>
<b>COST:</b>	
At 1 October 2002 and 30 September 2003	<u>27,068</u>
<b>PROVISIONS:</b>	
At 1 October 2002 and 30 September 2003	<u>25,068</u>
<b>NET BOOK VALUE:</b>	
At 30 September 2003	<u>2,000</u>
At 30 September 2002	<u>2,000</u>

**Company**

	<b>Listed investments £</b>
<b>COST:</b>	
At 1 October 2002 and 30 September 2003	<u>1,632,032</u>
<b>NET BOOK VALUE:</b>	
At 30 September 2003	<u>1,632,032</u>
At 30 September 2002	<u>1,632,032</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended 30 September 2003**

**10. FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiary**

**Norman Global Logistics Limited**

Country of incorporation: Great Britain

Nature of business: Freight forwarding

	%	2003	2002
	holding	£	£
Class of shares:			
Ordinary A	100.00		
Aggregate capital and reserves		1,332,851	1,215,182
Profit for the year		<u>117,669</u>	<u>162,375</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	
	2003	2002
	£	£
Trade debtors	3,195,895	3,418,192
Other debtors	46,906	58,063
Prepayments and accrued income	<u>157,210</u>	<u>201,706</u>
	<u><b>3,400,011</b></u>	<u><b>3,677,961</b></u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	<b>Company</b>	
	2003	2002	2003
	£	£	£
Bank loans and overdrafts (see note 14)	289,678	304,825	140,000
Hire purchase contracts (see note 15)	18,656	18,656	-
Trade creditors	3,704,709	3,723,742	-
Taxation	102,431	136,913	3,348
Other creditors	409	-	409
Social security	53,621	51,960	-
Accruals	91,922	186,733	-
Amounts owed to group u/taking	<u>-</u>	<u>-</u>	<u>1,321,750</u>
	<u><b>4,261,426</b></u>	<u><b>4,422,829</b></u>	<u><b>1,465,507</b></u>
			<u><b>1,338,902</b></u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	<b>Company</b>	
	2003	2002	2003
	£	£	£
Bank loans (see note 14)	70,000	210,000	70,000
Hire purchase contracts (see note 15)	3,266	21,922	-
Directors current accounts	<u>49,000</u>	<u>49,000</u>	<u>49,000</u>
	<u><b>122,266</b></u>	<u><b>280,922</b></u>	<u><b>119,000</b></u>
			<u><b>259,000</b></u>

NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	149,678	164,825	-	-
Bank loans - less than 1 yr	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>
	<u>289,678</u>	<u>304,825</u>	<u>140,000</u>	<u>140,000</u>
Amounts falling due between one and two years:				
Loan	<u>70,000</u>	<u>210,000</u>	<u>70,000</u>	<u>210,000</u>

15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2003	2002
	£	£
Gross obligations repayable:		
Within one year	21,301	21,416
Between one and five years	<u>3,694</u>	<u>27,443</u>
	<u>24,995</u>	<u>48,859</u>
Finance charges repayable:		
Within one year	2,645	2,760
Between one and five years	<u>428</u>	<u>5,521</u>
	<u>3,073</u>	<u>8,281</u>
Net obligations repayable:		
Within one year	18,656	18,656
Between one and five years	<u>3,266</u>	<u>21,922</u>
	<u>21,922</u>	<u>40,578</u>

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003**

**15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following payments are committed to be paid within one year:

**Group**

	<b>Land and buildings operating leases</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Expiring:		
Between one and five years	<b>69,225</b>	70,875
In more than five years	<b><u>271,030</u></b>	<u>272,783</u>
	<b><u>340,255</u></b>	<u>343,658</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdraft	<b>149,678</b>	164,825	-	-
Bank loans	<b>210,000</b>	350,000	<b>210,000</b>	350,000
Hire purchase contracts	<b><u>21,922</u></b>	<u>40,578</u>	<u>-</u>	<u>-</u>
	<b><u>381,600</u></b>	<u>555,403</u>	<b><u>210,000</u></b>	<u>350,000</u>

The bank loan and overdraft are secured by:

A debenture dated 10 February 2000 and an unlimited guarantee on the assets of Norman Global Logistics Limited, a 100% subsidiary.

A debenture dated 10 February 2000 and an unlimited guarantee on the assets of N G Logistics Limited.

Hire purchase contracts are secured on the assets acquired.

**17. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2003</b>	<b>2002</b>
			<b>£</b>	<b>£</b>
1,000	Ordinary	£1	<b><u>1,000</u></b>	<u>1,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003**

**18. RESERVES**

**Group**

	Profit and loss account £
At 1 October 2002	150,010
Retained profit for the year	<u>100,323</u>
At 30 September 2003	<u>250,333</u>

**Company**

	Profit and loss account £
At 1 October 2002	33,130
Retained profit for the year	<u>13,395</u>
At 30 September 2003	<u>46,525</u>

**19. CONTINGENT LIABILITIES**

The company is a member of a group value added tax registration arrangement and is contingently liable for the unpaid value added tax of other members of the group registration. The liabilities at 30 September 2003 have been settled since the end of the financial period.

The company has given an unlimited guarantee and debenture in support of its subsidiary company Norman Global Logistics Limited.

**20. TRANSACTIONS WITH DIRECTORS**

At the year end the directors of the company were owed the following amounts

	2003 £	2002 £
N L Short	7,105	7,105
P D O'Brien	13,965	13,965
G Dean	13,965	13,965
M J Rue	13,965	13,965

**21. RELATED PARTY DISCLOSURES**

The company is controlled by the directors of the company by virtue of their shareholdings as shown in the Report of the Directors. No one person has ultimate control of the company.

The company owns 100% of the voting share capital of Norman Global Logistics Limited.

During the year N G Logistics Limited charged Norman Global Logistics Limited £369,423 (2002: £361,607) for management fees.

At the year end the company owed Norman Global Logistics Limited £1,321,750 (2002: £1,195,726).

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 30 September 2003**

**22. POST BALANCE SHEET EVENTS**

On 28 November 2003 5,100 of the preferred ordinary 'A' £1 shares owned by I Terry were bought by N G Logistics Limited for £750,000.

**23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>220,323</b>	264,342
Dividends	<b>(120,000)</b>	<b>(120,000)</b>
<b>Net addition to shareholders' funds</b>	<b>100,323</b>	144,342
Opening shareholders' funds	<b>151,010</b>	<b>6,668</b>
<b>Closing shareholders' funds</b>	<b><u>251,333</u></b>	<b><u>151,010</u></b>
 Equity interests	 <b><u>251,333</u></b>	 <b><u>151,010</u></b>

**Company**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>13,395</b>	12,708
Issued Share Capital	<b>—</b>	<b>—</b>
<b>Net addition to shareholders' funds</b>	<b>13,395</b>	12,708
Opening shareholders' funds	<b>34,130</b>	<b>21,422</b>
<b>Closing shareholders' funds</b>	<b><u>47,525</u></b>	<b><u>34,130</u></b>
 Equity interests	 <b><u>47,525</u></b>	 <b><u>34,130</u></b>